

CITY OF STERLING HEIGHTS
MINUTES OF REGULAR MEETING OF CITY COUNCIL
TUESDAY, JUNE 15, 2021
IN COMMUNITY CENTER

1. Mayor Taylor called the meeting to order at 7:00 p.m.
2. Mayor Taylor led the Pledge of Allegiance to the Flag and Andrea Bara, Management Assistant, gave the Invocation.
3. Council Members present at roll call: Deanna Koski, Michael V. Radtke Jr., Maria G. Schmidt, Liz Sierawski, Michael C. Taylor, Henry Yanez, Barbara A. Ziarko.

Also Present: Jeffrey Bahorski, Assistant City Manager; Marc D. Kaszubski, City Attorney; Andrea Bara, Management Assistant; Carol Sobosky, Recording Secretary.

4. **APPROVAL OF AGENDA**
Moved by Koski, seconded by Ziarko, **RESOLVED**, to approve the agenda as presented.

Yes: All. The motion carried.

5. **REPORT FROM CITY MANAGER**
Assistant City Manager Jeffrey Bahorski, reporting this evening in Mr. Vanderpool's absence, advised that the city offices will be closed on Monday, July 5, 2021, in observance of Independence Day, and this will affect City Hall, the Public Library, Community Center, Senior Center, Nature Center, DPW, Recycling Center, and the 41-A District Court. The city offices will reopen on Tuesday, July 6, and he noted that there will be no disruption of GFL collection schedules due to the July 4th holiday.

Mr. Bahorski stated that on tonight's Consent Agenda, the City Council is designating June 2021 as Men's Health Month in Sterling Heights. He invited Parks and Recreation Director Kyle Langlois to bring focus to this important subject and how his department can play an integral role in promoting men's health in Sterling Heights.

Parks and Recreation Director Kyle Langlois stated the Resolution on tonight's Consent Agenda is to declare June 2021 as Men's Health Month in Sterling Heights, adding that this week is known as International Men's Health Week. He noted that men's expected lifespan is still five years less than women, and a continued emphasis on regular medical checkups and living healthier lifestyles will hopefully close that gap. He stated that with over thirty parks and greenspace within the city limits, along with the Community Center, Nature Center, and Senior Center, recreation is within a short walking or biking distance to every home in the city, and they bring tremendous physical and mental benefits which are critical for healthier lifestyles. He stressed the park system provides opportunities for personal fitness activities such as walking, biking, running, roller skating, kayaking, and more. The City also provides various opportunities for team athletic activities such as leagues, structural programs, and drop-in play. He announced that in August of this year, they will be hosting the Michigan Senior Olympic events of badminton and volleyball for the first time, and they are able to do this because of the ReCreating Recreation initiative. He reviewed many of the programs offered

that help reduce stress, provide time to enjoy with family and friends, make new friends, and focus on their own well-being. He stated they offer education services and have many partnerships in place with area medical providers, offering classes focusing on living healthy lifestyles, managing chronic illnesses, dealing with grief, maintaining brain functioning, and more. Opportunities such as blood pressure checks and timely vaccination opportunities, along with CPR, first aid programs, and blood drives are all part of the focus for the men and women in the community. He concluded by stressing that the Sterling Heights Parks and Recreation Department strives to provide opportunities for all residents to live healthier lifestyles, and they want to draw attention to the resources available to all of the men and women in Sterling Heights. He encouraged everyone to read the City's magazine, subscribe to their bi-weekly newsletter, visit their website at www.myshpr.net, or follow them on social media. He stated that, while participating in Parks and Recreation activities may seem trivial, it is the collection of many small positive choices that truly make a difference in overall health and wellbeing. He thanked City Council for the opportunity to introduce this Resolution and promote some of the great programs, services, and facilities that the city has to offer.

Mr. Bahorski stated that concludes his report.

6. PRESENTATIONS

A. Mayor Taylor stated this is to acknowledge and accept a donation by Christian Financial Credit Union of \$25,000 to sponsor the establishment of

the new eSports Arena inside the Community Center Teen Room located at 40250 Dodge Park Road. He invited Parks and Recreation Director Kyle Langlois to give a presentation.

Parks and Recreation Director Kyle Langlois stated the Parks and Recreation Department is moving ahead with the installation of an eSports arena inside the Teen Room at the Community Center. He thanked City Council for approving this new initiative and also approving the purchase of furniture, which has been ordered and is in production. They are finalizing the specifications for the computers and getting the equipment on order, with plans to open the eSports arena in August or September of this year. He thanked the presenting sponsor of this new arena, Christian Financial Credit Union. He stated they have been a long-time partner over the years and add value to the programs and services that Parks and Recreation provides to their residents. He added they have sponsored major special events like Christmas and Halloween and has been a presenting sponsor for fireworks at their grand reopening, for Sterlingfest, and chose to invest in this community with their business interest, including their branch on Schoenherr, near Lakeside Mall, and their headquarters at 15 Mile and Van Dyke. He thanked them for taking on two major sponsorships this year, including their ice rink and the new eSports arena, and he stressed their sponsorship meant they did not have to compromise on the furniture or the quality of the computer equipment. He introduced Christian Financial Credit Union's Marketing

Manager, Ashley Maye, along with Marketing Specialist Megan White to make comments and present the funds to City Council.

Ms. Ashley Maye thanked the City for inviting Christian Financial Credit Union to the meeting this evening. She stressed one of their core philosophies is “People helping people” and felt there is no better way to invest in this philosophy than to invest in the Sterling Heights community with an eSports arena and teen room so young people have a safe and fun place to be with friends, study, and participate in eGame tournaments. They look forward to their continued partnership with the city for many years to come.

The Mayor and City Council accepted the check from Christian Financial Credit Union.

Moved by Ziarko, seconded by Sierawski, **RESOLVED**, to acknowledge and accept the donation by Christian Financial Credit Union of \$25,000 to sponsor the establishment of the new eSports Arena inside the Community Center Teen Room.

Mayor Pro-Tem Sierawski thanked Christian Financial Credit Union for their generous sponsorship. She stated she has four boys and they would have loved this as teenagers. She is confident the teens in the community will enjoy it.

Councilwoman Ziarko questioned whether there are any plans for the expansion of the eSport arena, adding that she does not feel the teen room will be big enough.

Councilman Radtke met with the Youth Advisory Committee this past week, and they talked about having a place where they “can all hang out”. He is glad they will have a wonderful facility, and he thanked Christian Financial Credit Union for their sponsorship.

Mayor Taylor encouraged residents to come and check out the eSports arena, adding there are not a lot of these facilities in the area, and Sterling Heights is taking the lead in this regard. He noted that they are already having gaming nights on Mondays, and his 11-year-old daughter loves it. He commented that this is another example of the City’s Parks and Recreation Department setting themselves apart and leading the way. He stressed it will be great for the community, and he expressed appreciation to Christian Financial Credit Union for their sponsorship.

Yes: All. The motion carried.

B. Mayor Taylor stated this is to acknowledge and accept a donation by Edward Piet of \$5,000 to the Sterling Heights Public Library to enhance the Ann Marie Given International Language Collection. He invited Library Director Tammy Turgeon to give a presentation.

Library Director Tammy Turgeon stated that Mr. Ed Piet, one of their great supporters, a city resident, and retired library staff member of nine years, would like to enhance the Ann Marie Given International Language Collection with a donation of \$5,000 to purchase books in multiple languages, including Albanian, Chinese, Gujarati, Hindi, Japanese, Polish, Spanish, Urdu, and

Vietnamese. She explained these books provide increased access to various language materials that will be available for all Sterling Heights residents. She informed the collection was established in 2002 and was named after Mr. Piet's late wife and includes the largest international language collection in Macomb County, with more than 3,600 books, DVDs, and magazines. She added that, over the years, Mr. Piet has donated over \$40,000 to the collection and the fireside reading area on the second floor of the library. She expressed her gratitude and commended him for going above and beyond in his support of the library and his commitment to provide materials of great quality to Sterling Heights residents. She added they have such great residents who support the library and their programs in so many ways, and she explained an opportunity they have where people can purchase books for the library's collection, with a bookplate placed inside the book that honors an individual or the memory of a loved one who has passed. The library's mission is to serve as an information center, offering a wide variety of materials and services for education, entertainment, and enrichment in a welcoming and helpful environment. She commented that Mr. Piet's generosity will assist the library in meeting the needs of the community, and she extended her appreciation to Mr. Piet.

The Mayor and Council thanked Mr. Piet, and a photo was taken.

Moved by Ziarko, seconded by Schmidt, **RESOLVED**, to acknowledge and accept the donation by Edward Piet of \$5,000 to the Sterling Heights Public Library to acquire materials for the Ann Marie Given International Language Collection.

Councilwoman Ziarko commented that \$40,000 is a lot of money to give back to the community and she is very appreciative of Mr. Piet's generous donations. She added that people who come to the library appreciate this large international language collection.

Mayor Taylor stated the public library is one of the most popular places in the entire city, and this collection fits in very well with the diversity in this community. He noted they are proud to have Mr. Piet as a resident and former employee, and he thanked him for his generosity. He also thanked Mr. Piet's family for being present tonight as they commemorate this donation.

Yes: All. The motion carried.

7. PUBLIC HEARINGS

A. Mayor Taylor stated this is to consider the application by Philip Ruggeri for a residential Planned Unit Development on approximately 7.85 acres of land situated on the west side of Schoenherr Road, south of Hall Road, PPUD21-0001. He invited City Planner Chris McLeod to give a presentation. City Planner Chris McLeod explained this is a public hearing for a Planned Unit Development which would allow for a four-story apartment development with 91 two-bedroom units and 35 one-bedroom units, totaling 126 units, within the C-2 zoning district at 44501 and 44677 Schoenherr Road, and the buildings are proposed to be situated in the existing parking lot of the Sterling Center Shopping Center. He advised that 32 of the 35 one-bedroom units

would be slightly under the minimum square footage required, measuring 575 square feet each, and three of them would measure slightly over 700 square feet. The majority of the two-bedroom units would measure 825 square feet each, with three of them measuring over 1,000 square feet. The rent will be dictated by market but is anticipated to be between \$1,250 and \$1,600 per month. The area is predominantly commercial, but this development would be situated in the parking lot among a number of retail uses, with a place of worship further to the west. He explained the proposed plan has a number of amenities, including two small green areas for gazebos, as well as green space in the front of the building. He showed the zoning map, which is all zoned C-2 in that area, and the Master Plan follows that same pattern; however, the Master Plan also addresses the fact that a number of commercial centers can benefit from the infusion of a mixture of non-traditional commercial uses. He showed an aerial photo depicting the impacted area. Mr. McLeod explained there is potential for walkway linkages through the ITC Corridor, which is located south of the shopping center. He showed revised landscape plans and noted that the Planning Commission had requested that additional greenspace be provided. He showed the building elevations, noting they are comprised of a burnished block with a limestone appearance, a simulated woodgrain, and a black metal product. He showed how the proposed development will be situated on the property.

Mr. McLeod explained that the applicant is requesting variances as part of the PUD approval, and he outlined the variances being proposed, including the overall site area, minimum unit size, setbacks, open space, signage, and height and length of the buildings. He addressed the issue of parking spaces for storage of RV's, noting the ordinance requires it, but they are asking for a modification not to allow it. He referred to the PUD Analysis, noting that this is a multiple-family development amongst a number of retail buildings and a place of worship, and the mixed use is desired in the city as a tool to revitalize shopping centers. Although this location is not specifically outlined for this particular area in the Master Plan, the general intent is to promote it. He pointed out that this is a concept they are looking at for the Lakeside Mall property to the east, so this would be a miniature version of that concept. The building height and size in relation to all of the surrounding buildings is not a significant factor because all of the buildings are large. He added this could be looked at as the first step in revitalizing that entire area, and it also provides a housing product that is needed in the city. He offered to answer questions.

Mr. Phil Ruggeri, on behalf of Mr. Tony Gallo, petitioner, stated Mr. Mark Schovers, architect, and Mr. Andy Wakeland, engineer, are also present this evening. He explained this is a unique concept put together by Mr. Gallo, who is well-invested in the community and owner of the shopping center at 14 Mile and Van Dyke, the shopping center at 16-1/2 Mile and Van Dyke, and the developer of Sterling

Landing at 15 Mile and Van Dyke, consisting of 200 apartment units. He pointed out that the design is a trendy, upscale product that will be the first of its kind in the area. He felt this is one of the nicest-designed apartment complexes he has seen, and it will have tremendous curb appeal, creating a great synergy for the area. This site currently has a lot of open parking that is underutilized with commercial properties far back on the site. The proposed development will tie in with all of the existing ingress, egress, and easements and is a carefully-thought-out plan. He stressed it captures and provides an integration of ideas and ingenuity at a time when commercial developments are in overabundance and a lot of vacancies, and he felt this will trigger some thoughts as to how to redevelop Lakeside Mall, located across the street from this development. Mr. Ruggeri explained that they received a 6-2 vote in favor of this plan, but the two dissenters were unsure of getting the full PUD agreement imposing all of the conditions. He noted that they originally went to the Planning Commission with a plan showing 5,000 square feet of open space, and the Planning Commission stated they would like to see 15,000 square feet. They made revisions and increased it to 22,000 square feet, and Mr. Gallo has created amenities on the outside area, including a grilling area, fire pit, sitting area, and extensive landscaping. He also pointed out that Mr. Gallo put in ten- to fifteen-percent more landscaping than

required at Sterling Landing. He added he has known Mr. Gallo and his father for years, and he is very attentive to detail and spares no expense at making his products excellent. Mr. Ruggeri stated Mr. McLeod covered a lot of the details of the development, but he stressed this design pulls everything together for that entire retail center. The PUD agreement has been created and presented, and Mr. Gallo has signed it. He pointed out a few items on the inside detail, including the fact that there will be no outside trash containers, but it will all be contained within the buildings. The residents put their trash down a chute, where it is intercepted at the base floor and is taken out on a weekly basis, keeping the outside clean and making it easier for residents. He informed that security is important to them, and there will be a card system to enter the building, with designated areas for deliveries. He explained this development is geared for young professionals who look for this type of development to make their home. He thanked the Mayor and City Council for their consideration.

Mayor Taylor opened the public hearing.

- Charles Jefferson – questioned how many electric charging stations for cars are proposed; concerned about impact of traffic in the area by bringing in more residents and questioned whether a traffic study has been done; questioned whether sidewalks will be installed on west side of Schoenherr.

Mayor Taylor closed the public hearing.

Moved by Schmidt, seconded by Ziarko, **RESOLVED**, to approve the application by Philip Ruggeri for a residential Planned Unit Development on

approximately 7.85 acres of land situated on the west side of Schoenherr Road, south of Hall Road, PPUD21-0001, subject to the terms and conditions set forth in the Planned Unit Development Agreement, and authorize the Mayor and City Clerk to sign all documents required in conjunction with this approval on behalf of the City.

Councilwoman Schmidt questioned whether there will be any loft-style apartments.

Mr. Ruggeri replied that there will not be loft-style apartments.

Councilwoman Schmidt appreciated the increase in green space, and she liked the idea of a card system for secure entry. She questioned whether there will be common space for residents such as a pool or workout room.

Mr. Ruggeri replied they will have a common lounge area to congregate.

They ruled out the workout room because of the issues that have arisen as a result of COVID, and he pointed out LA Fitness and Lifetime Fitness are both located within a close proximity of the development for residents who want to work out on a regular basis.

Councilwoman Schmidt requested an answer to Mr. Jefferson's question about the eCharging stations.

Mr. Tony Gallo, petitioner, replied that at this time they do not have any charging stations planned, but they have been approached by Consumers Energy on a program they are interested in, not only for this development but for others, as they evolve to more electric vehicles. He agreed he can see a need for it in the future, and it is

something for which they will prep, and hopefully as they need it, they will have an arrangement to have a couple of charging stations.

Councilwoman Schmidt inquired as to the timeframe for this project.

Mr. Gallo replied it is their goal to seek engineering approval if this is approved this evening. They would like to proceed through the process of obtaining permits and full engineering, and they hope to start construction in the first quarter of 2022.

Councilwoman Schmidt requested that Mr. McLeod review the timeline as required by the PUD ordinance.

Mr. McLeod replied that site plan approval must be achieved within twelve months, a building permit and construction must be completed within three years, so the timeframe outlined by Mr. Gallo would fall within that ordinance. He added that if there was any "hiccup", the ordinance allows the developer to petition for extensions. He noted extensions have been granted in the past. Councilwoman Schmidt appreciated the layout and the fact that it is not blocking the view of the businesses in the shopping center. She wished them well and is looking forward to this new concept in the city.

Councilwoman Ziarko questioned whether Mr. McLeod has heard of any objections to this project from the neighboring businesses, residents, or the church.

Mr. McLeod stated he has not heard any direct opposition. He believes there have been some points raised by some of the neighboring properties, but he has heard of no direct commentary or opposition.

Councilwoman Ziarko agreed with Councilwoman Schmidt that the common secure entrance is a great idea. She questioned whether there will be sufficient parking for the existing shopping center if this development is approved. She further questioned as to how many vacancies are currently in the commercial strip.

Mr. Ruggeri replied that Pier One, the anchor tenant for that shopping center, closed a few years ago, and he claimed Mr. Gallo has not received any calls on that unit. He added that Mr. Gallo struggles with the site, but he is a good promoter and the tenants he has are solid. He felt this development will make a big difference.

Councilwoman Ziarko questioned whether they have had any discussions about this project with Heritage Church.

Mr. Ruggeri replied affirmatively.

Councilwoman Ziarko felt it is a good idea and is a preview of what could occur at Lakeside, and she added it is wise to do this now before the redevelopment of Lakeside. She questioned why the trend is going to apartments rather than condominiums.

Mr. Ruggeri replied that the younger generation does not want to hold on to real estate for various reasons. Younger people want the

flexibility to move from city to city, state to state, to take new jobs, so they rent. The older generation often opts for apartment living so they do not have the maintenance to worry about, and they are free to travel without having to worry about their home. He added that the forecast he has seen for the next thirty to forty years is for more apartments, and he felt the days of home ownership are dwindling.

Councilwoman Ziarko could not see a downside to this proposed development, and felt it is a good project. She questioned whether Mr. Gallo owns any other adjacent property in the event he needs to expand.

Mr. Gallo replied they own the shopping center to the south, although he assured they have leases with the tenants and are currently serving that clientele. He stated possibly if that demand for use changes in ten or fifteen years, or at some point down the road, they could convert to apartments; however, he stressed at the moment, they are happy to serve and support their existing tenants and want them to flourish. He acknowledged, however, that the retail industry is changing, with more people shopping online, and that has impacted local retailers.

Councilwoman Ziarko wished them well on this project.

Councilwoman Koski questioned whether there will be any type of assigned parking for the residents or are they to park in whatever spaces are available.

Mr. Gallo replied that the parking for the tenants will be on a "first come, first served" basis. He indicated they have a common parking

agreement with all three co-owners, so there is cross access for abundant parking.

Councilwoman Koski inquired as to the interior of the units.

Mr. Gallo replied that the majority of apartments will be two-bedroom units, with only 35 of the apartments being one-bedroom units.

Mr. Ruggeri clarified that three of the one-bedroom units will measure 716 square feet, while the remainder of the one-bedroom units will measure 575 square feet.

Councilwoman Koski inquired as to whether there will be laundry facilities in each unit, or whether there will be a common laundry area for the residents.

Mr. Gallo replied that there will be a separate washer and dryer in each unit. He assured there will be high-end finishes, with high-grade stainless-steel appliances, quartz or granite countertops, LVP flooring with carpeted bedrooms, and upgraded hardware and cabinets. He replied to further inquiry that there will be an apartment manager on site during standard office hours on Mondays through Fridays, although he noted the apartment manager may not reside on site. He anticipated they will have three full-time employees: a manager, a maintenance person, and a leasing agent.

Mr. Ruggeri added that they are on call 24 hours a day, 7 days a week.

Councilwoman Koski verified that residents will enter through by way of a passcode or card, and deliveries will also be secure.

Mr. Gallo replied they will be implementing a key fob system to the common areas. Visitors would have to have the tenant living there let them in, or they would have to have their own key fob for access. He stressed security is very important to maintain a safe environment for their customers. FedEx and other delivery agents would have their own designated codes to enter the building. Mr. Gallo replied to further inquiry that each tenant pays for their own utilities, and they are separate from the monthly rent. He anticipated the monthly rent, based on market studies, will range between \$1,250 and \$1,600 per month.

Councilwoman Koski questioned whether they will be creating a walking path to the ITC Corridor.

Mr. Gallo stated that is part of the planning process, and they will have the ability to implement it if and when it is a requirement, adding they have no objection to it. The internal parking lots and the way they will be striping it would accommodate people who would like to walk to that facility.

Councilwoman Koski felt that, since there is not a lot of green space, it would be important for residents to have the ability to walk on a path. She questioned whether they will be excavating a basement.

Mr. Gallo replied that it will be on a slab. He assured they fence off all of their sites during construction from a security and theft standpoint.

He added they currently have 240 apartment units under construction at two sites, and both sites are fully secured, with temporary fencing all the way around. He stated they intend to do the same for this site.

Councilwoman Koski commented this is a unique style. She questioned how they will maintain the wood portion of the building and the cost for that maintenance.

Mr. Gallo replied that a portion of the façade is not wood but is a composite made to look like wood. He assured this building was designed to be in an urban setting, so they style is fully maintenance-free as far as the materials used.

Councilwoman Koski stated it looks to be a successful project, and she wished them the best.

Mayor Pro-Tem Sierawski congratulated the architect and engineer for the beautiful building proposed, commenting it looks like something they would see in Birmingham. She felt it is a development where her kids would love to live. She stressed revitalization is important, as well as keeping the community vibrant and safe. She thanked Mr. Gallo for this development. She referred to Mr. Jefferson's question about a traffic study and added she would love to see the speed limit lowered in the area.

Mr. Gallo replied to inquiry that a traffic study was not done, and assured that the impact of this development on pedestrian and vehicular traffic in the area will be less than what was originally

anticipated when the AMC Theater went in. He stated they are not intending to do a traffic study unless it is required by the city.

Mayor Pro-Tem Sierawski stated she likes the idea of the mixed use and would love to see residential and commercial mixed uses at Lakeside as well, adding that walkability is important in an urban setting. She questioned whether they are using any innovative materials in their parking lot to help reclaim the water and also prevent any contamination from water runoff.

Mr. Andy Wakeland, civil engineer with Giffels Webster, replied they are not using an impervious pavement but are increasing the impervious area by providing over 22,000 square feet of green space.

Mayor Pro-Tem Sierawski stated she loves that there is 22,000 square feet of green space, and she looks forward to the development.

Councilman Radtke agreed with his colleagues and felt the development could be “twinned” with the green space in the middle. He expressed concern that families who move in may not have a place for their children to play.

Mr. Gallo explained that this product is geared towards young professionals, and although they will lease to anyone who is qualified, there will be open space for people to stretch out and get outside to exercise. He added that there are areas to walk, and there is a sidewalk along Schoenherr, along with fitness gyms in the area.

Councilman Radtke inquired as to where the school bus will pick up the children who live in that development.

Mr. Gallo replied that will be up to the school district, but he is confident they will work it out.

Councilman Radtke stated he likes the design, and he urged Mr. Gallo to consider the development of an outside deck or a pool on the top of the building. He felt this will be the standard for other developments in the area as this is the beginning of the revitalization. He questioned whether they will be renovating the existing shopping center.

Mr. Gallo replied they intend to paint the existing shopping center and intend to make enhancements to the parking lot and existing facilities.

He also assured that the development will have a safe walkway to Schoenherr so residents do not have to “cut across the parking lot”.

Councilman Radtke also felt it would be good to have a designated parking area or one reserved parking space for each tenant, but he has no problem with the shared parking areas. He hoped that possibly they could eliminate the retail and “twin” the apartment building with green space between the buildings.

Mr. Gallo stated he felt those are good ideas.

Councilman Radtke stated he will be voting in favor of this, adding that Mr. Gallo has answered his questions about his concerns. He wished him luck.

Mr. Gallo thanked the Mayor and Council for their confidence they had in approving his high-density project at 15 Mile and Van Dyke. He expressed his gratitude in having the opportunity to prove themselves.

He explained his standard in many instances is higher than the city ordinances, and he highlighted some of the features included in that development. He assured he is very committed to the City of Sterling Heights, grew up in this area, and he assured he will do what is right for the City and the residents.

Councilman Yanez thanked Mr. Gallo for his investment in Sterling Heights and inquired as to the size of the one-bedroom units in Sterling Landing.

Mr. Gallo replied that they are each 575 square feet, which is the same as what he is proposing for this development. He added they have had 100 percent occupancy in all of their units at Sterling Landing since they opened.

Councilman Yanez admitted he does not have the vision of taking a portion of a strip mall parking lot and making into an apartment complex, but he trusts Mr. Gallo, adding that he has done a great job in developing his other properties. He stated he will fully support this proposal. He questioned whether there is a sidewalk gap south of this project.

Discussion took place regarding whether there is a sidewalk gap along the west side of Schoenherr, south of this project.

Mr. Bahorski believed the area to the south, along the ITC property, may be a gap area. The larger area is zoned O-2 and sidewalks are not generally required until the site is developed. He added he does not know the current status of any interest in that property.

Councilman Yanez felt if they are going to consider this project, they need to look at closing that sidewalk gap so the residents can walk along Schoenherr, possibly to Kroger.

Mayor Taylor stated he is currently looking at an aerial of the area on Google Maps and cannot find a sidewalk gap along the west side of Schoenherr Road from Hall Road south almost to 19 Mile Road. He stated he is impressed with this plan, and he is excited to see this happen in the City of Sterling Heights. He indicated they have been looking at targeting Lakeside Mall to develop the outlots and parking lot, which is a massive sea of parking. He felt there is too much parking currently on the proposed site as well, and this plan will be a great way of filling it. He emphasized the benefits of apartment living, with no maintenance, and he felt there are a lot of people who will be attracted to this and would otherwise be looking in other communities to find this type of complex. He pointed out that for the last several years, the City of Sterling Heights has provided amenities to target families, but with the changing landscape in retail, they can now use those spaces to target younger professionals. He felt it is great to see a mixture of products that will appeal to everyone, and he wished the petitioners luck and thanked them for their continued investment in Sterling Heights.

Yes: All. The motion carried.

8. ORDINANCE INTRODUCTIONS

A. Mayor Taylor stated this is to introduce the final amendment to the Appropriations Ordinance for the 2020/21 fiscal year. He invited Finance and Budget Director Jennifer L. Varney to give a presentation.

Finance and Budget Director Jennifer L. Varney explained that at the end of the fiscal year, the Budget office prepares a final amendment to the Appropriations Ordinance to estimate how they expect to end the fiscal year on June 30. She explained General Fund revenues are projected to come in \$5.1 million, or 4.6 percent, higher than originally budgeted, and she reviewed the main revenue variances and how they are attributed, including a decrease in property tax revenue of about \$400,000, a decrease in charges for services of approximately \$550,000, and a decrease in interest on investments of approximately \$400,000. They also saw increases of \$1.4 million in a payroll reimbursement grant, which was part of the CARES Act funding passed on to the City from the federal government, an increase of \$1 million in revenue sharing, an increase of \$250,000 in fines and forfeitures, and an increase of \$3.8 million in the personal property tax reimbursement. She cautioned that the personal property tax reimbursement revenue is not guaranteed and so it is not considered in the operating budget, but it is used for one-time expenditures. This year, it enabled the City to designate \$1 million each to the Major Road fund and Capital Projects fund, as well as to offset the losses in the Parks and Recreation fund.

Ms. Varney provided more information on why the revenue sharing is up more than anticipated, including a shift in spending habits, resulting in an increase in sales and use tax. She noted that total revenue sharing for all municipalities in 2021 is \$29.3 billion, which is \$3 billion more than in 2020. She cautioned the state expects this trend to reverse somewhat in 2022, lowering overall revenue sharing by about 1.4 percent from these levels. She cited as another factor that significantly affected the City's financial status this fiscal year the various sources of COVID-19 relief from the federal government, pointing out that relief totaled over \$6 million and is a significant reason they are able to add to Fund Balance this year.

Ms. Varney reviewed the General Fund expenditures, which are 3.3 percent higher than budgeted. Part of the extra personal property tax was used to transfer \$1 million each to the Major Roads fund and Capital Projects fund for future projects. An additional \$700,000 was transferred from the CARES Act money to the Capital Projects fund to fund the automatic doors and touchless plumbing fixtures. An additional \$750,000 was needed in the Parks and Recreation fund due to the loss of revenue resulting from the COVID-19 shutdowns. The Vaccination Center costs totaled about \$500,000; however, they expect all of this to be reimbursed by FEMA. An additional \$1.1 million was transferred to the Facilities fund due to the timing of the completion of the final projects, and savings were seen in the Police Department due to timing of hiring of new officers, lower overtime costs, and lower building costs

due to the shutdown. Savings were also seen in the Public Works department, due to lower part-time wages and overtime, as well as savings on auto parts. As a result, they will be able to add approximately \$675,000 to Fund Balance, which is much better than anticipated in June. She advised this will bring the General Fund Balance percentage to about 26.5% of expenditures at the end of this fiscal year, and the use of General Fund Balance next year will bring that percentage to just under 25 percent. Ms. Varney explained the budget for Other City funds increased by \$2 million, due to additional costs of \$1.5 million in the Water and Sewer fund because of higher water usage than average as a result of the dry summer. This also increased revenue, and they are expected to add another \$1.3 million to Water and Sewer fund balance this year. She provided other expenditure increases, including Local Roads and Facilities Improvements, as well as savings in Major Roads, and Capital Projects.

Ms. Varney advised this is the first reading of the Appropriations Ordinance scheduled for adoption at the first meeting in July.

Mayor Taylor opened the floor to the audience, but no one spoke.

Moved by Sierawski, seconded by Taylor, **RESOLVED**, to introduce the final amendment to the Appropriations Ordinance for the 2020/21 fiscal year.

Mayor Pro-Tem Sierawski thanked Ms. Varney for her presentation, and she is glad to see they are in better position than anticipated. She is happy to be able to add to the Fund Balance.

Councilwoman Ziarko inquired as to whether the expenditures for the Vaccination Center includes both Lakeside and the Senior Center.

Ms. Varney replied that cost is only for the Lakeside Vaccination Center.

Yes: All. The motion carried.

9. **ORDINANCE ADOPTIONS**

Mayor Taylor stated this is to consider adoption of an ordinance amending Article III, Divisions 1, 11, and 12 of Chapter 2 of the City Code of Ordinances to establish compensation for boards and commissions by means of the annual appropriations ordinance. He opened the floor for public comments, but no one spoke.

Moved by Sierawski, seconded by Ziarko, to adopt the ordinance amending Article III, Divisions 1, 11, and 12 of Chapter 2 of the City Code of Ordinances to establish compensation for boards and commissions by means of the annual appropriations ordinance.

Yes: All. The motion carried.

10. **CONSENT AGENDA**

Mayor Taylor stated this item is consideration of the Consent Agenda. He opened the floor for public comments, but no one spoke.

Moved by Koski, seconded by Ziarko, **RESOLVED**, to approve the Consent Agenda as presented:

- A. To approve the minutes of the Regular Meeting of June 1, 2021.
- B. To approve payment of the bills as presented: General Fund - \$596,231.01, Water & Sewer Fund - \$3,073,588.77, Other Funds - \$909,919.88, Total Checks - \$4,579,739.66.
- C. **RESOLVED**, to purchase library books through the Suburban Library Cooperative, 44750 Delco Blvd., Sterling Heights, MI 48313, for fiscal year 2021/ 2022 in the amount of \$125,000.
- D. **RESOLVED**, to accept a proposal for the trenchless technology repair of underground sewers from Corby Energy Services, Inc., 6001 Schooner Street, Belleville, MI 48111 at pricing available through a National IPA cooperative contract, RFP 17-08, at a total expected cost

- of \$312,058.62, and authorize the City Manager to sign all documents required in conjunction with this approval.
- E. **RESOLVED**, to purchase eBooks and eAudiobooks through the Midwest Collaborative for Library Services OverDrive Group, One OverDrive Way, Cleveland, OH 44125, in the amount of \$56,042.
 - F. **RESOLVED**, to approve the Healthcare and Benefits Consulting Services Agreement between the City of Sterling Heights and Cornerstone Municipal Advisory Group, LLC, d/b/a Manquen Vance, 50 W. Big Beaver, Suite 220, Troy, MI 48084, for the period July 1, 2021, through June 30, 2022, with an option for the City Manager to extend the Agreement one additional year and authorize the City Manager to sign all documents required in conjunction with this approval.
 - G. **RESOLVED**, to accept the proposal by Plante & Moran, PLLC, 3000 Town Center, Suite 100, Southfield, MI 48075, for professional auditing services for a four-year period, with an option for the City Manager to extend the terms and conditions for two additional one-year periods and authorize the City Manager to sign all documents required in conjunction with this approval.
 - H. **RESOLVED**, to approve the application by Ace Pyro, LLC for a fireworks display permit on Wednesday, July 16th, 2021, at Freedom Hill County Park, 14900 Metropolitan Parkway, subject to a final site inspection by personnel of the Sterling Heights Fire Department and authorize the City Manager to sign all documents required in conjunction with this approval.
 - I. **RESOLVED**, to approve the final payment to Warren Contractors & Development, Inc., 14979 Technology Drive, Shelby Township, MI 48315, in the amount of \$70,600.45, plus interest on retainage, for Neighborhood Park Improvements – Phase 8.
 - J. **RESOLVED**, to acknowledge and accept the donation by the Macomb Community College Justice Training Center of Taser training cartridges.
 - K. **RESOLVED**, to adopt the resolution designating June 2021 as Men’s Health Month in the City of Sterling Heights.
 - L. **RESOLVED**, to set the public hearing on Tuesday, July 20th, 2021, at 7:00 p.m. regarding the application by Cosimo Lombardo to amend the Palm Ryan Site Condominium Planned Unit Development, PPCM-1170, situated on the east side of Ryan Road, south of 18-1/2 Mile Road.
 - M. **RESOLVED**, to receive the lawsuit, Erik Lateef Williams v Sterling Heights Police Department; 41-A District Court Case S-21-1008-GZ.

Yes: All. The motion carried.

11. **CONSIDERATION**

A. Mayor Taylor stated this is to consider approval of a collective bargaining agreement between the City of Sterling Heights and Teamsters Local 214 Department of Public Works Field Unit Employees for the period of July 1, 2021, to June 30, 2024. He invited Assistant City Manager Jeffrey A. Bahorski to give a presentation.

Assistant City Manager Jeffrey A. Bahorski stated that, without objection from Mayor and City Council, he would like to combine the presentations for the next two items because there is commonality between the two collective bargaining agreements.

Mayor Taylor and City Council members did not offer objection.

Mr. Bahorski explained the existing collective bargaining agreements (CBAs) both expire on June 30, 2021, and in anticipation of these expiration dates, negotiations on new collective bargaining agreements were undertaken and they have reached tentative agreements. The memberships of both groups have ratified the CBAs. They both have a three-year term, from July 1, 2021, to June 30, 2024, and he reviewed the highlights, including a 2 percent wage increase in fiscal year 2021-2022, a 2.5 percent increase in fiscal year 2022-2023, and a 3 percent increase in fiscal year 2023-2024. He noted that for DPW Field Unit and DPW Supervisory members participating in the City's defined contribution plan, the City's annual contribution will increase from 4 percent of base salary to 5 percent of base salary as of July 1, 2021 and will increase to 5.5 percent in 2023. He noted this is the first increase in defined

contribution rates on behalf of the City in at least ten years. For the DPW Field Unit and DPW Supervisory members who do not otherwise qualify for retiree medical, the City's contribution to the membership PEHP accounts will increase to \$2,000 annually. Life insurance for those retiring with a defined contribution retirement benefit is being provided to age 70, and he outlined the specific details. He also noted a modification in the residency requirement to include the entire geographic boundary for the five counties that currently lie within twenty miles of the City of Sterling Heights. He also outlined some of the details regarding the specific groups, including clothing allowance, emergency leave bank, and a one-time wage increase for Supervisory, adding that because of COVID, they could not provide the wage increase to which they would be entitled, so this catches them up. Mr. Bahorski acknowledged the good faith exhibited by both of these bargaining units. He stressed collective bargaining is never easy, and can be an acrimonious process, but he emphasized they worked very well with both groups as evidenced by being able to bring these agreements to Council prior to the expiration of the existing contracts.

Mayor Taylor opened the floor for public comments.

- Jon Matthews – agreed collective bargaining is not easy; felt the increase is considered an investment in the people who live and work in the city; questioned whether expanding the residency requirement is because they are struggling to find people to work here, especially for specialty positions; talked about bereavement benefit.

Moved by Yanez, seconded by Ziarko, **RESOLVED**, to approve the collective bargaining agreement between the City of Sterling Heights and Teamsters

Local 214 Department of Public Works Field Unit Employees for the period of July 1, 2021, to June 30, 2024, and authorize the Mayor and City Clerk to sign all documents in conjunction with this approval.

Councilman Radtke asked Mr. Bahorski if he can address Mr. Matthews' question regarding the expansion of the boundaries.

Mr. Bahorski commented that the job market is extremely tight, especially for police and fire fighters, and attracting talent is incredibly difficult. He recalled a time when it was not unusual to get 1,000 applicants for a fire recruitment or 800 applicants for a police recruitment. He pointed out in many cases they are down to between 17 to 25 applicants, although he clarified this is not limited to Sterling Heights but it is an industry-wide problem. He stated residency revisions will not solve this, but it is a step in the right direction. Sterling Heights has always been a destination department for both police and fire, and he still believes it is, but all municipalities are begging for police and fire fighter applicants. He addressed the question regarding the change in the funeral bereavement policy, noting the policy reflected the old-fashioned concept of funeral leave, where there was a three-day funeral viewing, with a funeral service held on the fourth day. He indicated they needed an update to reflect the bereavement process, so employees that qualify for a five-day bereavement can now take all five days together, or four days for the bereavement, and one day at a later date to attend a memorial service. He replied to Mr. Matthews' inquiry that holidays do count if they fall within the bereavement week. He added that if the funeral is in excess of 250

miles from Detroit, they increase the leave to accommodate someone having to travel to a farther destination.

Councilman Radtke understood they are standardizing policy across all bargaining units. He felt this is a fair policy.

Mr. Bahorski agreed, and explained they are also in current negotiations with the Police Officers Association, and they have gone over the residency.

Councilman Radtke stated he would like to see all of the police officers and other public employees live in Sterling Heights, but he acknowledged laws no longer allow it. He felt they are doing everything they can to attract candidates while keeping them local in the event of an emergency. He felt this is a fairer policy, noting that the current policy was “splitting hairs” on where a person could or could not live.

Mr. Bahorski explained there was a circle drawn as to the 20-mile boundary, and he cited Almont as a perfect example where if someone lived on one side of the road, they could work for the City of Sterling Heights, but if they lived on the other side of the road, they were considered outside of acceptable parameter to meet the residency requirement.

Yes: All. The motion carried.

B. Mayor Taylor stated this is to consider approval of a collective bargaining agreement between the City of Sterling Heights and AFSCME Local 1917 representing Department of Public Works Supervisory Employees

for the period of July 1, 2021, to June 30, 2024. He asked Mr. Bahorski if he had anything to add on this agenda item.

Mr. Bahorski replied that he had nothing additional for this item.

Mayor Taylor opened the floor for public comments, but no one spoke.

Moved by Schmidt, seconded by Sierawski, **RESOLVED**, to approve the collective bargaining agreement between the City of Sterling Heights and AFSCME Local 1917 DPW Supervisory Employees for the period of July 1, 2021, to June 30, 2024, and authorize the Mayor and City Clerk to sign all documents in conjunction with this approval.

Councilwoman Schmidt thanked all of the members involved in both contracts. She appreciated Administration's hard work and the bargaining units working together with them.

Councilwoman Ziarko thanked everyone involved. She commented that by the time it comes before Council, the process looks easy because all of the agreements have been made, and she appreciated the great job they do to get it to that point.

Mayor Taylor thanked Mr. Bahorski and his team for their involvement and great work they do in the negotiations, not only for the City and its residents, but also for the employees. He referred to the employees as the "unsung heroes", and he was pleased that negotiations went smoothly, with a good resolution that is something they deserve.

Yes: All. The motion carried.

C. Mayor Taylor stated this is to consider appointments to City of Sterling Heights Boards and Commissions. He opened the floor for comments from the audience, but no one spoke.

Citizens Advisory Committee – CDBG

Moved by Radtke, seconded by Taylor, **RESOLVED**, to appoint Sheri Marwede to the Citizens Advisory Committee – CDBG to a term ending June 30, 2022, subject to the appointee meeting the qualifications set forth in Charter §4.03 and taking the oath of office within two weeks.

Councilman Radtke stated that Ms. Marwede was formerly a buyer for General Motors, and he felt she will be an excellent addition to the committee.

Yes: All. The motion carried.

Moved by Ziarko, seconded by Schmidt, **RESOLVED**, to appoint Kim Szajna to the Citizens Advisory Committee – CDBG to a term ending June 30, 2022, subject to the appointee meeting the qualifications set forth in Charter §4.03 and taking the oath of office within two weeks.

Yes: All. The motion carried.

CommUNITY Alliance

Moved by Schmidt, seconded by Ziarko, **RESOLVED**, to appoint Richard Rubba to the CommUNITY Alliance to a term ending June 30, 2024, subject to the appointee meeting the qualifications set forth in Charter §4.03 and taking the oath of office within two weeks.

Yes: All. The motion carried.

12. COMMUNICATIONS FROM CITIZENS

Mayor Taylor opened the floor for comments from the audience.

- Charles Jefferson – requested an explanation of the rules for fireworks for Independence Day; questioned whether there will be any activities scheduled to honor International Men’s Health Week; questioned why Citizen’s Advisory Committee appointment is now a Council rather than Mayoral appointment; talked about reparations.

- Jon Matthews – pleased the city is forward-thinking; library has diverse collection of books for a diverse community; encouraged community to serve as role model for youth, especially in these trying times for young people.

Mr. Bahorski reviewed the regulations on fireworks displays in Sterling Heights. He advised the state law prohibits the city from banning the use of consumer fireworks for the period of June 29 through July 4, so on those days, it is lawful to ignite consumer-grade fireworks between 11 a.m. until 11:45 p.m. and only on private property with permission. He added that spectators must be 25 feet away from the ignition site, and that distance must be increased to 50 feet for minors. He acknowledged it is a difficult time for veterans, as well as pets that can be sensitive to the noise, and they receive a lot of phone calls, but those are the state regulations.

13. REPORTS FROM CITY ADMINISTRATION AND CITY COUNCIL

Councilwoman Ziarko requested an explanation on the traffic signal change at the intersection of 15 Mile and Schoenherr. She noted it is different at various times of the day, and at times there is a leading left-turn signal, while other times that changes. She felt there is confusion as to the pattern, and she would like to get an answer from the County as to why those changes were made and what difference it makes at different times of the day.

Mr. Bahorski assured they will follow up on that request.

Councilwoman Schmidt invited everyone to the Farmer's Market Pavilion on Friday night for the Annual Cultural Exchange. She noted it will look different

because they will be outside, with performances on stage and food trucks will be available. She added they will not be serving all of the food as has been typical in the past. She commented it is one of her favorite events of the year because it gives everyone the opportunity to learn about each other's cultures and how much everyone is alike more than different.

Councilman Radtke echoed Councilwoman Schmidt's comments, agreeing that the Cultural Exchange is one of the best events of the year. He pointed out the many activities taking place at Dodge Park this year, including Take Out Tuesdays, as well as Thursday nights when they have the Farmer's Market, Patio's 'n' Pints, and Music in the Park. He stated this past weekend he attended Macomb County Pride Picnic at Dodge Park, and the question was raised to him as to why the city adopted the Resolution for Pride month but is not flying the Pride Flag at City Hall. Councilman Radtke requested, without objection, that the Pride Flag be flown on the flagpole for the remainder of the month.

Mayor Taylor stated he has no objection to it, and Council members did not indicate any objection. Mayor Taylor stated there are three flag poles at City Hall, and he inquired as to whether the City has a flag policy.

Mr. Bahorski replied he is aware there are a lot of regulations with respect to the United States flag, but he will check to see if there are other regulations. Councilman Radtke stated he went to the annual fundraising dinner for the AICC (American Islamic Community Center) in Sterling Heights. He

commented they are very generous and a great group to know, and he supports the work they do in the community.

Councilman Yanez thanked Parks and Recreation Director Kyle Langlois for his presentation on Men's Health Month. He stated he had requested the Resolution, noting it had come from someone in the audience several months ago. He talked about past Resolutions he did at the state level. He pointed out the amenities in Sterling Heights are great for anyone who wants to live a healthy, active lifestyle. He hopes they will have the opportunity to do even more to promote health now that they are past COVID. He addressed the concern about the fireworks, and he asked people to be cognizant and courteous of their neighbors, both with the noise but also the residual trash from these fireworks. He urged everyone to be safe.

Councilwoman Koski questioned whether the food at the Cultural Exchange will be supplied by food trucks and purchased by those who attend.

Mr. Bahorski replied affirmatively.

Councilwoman Koski noted the ribbon-cutting today for the "Go Slow" project with the Police Department, where they are trying to slow down the traffic, especially on Metropolitan Parkway and Ryan Road.

Mayor Pro-Tem Sierawski stated men's health is important to her, and the Resolution for Men's Health Month is a good way to highlight all levels of health, including prostate, heart disease, diabetes, and mental health. She added she had the pleasure of attending the unveiling of the Military Family

Gold Star memorial at the Clinton Township Civic Center this past Saturday. She explained that when a family member in the military has died while serving their country, the family is considered a “Gold Star” family, because they gave the ultimate sacrifice. She encouraged those interested to go to the Clinton Township Civic Center to view this beautiful memorial.

Mayor Taylor thanked everyone for their great comments, and he reminded the Cultural Exchange on Friday night.

Councilwoman Ziarko thanked Mr. Bahorski for joining them tonight.

Mayor Taylor also thanked Ms. Bara for her excellent job in filling in for Clerk Ryska this evening as well, adding that they have fabulous employees. He also commended Ms. Varney, adding that when former Finance Director Brian Baker left, Ms. Varney has not missed a step and has done an incredible job.

14. **UNFINISHED BUSINESS**

There was no unfinished business.

15. **NEW BUSINESS**

There was no new business.

16. **CLOSED SESSION PERMITTED UNDER ACT 267 OF 1976**

Mr. Kaszubski stated there are no items for closed session this evening.

17. **ADJOURN**

Moved by Ziarko, seconded by Radtke, **RESOLVED**, to adjourn the meeting. Yes: All. The motion carried and the meeting was adjourned at 9:18 p.m.

MELANIE D. RYSKA, City Clerk