CITY COUNCIL MEETING MINUTES FROM MARCH 19, 2024

CALL TO ORDER: Mayor Patricia Randall called the Regular Meeting to order at 06:00 PM in the Council Chambers at Portage City Hall.

ROLL CALL: Councilmembers Chris Burns, Victor Ledbetter, Nicole Miller, Terry Urban, Jihan Young, Mayor Pro Tem Jim Pearson, and Mayor Patricia Randall were present.

ABSENT: None.

ALSO PRESENT: City Manager Pat McGinnis, Chief Operating Officer Adam Herringa, Chief Development Officer Peter Dame, City Attorney Catherine Kaufman, and City Clerk Erica Eklov.

At the request of Mayor Randall, the audience observed a moment of silence to reflect on working together to ensure Portage remains a thriving city. Following the moment of silence, the City Council recited the Pledge of Allegiance.

PETITIONS AND STATEMENTS OF CITIZENS (3 MINS. PER SPEAKER):

1. Alan Loveridge (23965 88th Avenue, Marcellus) spoke regarding jobs in relation to the U.S./Mexico border, as well as electric vehicles.
2. Marissa Wagner (3110 Darmo Street, Kalamazoo) made comments regarding the Gaza/Israel conflict. She noted the companies that are funding the war and urged the city to divest any city funds to these entities.
3. Christine Johnson (310 W. Melody Avenue) provided statements against the conflict in Palestine, noting her son had addressed the City Council previously. She urged the Councilmembers to contact federal representatives alongside the citizens and expressed concern for a decrease in pro-Palestinian speakers, citing a lack of apparent response from the Council.

CONSENT AGENDA: Mayor Randall shared where the public can access the meeting agenda and asked if any would like an item removed from the Consent Agenda. Councilmember Burns removed Item B.5 (Water Service Line Contract) from the Consent Agenda.

Motion by Young, seconded by Ledbetter, to approve the Consent Agenda as amended. Upon a roll call vote, motion carried 7 to 0.

Approval of Minutes: Motion by Young, seconded by Ledbetter, to approve the City Council Meeting Minutes of the Regular Meeting of March 5, 2024. Upon a roll call vote, motion carried 7 to 0.

Accounts Payable Register: Motion by Young, seconded by Ledbetter, to approve the Accounts Payable Register of March 19, 2024, as presented. Upon a roll call vote, motion carried 7 to 0.

Contract for City Hall Solar Array System installation: Motion by Young, seconded by Ledbetter, to award a contract in the amount of $433,929 to Helios Solar for the installation and maintenance of a solar array on the roof of Portage City Hall and authorize the City Manager to execute all documents related to this action on behalf of the city. Upon a roll call vote, motion carried 7 to 0.

Mowing & Trimming of Well Fields, Lift Stations, and Retention Basins – Bid Tabulation: Motion by Young, seconded by Ledbetter, to approve a 5-year contract with J & J Lawn Service Incorporated, of Portage, Michigan in the amount of $349,916.80 for the mowing and trimming of well fields, lift stations, and retention basins and authorize the City Manager to execute all documents related to the contract on behalf of the city. Upon a roll call vote, motion carried 7 to 0.

Rezoning Application No. 23/24-4 (600 W. Milham Avenue): Motion by Young, seconded by Ledbetter, to receive Rezoning Application No. 23/24-4 to rezone 600 West Milham Avenue from OS-1 Office Service District to B-1 Local Business District and from R-1A One Family Residential District to P-1 Vehicular Parking District to facilitate future development, and set a public hearing for April 23, 2024. Upon a roll call vote, motion carried 7 to 0.

Brownfield Redevelopment Plan – TST Portage, LLC, 5870 and 5960 South Sprinkle Road: Motion by Young, seconded by Ledbetter, to accept the City of Portage Brownfield Redevelopment Plan Application, with Brownfield Redevelopment Plan Amendment No. 12, TST Portage, LLC, 5870 and 5960 South Sprinkle Road, and set a Public Hearing for April 9, 2024; and subsequent to the public hearing, consider approval. Upon a roll call vote, motion carried 7 to 0.

Board & Commission Interviews: Motion by Young, seconded by Ledbetter, to set a Special Meeting for Tuesday, May 28, 2024, at 4:00 p.m. to review Board and Commission applicants. Upon a roll call vote, motion carried 7 to 0.

Minutes of Boards and Commissions: Motion by Young, seconded by Ledbetter, to receive the minutes of the Human Services Board of February 1, 2024. Upon a roll call vote, motion carried 7 to 0.

Calendar of Meetings: Motion by Young, seconded by Ledbetter, to receive the Calendar of Meetings as presented. Upon a roll call vote, motion carried 7 to 0.

PUBLIC HEARINGS:

Rezoning application No. 23/24-3 to rezone 1330 E. Centre Avenue from OS-1 Office Service District to B-1 Local Business District: At the invitation of the Mayor, City Manager McGinnis summarized the item and introduced Chief Development Officer (CDO) Pete Dame. CDO Dame provided a brief presentation regarding the proposed rezoning, noting that in addition to 1330 East Centre Avenue the applicant also owns the adjoining properties at 1306 and 1316 East Centre Avenue, and plans to sell the properties together with a matching zoning designation. He also presented the Future Land Use Map, as well as a zoning comparison between Office Service and Local Business.

Councilmember Ledbetter asked about the occupancy of the house. CDO Dame responded, clarifying there were two residences that he believed were currently occupied across the three lots.

Councilmember Burns asked about the residentially zoned parcel across East Centre Avenue. CDO Dame responded, stating that the Master Plan focused on rezoning that location to office or business to match that of the surrounding parcels. Motion by Pearson, seconded by Miller, to close the public hearing. Upon a voice vote, motion carried 7 to 0.

Motion to Pearson, seconded by Burns, to approve Rezoning Application No. 23/24-3 to rezone 1330 East Centre Avenue from OS-1 Office Service District to B-1 Local Business District to facilitate future commercial development. Councilmember Urban commented on prior zoning and future planning efforts by City Administrations and zoning boards, cautioning about rezoning any additional lots in the area to ensure a residential buffer. Upon a roll call vote, motion carried 7 to 0.

REGULAR BUSINESS AGENDA:

Water Service Physical Material Verification: Councilmember Burns asked if he understood the basis for the proposal, discussing a state mandate to additionally test public water systems for the potential of lead, and asked if any additional state or other funding support was available. City Manager McGinnis responded then deferred to Transportation and Utilities Director, Kendra Gwin.

Director Gwin further elaborated, stating there were approximately 4,400 water service leads the city did not have documentation of the service type. However, a random sampling of approximately 350 water service leads would narrow the number required for excavation and testing under current state and federal guidelines. Councilmember Burns asked if the city was tracking those water services that required any city attention to ensure additional excavation could be avoided. Director Gwin confirmed. Councilmember Burns then asked who would be responsible for replacement if lead was found. Director Gwin replied that the city was responsible for the sections leading to the meter.

Councilmember Burns then asked whether the subject properties were being notified of the upcoming excavation, to which Director Gwin confirmed letters would be mailed. Mayor Pro Tem Pearson asked Director Gwin to verify the number of service leads. Director Gwin restated that 4,400 residential service line types are not on record with the city. Mayor Pro Tem Pearson then asked if his calculations of approximately $1 million overall to investigate each location would ultimately be necessary. Director Gwin responded that random sampling was the current goal in order to narrow down the remainder of the service types on the entire street. Mayor Pro Tem Pearson asked whether a plan is in place to do another set of 350 samples later. Director Gwin answered not at this time.

Councilmember Urban asked Director Gwin whether it was a random sampling or targeted sampling to ensure all areas were addressed. Director Gwin responded that the state provided the formula and direction to determine the sampling. Councilmember Urban asked Director Gwin to ensure that the sampling formula did not miss any areas.

Councilmember Miller echoed the need to confirm the water services, as well as correction while minimizing the interruption to the residents and impact to city funds.

Motion by Burns, seconded by Pearson, to award a contract for the excavation and verification of water service line material to Taplin Group, LLC, Kalamazoo, Michigan in the amount not to exceed $140,155.74 and authorize the City Manager to execute all documents related to the contract on behalf of the city. Upon a roll call vote, motion carried 7 to 0.

UNFINISHED BUSINESS:

Rental of City-Owned Property at 9303 Portage Road: At the Mayor’s request, City Manager McGinnis provided a brief history of the property and the surrounding Lakeview Park area. He noted that the City Administration had proposed demolition of the subject property before the City Council a month prior, during which time the Council had requested the Administration review the possibility of maintaining and renting the property.

Councilmember Burns apologized for missing the prior discussion regarding the property but relayed his preference was to solicit the property for sale as opposed to the city becoming a landlord. Mayor Randall relayed that the City had also reviewed the possibility of relocating the structure, which proved difficult due to the multi-level nature of the building. She then asked about the projected revenue between taxes and rental income.

City Manager McGinnis responded to both Mayor Randall and Councilmember Burns' comments, including the city's plan to hire a property management firm.

Councilmember Young appreciated the City Administration's concern about becoming a landlord, but noted the national housing shortage that the City Council was also trying to address. She expressed an interest in working with a property management company to secure a family for the property but was amenable to a 12-month lease and the city's ability to re-evaluate the arrangement if necessary.

Mayor Pro Tem Pearson relayed that he had toured the house and was also supportive of a short-term, 12-month lease while the City continued to consider its options. He relayed his prior participation on the Lake Center District Committee and the lack of a plan for the property when it was purchased, noting the re-development of the Lake Center District Area is a long-range effort.

Councilmember Urban asked for clarification regarding the tabulation on the last page of the report, quoting approximately $3,000 in tax revenue, and questioned the source as the city would own the property. City Manager McGinnis relayed that the revenue was the forecasted amount after the rental income.

Councilmember Burns provided investment comparisons between selling the property as opposed to potential rental income while retaining the property, noting that selling the property would likely provide a better yield.

Mayor Pro Tem Pearson discussed the recommended action. Mayor Randall clarified and asked the City Manager regarding the projected rental amount. City Manager McGinnis relayed his desire to receive City Council approval of securing a property management firm, as well as authorizing him as the City Manager to complete the associated documents.

Councilmember Urban asked the City Manager whether the property management contract was expected to fall below the spending threshold for City Manager approval. City Manager McGinnis confirmed. Councilmember Urban then relayed his preference was to demolish the structure and retain the property.

Mayor Randall asked City Manager McGinnis if the city had previously received complaints from park users regarding the state of the property. City Manager McGinnis replied that he was not aware of any complaints but did highlight one citizen comment lamenting on the house at an earlier City Council meeting.

Mayor Pro Tem Pearson asked to hear the positions of the remaining Councilmembers. Councilmember Miller expressed support for keeping the property and using the house as a rental in the short-term, noting the Lake Center Area plan was the long-term goal. Councilmember Ledbetter stated he desired to sell the property with the house in light of the housing shortage.

Mayor Randall asked for the City Manager to relay the original recommendation from the City Administration. City Manager McGinnis stated that the proposal was to demolish the house and sell the property. Mayor Randall asked the City Manager what the city had paid for the property and what it was presently worth. City Manager McGinnis responded that the city had purchased the property for $375,000 and that it was now worth $450,000. Councilmember Ledbetter asked about the potential use of the property. City Manager McGinnis relayed that the property would provide additional room in a narrow area when the city reconstructs Portage Road. Chief Development Officer (CDO) Dame further noted that the city planned to construct a ten-foot-wide path along the east side of Portage Road, which would further encroach on the property's front yard after the road's reconstruction.

Mayor Randall asked about current permitting and setbacks for that location. CDO Dame noted the city's expected easement for the road, as well as the property's location next to the drain between the lakes. He also expressed the need to reconstruct the culvert under the road directly adjacent to the property. Councilmember Urban noted the city's prior proposal to close Dixie Drive and the current occupancy of the property on two of the lots in that plat.

Mayor Randall asked the City Clerk to confirm the motion on the floor. Clerk Eklov repeated the motion. Mayor Randall inquired whether a time limitation was included. Clerk Eklov responded there was not and Mayor Pro Tem Pearson stated that he understood the City Manager to have garnered the Council's desire for a short term rental unit during discussion.

Motion by Pearson, seconded by Young, to receive the report on the property at 9303 Portage Road, direct the City Administration to secure a property management services contract for the rental of this property, and authorize the City Manager to execute the necessary agreements on behalf of the city. Upon a roll call vote, motion carried 5 to 2, with Councilmembers Burns and Ledbetter voting no.

First Reading - 2021 International Property Maintenance Code: At the request of the Mayor, the City Manager relayed the activity to date on the proposed ordinance amendment and noted additional Council concerns regarding a comprehensive explanation of the changes.

Councilmember Burns explained his intent to recommend tabling the item again due to the level of detail involved and the need for a comparison for the Council to understand the potential community benefit. He referenced the prior adoption of the National Fire Code as an example of adopting certain, intensive standards. Councilmember Burns closed by apologizing for previously tabling the matter with too short of a response period.

Mayor Pro Tem Pearson echoed Councilmember Burns on the complexity of national and international codes. He relayed his preference to better understand potential updates to be able to respond to any citizen concerns.

Councilmember Young stated she also supported tabling the item to gain additional information toward ensuring equitable enforcement of code violations.

Mayor Pro Tem Pearson asked the City Manager whether the passage of the new code would require hiring additional staff for code enforcement. City Manager McGinnis relayed that it was not planned.

Councilmember Burns asked the Clerk about the proper motion for tabling with scheduling. Clerk Eklov confirmed a specific date was required.

Motion by Burns, seconded by Young, to table the first reading the proposed ordinance to adopt the 2021 International Property Maintenance Code to the regular City Council meeting on July 23, 2024. Upon a roll call vote, motion carried 6 to 1, with Councilmember Urban voting no.

Follow-up on Requests for On-Premise Quota Liquor License: At the Mayor's request, City Manager McGinnis relayed the current activity to date, including the review of applicants by the City Council Small Business Committee.

Councilmember Urban expressed concern with the city advertising the license's availability and giving a false impression that the Council was ready to issue the license. Mayor Pro Tem Pearson echoed Councilmember Urban, stating that the city had previously used the license as an investment tool and noted that was the Council's goal once again.

Councilmember Young highlighted that the Committee's review found one misconception relayed by the Michigan Liquor Control Commission to the applicants was that the city has quota licenses and simply hands them out. She also stressed that the city does not preclude any business from obtaining a similar license on the open market.

Mayor Randall expressed concern that each of the applicants paid the city's $850 application fee without any of them receiving the license. Councilmember Young relayed that the Committee had discussed providing a $350 refund as the deciding rubric was not well advertised.

Councilmember Urban expressed concern with the recommendation of the Committee to refund a portion of the fee and the need to separately propose that to the City Council. The City Attorney opined that a city expenditure of funds should be considered individually. Mayor Randall asked the City Manager to include the matter on the agenda for the next meeting.

Motion by Burns, seconded by Pearson, to deny the current applications for the Class C Liquor license and prepare notice of the availability of licenses for transformational investments that will bring meaningful benefit to the local economy and quality of life. Upon a roll call vote, motion carried 7 to 0.

COUNCIL COMMITTEE REPORTS: Mayor Pro Tem Pearson provided an update regarding the County Joint Transportation Authority (CCTA/KCTA), including the pilot of the new microtransit system, to be called "Metro Link," and the specifics of the new system. Councilmember Burns added that the recent meeting of the Transit Authority included a review of the Authority's annual report.

Councilmember Urban inquired about the program's service area, specifically southeast Portage. Mayor Pro Tem Pearson replied that a portion of the area had been included but not all as desired. Councilmember Burns relayed the boundaries of the current service area. Councilmember Urban expressed concern that the millage encompassed the entire city with the Council's expectation that the service would be available to all the city's taxpayers. He stated that the service and funding structure may need to be re-evaluated if the promised service is not all-encompassing. Mayor Pro Tem Pearson echoed Councilmember Urban, relaying his expectations for the CCTA to include the full city.

Motion by Young, seconded by Urban, to receive the Council Committee Reports as presented. Upon a voice vote, motion carried 7 to 0.

STATEMENTS OF CITY COUNCIL AND CITY MANAGER: Councilmember Urban spoke regarding the Israeli/Hamas conflict in Palestine. He noted he did not support Israel's role in the war.

Councilmember Ledbetter had no comment to add.

Councilmember Miller began with an update regarding the annual Capital Conference "CapCon" in Lansing. She then provided travel warnings considering the schools' upcoming spring breaks.

Councilmember Young echoed Councilmember Miller's comments regarding the CapCon event, highlighting the opportunity for municipal comparisons. She then discussed March as National Reading Month. Councilmember Young also thanked the staff for their efforts and the citizen speakers for their comments.

Councilmember Burns provided a reminder regarding the upcoming Utility Rate Study Committee meeting on April 1 at 10 am. He then noted the upcoming eclipse on April 8 and the Air Zoo offering free eclipse glasses.

City Manager McGinnis relayed two upcoming open houses for the new offices at Texas Township Hall and the Kalamazoo County Road Commission's new facility.

Mayor Pro Tem Pearson had no comments to add.

Mayor Randall responded to the citizen's comment regarding company divestitures and relayed her upcoming school reading for Reading Month. She then spoke regarding her visit to Colorado to welcome a new grandchild. Mayor Randall closed with an update regarding the pending opening of the Redwood apartment homes adjacent to Garden Lane.

ADJOURNMENT: Mayor Randall adjourned the meeting at 7:45 PM.

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Erica L. Eklov, City Clerk