

CITY COUNCIL MEETING MINUTES FROM FEBRUARY 14, 2017

The Regular Meeting was called to order by Mayor Strazdas at 7:30 p.m.

At the request of Mayor Strazdas, Pastor Eric Giesow of the Kalamazoo Valley Family Church of Portage gave the invocation and City Council and the audience recited the Pledge of Allegiance.

The City Clerk called the roll with the following members present: Councilmembers Richard Ford, Jim Pearson, Patricia M. Randall and Claudette Reid, Mayor Pro Tem Nasim Ansari and Mayor Peter Strazdas. Councilmember Terry Urban was absent with excuse and notice. Also in attendance were City Manager Laurence Shaffer, City Attorney Randy Brown and City Clerk James R. Hudson.

PROCLAMATION: Mayor Strazdas issued a Resolution of Respect for retiring Western Michigan University President John M. Dunn.

APPROVAL OF MINUTES: Motion by Ansari, seconded by Randall, to approve the Regular Meeting Minutes of January 24, 2017, as presented. Upon a voice vote, motion carried 6 to 0.

Motion by Randall, seconded by Ansari, to approve the Pre-Council Meeting Minutes of February 13, 2017, as presented. Upon a voice vote, motion carried 4 to 0 with Councilmembers Ford and Reid abstaining.

* **CONSENT AGENDA:** Mayor Strazdas asked Councilmember Pearson to read the Consent Agenda. Motion by Pearson, seconded by Randall, to approve the Consent Agenda motions as presented. Upon a roll call vote, motion carried 6 to 0.

* **APPROVAL OF ACCOUNTS PAYABLE REGISTER OF FEBRUARY 14, 2017:** Motion by Pearson, seconded by Randall, to approve the Accounts Payable Register of February 14, 2017. Upon a roll call vote, motion carried 6 to 0.

PETITIONS AND STATEMENTS OF CITIZENS: Kalamazoo County Commissioner Mike Quinn, 7025 Rockford Street, indicated that during his campaign for County Commissioner, very many citizens expressed their appreciation for Portage as a well-run city. He thanked City Council, City Manager Larry Shaffer and staff for all of their efforts on the Stryker project.

Alan Reiff, 2254 Oakland Ridge Drive, Kalamazoo, provided a brief history of the Portage Rotary Club, including the long relationship shared with Portage Public Schools and the City of Portage. He then announced a gala event to celebrate the 50-year history of the Portage Rotary Club, Friday, March 24, 2017, from 6 p.m. to 9 p.m. at the Fetzer Center of Western Michigan University, Kalamazoo. Discussion followed.

Monifa Jumanne, 6156 Independence Drive, invited everyone to attend the performance of the Brazeal Dennard Chorale from Detroit, who would perform at no charge at Portage Northern High School, Friday, February 24, 2017, at 7:00 p.m. as a Musical Tribute to the memory of Dr. Martin Luther King, Jr. Discussion followed.

Christine Petersen, 2607 Chopin Avenue, explained how she missed the notice associated with Water Main Project No. 317-W that is planned for her street as the reason she was here this night to address the matter. She said that the majority of the neighbors on Chopin Avenue do not want the improvement, that all of them thought they would get further information, did not realize that the project is optional, and objected to the cost. She reviewed each resident affected, listed many concerns and discussion followed. Mayor Strazdas indicated that the entire City Council had a sincere appreciation for her concerns, and that it was appropriate for her to have a meeting with Mr. Shaffer on this.

Mr. Shaffer concurred saying he would be thrilled to meet with her and the balance of the neighbors. He referenced her "every man for himself" comment and indicated that we are all about

community here, that it is not “every man for himself” and that we think about that every day. He said he looked forward to meeting with her and her neighbors to answer all of their concerns and questions in the neighborhood or here at City Hall. He stated City Engineer Chris Barnes and his staff would be happy to meet with them, also, because in the final analysis, it is not about water, but about bringing us all together as a community. He asked for the chance to do this and said that at the end of the process, if we think we need to come back to the Mayor and Council, we will be happy to do that. Discussion followed.

Councilmember Pearson revealed that the Water and Sewer Assessment Policy was discussed at the Council Retreat and City Council determined that the Water and Sewer Assessment Policy needs to be changed. He asked that staff review the Water and Sewer Assessment Policy and bring suggested changes to Council for review.

Mr. Shaffer indicated that one of the tools we need to deploy is a better system of communication with our neighbors, effective communication, and in a more organized and efficient manner. He concluded that the citizens need the opportunity to shape outcomes. Discussion followed.

REPORTS FROM THE ADMINISTRATION:

* **ANNUAL MICROSOFT LICENSING RENEWALS – COOPERATIVE PURCHASE:** Motion by Pearson, seconded by Randall, to approve the annual Microsoft licensing renewal fees with CDW-G at a total cost of \$50,388.13 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 6 to 0.

* **RESOLUTION FOR MOWING MDOT PROPERTIES:** Motion by Pearson, seconded by Randall, to adopt a *Performance Resolution for Governmental Agencies* for required permits to mow three Michigan Department of Transportation (MDOT) properties in the City of Portage. Upon a roll call vote, motion carried 6 to 0. Resolution recorded on page 317 of City of Portage Resolution Book No. 46.

* **ROMENCE ROAD RECONSTRUCTION - GRAND ELK RAILROAD CROSSING:** Motion by Pearson, seconded by Randall, to endorse a Local Grade Crossing Surface Program application to the Michigan Department of Transportation for the grade crossing at the Romence Road railroad crossing by the Grand Elk Railroad in the amount of \$51,036 and authorize the City Manager to execute all documents related to this matter on behalf of the city. Upon a roll call vote, motion carried 6 to 0.

* **FISCAL YEAR 2017-2018 PROPOSED BUDGET REVIEW SCHEDULE:** Motion by Pearson, seconded by Randall, to establish April 18 and May 2, 2017, from 4:30 to 8:30 p.m. as the dates for review of the proposed Fiscal Year 2017-2018 Budget. Upon a roll call vote, motion carried 6 to 0.

BROWNFIELD PLAN FOR STRYKER INSTRUMENTS: Mayor Strazdas distinguished the Brownfield Plan for Stryker Corporation from the public hearing on the Industrial Tax Abatement Application in Item F.6 and explained the request and the process. Mayor Strazdas deferred to City Manager Shaffer, who briefly reviewed the Plan, the Agreement and the Resolution of Support and the importance of this project to the City of Portage. He asked Community Development Director Vicki Georgeau to provide some of the particulars of the project and she outlined the elements of the project, including the 485,000 square foot Research and Development Facility that will bring a significant number of quality jobs to Portage. She described the features of the project using a map and emphasized that this project opens up 288 acres for future development. She recognized representatives from Stryker Corporation, the Kalamazoo County Brownfield Authority and Southwest Michigan First who have been instrumental throughout the process and began explaining some of the details outlined in the Plan, including: the straightening the Lovers Lane curve that has proven to be a safety hazard for

motorists; the Brownfield Plan Development Agreement between the Kalamazoo County Brownfield Redevelopment Authority; how the Stryker Act 198 Tax Abatement request is addressed in the Agreement; the Phase I and Phase II Environmental Studies; the cost breakdown; the process thus far; and the projected requirements that remain.

Ms. Georgeau paused to introduce Scott Hunter and Jill VanDyken from Stryker Corporation; Pete Mitchell from Rockford Construction; Kalamazoo County Brownfield Authority Chair Joe Agostinelli; Rachael Grover and Dave Stegink from Envirollogic, who wrote the Brownfield Plan; and Jill Bland from Southwest Michigan First. She mentioned that they may want to share some of the more exciting details of the Plan.

However, Mayor Strazdas asked Council if any of them had any questions; hearing none, he asked Ms. Georgeau for a simple explanation of Tax Increment Financing for the citizens of Portage. Ms. Georgeau explained that, for example, here there is a vacant parcel of undeveloped land, so the current taxable value of the land is limited which is used as the base value of the property. When the new development project is constructed here, she indicated there will be almost \$63 million in new taxable value; this new taxable value is called the "Tax Increment" which can be captured and used to reimburse the property owner, and the City of Portage as a participant in the project, to cover eligible expenses; moreover, the most significant portion will be used to cover the public infrastructure cost. She pointed out that this is done over a nine-year period at which time the capture of the Tax Increment will be discontinued and the taxes at that point will be collected and distributed to the various taxing jurisdictions. Mayor Strazdas stressed that this should therefore be seen as a development tool and not a tax giveaway. Ms. Georgeau concurred and discussion followed.

In answer to Councilmember Pearson, Ms. Georgeau referred to Table 1 of the Brownfield Plan which outlines the eligible activities and said the public infrastructure costs represent about \$2.3 million.

In answer to Mayor Pro Tem Ansari, Ms. Georgeau indicated that the Brownfield Redevelopment Financing will help with the costs of remediating the contamination on the site through soil removal and the steps taken to ensure other groundwater contamination will not be disrupted or exacerbated by the project.

City Manager Shaffer noted that through the use of the Brownfield Redevelopment Financing Act, Act 381 of 1996, this initial project of 70 acres out of the 288 acre site, along with the investment in the infrastructure by the City of Portage, together provide the public improvements necessary for this project and opens up the balance of the 288 acres for future development.

At the request of Mayor Strazdas, Pete Mitchell, 858 Bellclaire Avenue, Rockford Construction, Program Manager for Stryker Corporation, indicated he was the owners' representative helping the project move along. He thanked Mayor Strazdas and City Council for the opportunity to be present and applauded the partnership on this project as being fantastic from his experience. He also provided a short history of the last five years and his involvement with Stryker Corporation on this project.

Jill Vandyken, 403 West Street, Schoolcraft, Project Manager for Stryker Instruments of Stryker Corporation, expressed her excitement with the project and thanked Mayor Strazdas and City Council for their consideration of the Brownfield Plan. She shared some of the details of the project, some of the advantages of this site for development and some of the contents of the building using the site plan, photos and maps. She paid special thanks to Jill Bland from Southwest Michigan First for her assistance throughout the process. Discussion followed.

Kalamazoo County Brownfield Authority Chair Joe Agostinelli, 1906 Forest Drive, thanked the Stryker Team for investing in Portage and expressed his appreciation to Ms. Georgeau for her explanation of Tax Increment Financing (TIF) on behalf of the Authority and the Kalamazoo County Commission. He made mention of the fact that the TIF does not capture any of the debt millages and gave the example that the Portage Public Schools current investment in facilities will benefit immediately from this project. Discussion followed.

Jill Bland, 1765 Van Kal Street, Oshtemo Township, Southwest Michigan First Executive Vice President, expressed her appreciation to the great people involved in the effort, and said that it is a great

celebration of a company that started here and continues to grow and invest in this community. She expressed her appreciation of the partnership with the City of Portage, and revealed that this property was identified during the process five years ago as having potential for this project. She expressed her appreciation for the due diligence exercised by Stryker Corporation, so when they began looking at sites, the team was able to present a couple of shovel-ready sites, this being one of them. She thanked the Portage Council and staff for all of their efforts and discussion followed.

Motion by Pearson, seconded by Randall, to adopt the Resolution of Support for the Kalamazoo County Brownfield Redevelopment Authority Brownfield Plan for Stryker Instruments, and approve the Brownfield Plan Development Agreement between the Kalamazoo County Brownfield Redevelopment Authority and City of Portage.

Councilmember Ford indicated that his wife is with the Architectural firm on the project; that he feels this is a great investment for the City of Portage; that he feels he can remain impartial; but, he still wanted to make sure it would be okay to vote on this issue. City Attorney Randy Brown asked that he put some facts on the record to indicate her position and her relationship to the project. Councilmember Ford responded that she will not have any direct relationship with the project as she works in the capacity of marketing, and that she will not be involved in the designing or the engineering of the project. When Mr. Brown asked Councilmember Ford that even though his wife works for the firm, she is not involved in the project at all, Councilmember Ford said, "Not on the scale to create a conflict of interest." Discussion followed. Mr. Brown asked if Councilmember Ford feels if he votes for or against the matter, does he feel any pressure that would be put on her outside his vote at all, and Councilmember Ford answered in the negative. Discussion followed. Upon a roll call vote, motion carried 6 to 0. Discussion followed.

INDUSTRIAL TAX ABATEMENT APPLICATION: STRYKER INSTRUMENTS (6520 PORTAGE ROAD): Mayor Strazdas reviewed the request from Stryker Corporation for an Industrial Tax Abatement Application and deferred to City Manager Larry Shaffer for comment who described this as the first step in the process involved in Item 5, Brownfield Plan for Stryker Instruments and explained. Discussion followed.

Motion by Randall, seconded by Ansari, to accept the request from Stryker Instruments to create Industrial Development District No. 92 and the associated PA 198 Tax Abatement Application for a real and personal property tax abatement for 6520 Portage Road, and adopt Resolution No. 1-16 setting a public hearing on the creation of Industrial Development District No. 92 on February 28, 2017, at 7:30 p.m. or as soon thereafter as may be heard. Discussion followed. Upon a roll call vote, motion carried 6 to 0. Resolution recorded on page 319 of City of Portage Resolution Book No. 46.

* **REZONING APPLICATION #16/17-3 (715 WEST OSTERHOUT AVENUE):** Motion by Pearson, seconded by Randall, to accept Rezoning Application #16/17-3 for first reading and set a public hearing for March 14, 2017, at 7:30 p.m. or as soon thereafter as may be heard and, subsequent to the public hearing, approve Rezoning Application #16/17-3 and rezone 715 West Osterhout Avenue from R-1C, one family residential, to PD, planned development. Upon a roll call vote, motion carried 6 to 0.

* **FINAL PLAN FOR PORTAGE PEDIATRIC DENTISTRY (3020 OLD CENTRE ROAD):** Motion by Pearson, seconded by Randall, to approve the Final Plan for Portage Pediatric Dentistry at 3020 Old Centre Road. Upon a roll call vote, motion carried 6 to 0.

* **ANGLING ROAD SANITARY SEWER PROJECT #417-S:** Motion by Pearson, seconded by Randall, to adopt Resolution No. 4 for the Angling Road Sanitary Sewer Project #417-S, setting a public hearing on the Assessment Roll for February 28, 2017, at 7:30 p.m. or as soon thereafter as may be heard. Upon a roll call vote, motion carried 6 to 0. Resolution recorded on page 323 of City of Portage Resolution Book No. 46.

* **JANUARY 12, 2017 COMMITTEE OF THE WHOLE FOLLOW-UP:**

CONSOLIDATED DISPATCH MILLAGE: Motion by Pearson, seconded by Randall, to accept the follow-up report to the January 12, 2017 Committee of the Whole meeting concerning the Consolidated Dispatch millage. Upon a roll call vote, motion carried 6 to 0.

* **2017 PRE-COUNCIL MEETING TIME ADJUSTMENT:** Motion by Pearson, seconded by Randall, to change the meeting time for the remaining Pre-Council meetings for the 2017 calendar year to 8:00 a.m. Upon a roll call vote, motion carried 6 to 0.

* **2017 COMMITTEE OF THE WHOLE MEETINGS:** Motion by Pearson, seconded by Randall, to set Committee of the Whole meetings on April 10, September 12 and November 14, 2017. Upon a roll call vote, motion carried 6 to 0.

COMMUNICATION:

MARY LOU CAMPBELL, 2628 CHOPIN AVENUE: Mayor Strazdas deferred to City Manager Shaffer for comment, who explained that the communication from Mary Lou Campbell pertained to the Chopin Avenue Water Project No. 317-W, and referred to his pledge during Petitions and Statements of Citizens where he promised to meet and have an education session with all of the affected property owners on Chopin Avenue. He said he would incorporate Ms. Campbell's representation at that meeting, come back to City Council and report on the results of the meeting.

Motion by Randall, seconded by Ford, to receive the communication from Mary Lou Campbell, 2628 Chopin Avenue. Councilmember Randall referred to the comment from Ms. Campbell in her letter that her water smells and is undrinkable and asked that the City check some of these wells in order to have the results as information for the meeting. Mayor Strazdas concurred and stressed the need for continued communication with the neighbors. Upon a voice vote, motion carried 6 to 0.

UNFINISHED BUSINESS:

* **UNSAFE/UNFIT STRUCTURE - ORDER TO ABATE DEBRIS LOCATED AT 3923 FLORINDA AVENUE:** Motion by Pearson, seconded by Randall, to approve an order to abate interior and exterior debris from the Unsafe/Unfit Structure located at 3923 Florinda Avenue. Upon a roll call vote, motion carried 6 to 0.

* **MINUTES OF BOARDS AND COMMISSIONS MEETINGS:** City Council received the minutes of the following Boards and Commissions:

Portage Youth Advisory Committee of January 9, 2017.

Portage Human Services Board of January 19, 2017.

Portage Planning Commission of January 19, 2017.

COUNCIL COMMITTEE REPORTS:

DISCOVER KALAMAZOO: Councilmember Randall indicated that Dr. Jorge Gonzales, President of Kalamazoo College, was the guest speaker at the Discover Kalamazoo meeting. She said he is charismatic, is thrilled to be here and has strong ties to the area. She mentioned that he would be out of town and unable to attend the Kalamazoo Region Conversation on Respecting Diversity, Saturday, February 18, 2017, 8:30 a.m. until 12:30 p.m., Fetzer Center, Western Michigan University. Motion by Ansari, seconded by Reid, to receive the report from Councilmember Randall on the Discover Kalamazoo meeting. Upon a voice vote, motion carried 6 to 0.

ENVIRONMENTAL HEALTH AND ADVISORY COUNCIL (EHAC): Councilmember Ford indicated that Councilmember Pearson was reappointed President of EHAC, and the meeting recapped the activities of last year provided by Environmental Health. Motion by Pearson, seconded by Ansari, to receive the report from Councilmember Ford on the Environmental Health and Advisory Council (EHAC) meeting. Upon a voice vote, motion carried 6 to 0.

KALAMAZOO COUNTY CONSOLIDATED DISPATCH AUTHORITY: Councilmember Reid indicated that the Authority is still in the process of identifying a place for the County Consolidated Dispatch; that Executive Director Jeff Troyer has been employed for a year now; and, Councilmember Pearson is head of the Committee that will do the annual review and set his goals for the next year

Councilmember Pearson indicated that the Authority approved the goals for next year; that the Authority will be reviewing Mr. Troyer's performance in March; and, that Mr. Troyer has accomplished a lot, has been here one year and is the only employee thus far; and, she indicated that the Authority does plan to add employees next year. Motion by Ford, seconded by Ansari, to receive the report from Councilmembers Reid and Pearson regarding the County Consolidated Dispatch Authority. Upon a voice vote, motion carried 6 to 0.

OTHER CITY MATTERS:

STATEMENTS OF CITY COUNCIL AND CITY MANAGER: Councilmember Ford thanked Councilmember Pearson for reading the Consent Agenda and mentioned that he and his son were able to enjoy the Snow Party at Oakland Drive Park.

Councilmember Pearson wished everyone a Happy Valentine's Day.

Councilmember Reid praised the Stryker Instruments initiative and pointed out that the Kalamazoo College students and the Western Michigan students will provide Stryker with future employees, so it is great for Portage and great for the entire Region. She said last week was "wear Red for Women Heart Association" fundraiser and reminded everyone that February is Heart Health Month. She noted that more women die from heart related cardiac issues than for any other reason, and encouraged healthy heart activity and wished everyone a Happy Valentine's Day.

Councilmember Randall echoed the success of Stryker Corporation and their investment in a portion of the 288 acre parcel that has been the topic of concern for some time. She acknowledged the mailing out of the assessments and commended City Assessor Ed VanderVries for sending these notices out February 10th even though they do not have to be mailed out until February 28th which has been the past practice. She pointed out that this gives the taxpayer extra time to review and research for a better check on the valuation of his or her properties.

Mayor Pro Tem Ansari invited everyone to Kalamazoo Region Conversation on Respecting Diversity, Saturday, February 18, 2017, 8:30 a.m. until 12:30 p.m., Fetzer Center, Western Michigan University. He indicated that Mayor Strazdas will be moderating the event and there will be four panels: a Law Enforcement Panel, a State Regulators Panel, an Educators Panel and an Elected Official Panel. Discussion followed.

Mayor Strazdas reflected on the meaning of the session and what prompted it in the first place. He recalled a Portage grandmother who came to City Council to inform them of an uncomfortable story about an interaction among school member, community members and her granddaughter. He stated that it touched Council that there are things going on around us that we cannot totally control that have an impact on people in our community. He stressed that it impacts what people say and do, and it is important that we control how we react as citizens: to be respectful and maintain a civil community. He said because of this and everything else that is going on around us, Council knew we did not want a protest to voice our opinions, so it was important for the City of Portage to offer the opportunity for a civil, respectful discussion, and the discussion Portage will have is with the whole spectrum of community leaders, a powerhouse of almost twenty community leaders, and he listed some of them. He expressed the hope of Council that this is a way of bringing people together to share their differences in

a respectful manner with community leaders, and he gave tribute to Mayor Pro Tem Ansari, who championed this effort. Discussion followed.

Mayor Strazdas continued and reflected on the extraordinary job that Mr. Shaffer has done on the Stryker Instruments project. He not only gave credit to all of those who assisted over the last three years of the effort, but also reminded everyone that ten years ago the vision was there when the City improved Milham Avenue to enable development and provide the infrastructure that would be needed. He encouraged everyone to celebrate this huge, significant event, and drew a comparison with the \$100 million Pfizer project and its commitment of nearly one billion dollars over the next decade. He emphasized that we need to not only celebrate, but to also focus on the right kinds of things, to make sure we do not overspend, to maintain a conservative approach, and to focus on the right things like infrastructure, roads and all of the basic needs of the community. He cited public safety, water, sewer, roads and perhaps parks as specific examples.

MATERIALS TRANSMITTED:

* **MATERIALS TRANSMITTED OF JANUARY 24, 2017:** Motion by Pearson, seconded by Randall, to receive the Materials Transmitted of Tuesday, January 24, 2017. Upon a roll call vote, motion carried 6 to 0.

ADJOURNMENT: Mayor Strazdas adjourned the meeting at 9:05 p.m.

James R. Hudson, City Clerk

*Indicates items included on the Consent Agenda.