

## CITY COUNCIL MINUTES

City of Hillsdale

October 3, 2022

7:00 P.M.

Regular Meeting

### Call to Order and Pledge of Allegiance

Mayor Adam Stockford opened the meeting with the Pledge of Allegiance.

### Roll Call

Mayor Adam Stockford called the meeting to order. Clerk Price took roll call.

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|--------------------------|--|
| Council Members present: | Adam Stockford, Mayor<br>R Greg Stuchell, Ward 1<br>Anthony Vear, Ward 1<br>William Morrissey, Ward 2<br>Cynthia Pratt, Ward 2<br>Bruce Sharp, Ward 3<br>Bill Zeiser, Ward 3<br>Raymond Briner, Ward 4<br>Robert Socha, Ward 4 |
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|-------------------------|------|
| Council Members absent: | None |
|-------------------------|------|

Also Present: Attorney Tom Thompson, Katy Price (City Clerk), Jason Blake (DPS Director), Kim Thomas (City Assessor), Scott Hephner (HPD/HFD), Kristin Bauer (City Engineer), Penny Swan, Doug Ingles, Sheri Ingles, Dennis Wainscott, Gary Wolfram, Scott Wiseley, Lance Benzing, Ian Church, Alex Deimel, Scott Sessions, Jeff Stewart, Drew Homovec, Jason Gehrke, Erika Gehrke, Don Cascarelli, Carmen Cascarelli, Brad Blackham, Kristi Matson, Robert Eichler, Bob Flynn, Bill Gray, Rachel Cuthbert, Ben Cuthbert, Matthew Miller, Beverly Fall, Larry Fall, Pam Tippner, Don Tippner, Brianna Regan, Jeremiah Regan, Michael Clark, Greg Kurtz, Kathy Kurtz, Joanna Wiseley, Ed Swanson, Kathleen Swanson, Madelyn Greenstone, Linda Calbetzer, Tom Stiverson, Marsha Stiverson, Sarah Eckhardt, Peter Merritt, Cindy Merritt, Scot Bertram, Heidi Pruitt, Troy Balser, Megan Gray, Kimberly More, Grant More, Josh Hypes, Katy Casper, Anne Vincenti and Brandon Janes.

### Approval of Agenda

Motion by Council Member Morrissey, seconded by Council Member Vear to approve the agenda as presented.

By a voice vote, the motion passed unanimously.

### Public Comment

Alan Russell, commented on the sale of building at 245 Mechanic Street and revoking the Industrial Facilities Exemption Certificate 2019-045 for Central Coast Designs, Inc.

Jack McLain, commented on domestic assault and awareness and mentioned that men are also domestically assaulted not just women.

### Consent Agenda

- A. Approval of Bills
  - 1. City and BPU Claims of September 1, 2022: \$1,939,469.22
  - 2. Payroll of September 15, 2022: \$198,333.20
- B. City Council Minutes of September 19, 2022
- C. Special Olympics Area 29 Street Use Agreement – 5k Twilight Twinkle
- D. 2022 Hillsdale College Homecoming Street Use Agreement

Motion by Council Member Morrissey, seconded by Council Member Pratt to approve the consent agenda as presented.

Roll call:

|                          |     |
|--------------------------|-----|
| Council Member Stuchell  | Aye |
| Council Member Vear      | Aye |
| Mayor Stockford          | Aye |
| Council Member Sharp     | Aye |
| Council Member Pratt     | Aye |
| Council Member Socha     | Aye |
| Council Member Briner    | Aye |
| Council Member Zeiser    | Aye |
| Council Member Morrissey | Aye |

Motion passed 9-0

**Communications/Petitions**

- A. Leaf & Brush Collection Notice
- B. MRC September 2022 Newsletter
- C. Keefer House Hotel Construction Update
- D. Reading Emergency Unit Letter
- E. Hillsdale Hospital Pregnancy and Infant Loss Remembrance Walk
- F. City of Hillsdale Trick or Treating
- G. Special Assessment District 2023-07 Letters

All items presented for the purpose of information only.

**Introduction and Adoption of Ordinances/Public Hearings**

- A. Public Hearing for Special Assessment District 23-07 (Westwood Area)

City Engineer Bauer reviewed the SAD project with Council which includes the full extents of Westwood Drive, Sumac Drive, Picardy Place, Azalea Court, Corona Circle, Scenic Drive and Cold Springs Circle in addition to Westwood Street from Cold Springs Circle to Lewis Street and Highland and Glendale Avenues from Westwood Street to Bacon Street. The total estimated cost for this project, including utility work, is \$5,852,465 with the Special Assessment portion of the work for street reconstruction and storm sewer estimated at \$2,681,664. City Funds will cover an estimated amount of \$2,260,914 (84%) of the eligible project costs with approximately \$420,750 (16%) being covered through special assessment to the 89 parcels currently identified in the Special Assessment District (SAD).

The project cost split is in accordance with the City’s Policy on Special Assessment Districts for Street Projects presented to the City Council at their February 1, 2021 meeting. It is important to note that the total assessed cost to the affected property owners will not go above the policy maximum assessment limit of \$5,000 per parcel or 25% of the property value per Hillsdale Ordinance Chapter 2, Article V, Section 2-335, whichever is the lesser amount.

Council questions occurred with timeframe of project and costs of materials.

Mayor Stockford asked the audience how many in attendance by hands raised live in the SAD, and are in favor and not in favor of the project.

**Mayor Stockford opened the podium at 7:12 p.m. (three minutes allowed for public per speaker)**

Gary Wolfram, 3 Corona Cr., is in favor of the project as no other way to get roads fixed. He reviewed how revenue sharing works.

Greg Kurtz, 151 Westwood Dr., in favor of the project.. Water mains continue to break, assessment should pass.

Kimberly More, 168 Westwood Dr., asked about the water issues and drains with the project proposed as she has water issues and running water currently.

City Engineer Bauer addressed More's concerns.

Jeremiah Regan, 36 Glendale Ave., stated there are ways to override proposition three (3), asked that the City cut down on budget to allow road work to be done.

Mike Clark, 154 Westwood Dr., stated roads need done but not in favor of the special assessment. He also asked about the bonus structure on road reconstruction for the City Manager.

Mayor Stockford reviewed the bonus structure along with City Manager Mackie.

Kristi Matson, 5 Azalea Ct., Roads need to be done, not in favor of the special assessment and oppose the project. Submitted letter of opposition to Clerk Price.

Ed Swanson, 144 Westwood Dr., concerns about the pavement. Spent thousands of dollars to correct some surface water issues over the last few years. He is willing to spend the \$5000 to get the street fixed.

Thomas Stiverson, 36 Sumac Dr., is in favor of the project and is ready for the streets to be done.

Briana Regan, 36 Glendale Ave., roads need to be fixed but is opposed to the special assessment as some may not be able to afford it.

Ian Church 109 Cold Springs Cr., in favor of repairing roads but is opposing the special assessment, he has 2 and 1/3 lot and will have to pay additional for each parcel, would be a burden on him and his family.

Jason Gehrke, 4 Picardy Pl., is in favor of the project and stated streets need to be done. Asked Council to have an equal amount assessed for all residents that are in the area.

Lance Benzing, 5 Corona Cr., roads need to be done but not in favor of the special assessment.

Scot Bertram, 131 Westwood St., roads need fixed, safety for residents, asked about a maintenance plan and possible speed humps if the project goes through. He thinks that it will benefit others more than the residents as it is highly traveled as go through area.

Larry Fall, 4 Azalea Ct., spoke on the condition of the road currently and stated it was poorly constructed when it was first done.

Jake McLain stated the special assessment would be \$5000 plus six (6) interest over the next 10 years if not paid all at one time.

Scott Sessions, 102 Cold Spring Cr., asked how many letters were in opposition and in favor of the project in total. He is not in favor of the special assessment as his taxes continue to go raise.

Clerk Price state 18 in opposition and five (5) in favor. 17 opposition letters were submitted before meeting began.

Ben Cuthbert, 115 Cold Spring Cr., is in full support of the project and asked Council to pass the Special Assessment District project. The benefits far out way the costs.

Megan Gray, 3 Azalea Ct., biggest concern is people that cannot afford the assessment.

City Assessor Thomas reviewed the special assessment process and the poverty exemption guidelines.

Scott Wiseley, 40 Glendale Ave., reviewed the special assessment amount for the neighborhood. Stated that the neighborhood is an area of high traffic and different from some of the other special assessment districts and doesn't believe the residents should have to pay for it.

Pam Tippner, 157 Westwood Dr., had questions on the four inches of asphalt that would be on the roads. Stated she would like it to be deeper as there is a lot of traffic through the neighborhood.

Troy Balzer, 158 Westwood Dr., mentioned safety is a major concern of the current condition, sink holes, need to take care of water issues before putting a road on a floating foundation.

**Mayor Stockford closed the podium at 8:18 p.m.**

Council Member Zeiser asked City Manager about the timeline if the special assessment project doesn't pass.

Estimated time frame would be 20 years per City Manager Mackie as other roads need attention as well.

Council Member Stuchell mentioned the cost for residents is not property tax it's a special assessment so an additional amount which breaks down to about \$150-300 additional in taxes a year based on home value.

Council Member Sharp commented on the Westwood area street condition currently, is like a third world street. These streets are horrible and cars are needing repaired and there are many safety concerns and would like to see this project pass. Residents deserve a nice street.

Council Member Vear 88 properties in the project area. Residents are about 50 in favor 50 in opposition in the attendance. Stated those in opposition of the special assessment were not in opposition of the actual project but the special assessment process.

Council Member Socha stated he was originally against special assessment and taxes but since researching he sees there is no other option to get the streets done. Hillsdale streets are not favorable. He wants to draw people to Hillsdale and have streets drivable.

Council Member Briner stated he drove once up in that area and will not do again. It's horrible. Briner mentioned the City income tax option as another revenue source to get streets done. The City budget is limited and runs on about one million after county, schools and public safety portion.

Mayor Stockford stated he is not in favor of special assessment but knows the streets need fixed in the Westwood area. He thanked City Manager, City Engineer and staff for working on the project.

Motion by Council Member Sharp, seconded by Council Member Vear to approve curation of Westwood area special assessment district, SAD 23-07. **Resolution #3516.**

Roll call:

|                         |     |
|-------------------------|-----|
| Council Member Stuchell | Aye |
| Council Member Vear     | Aye |
| Mayor Stockford         | Nay |
| Council Member Sharp    | Aye |
| Council Member Pratt    | Nay |
| Council Member Socha    | Aye |
| Council Member Briner   | Nay |
| Council Member Zeiser   | Aye |
| Council Member Morrisey | Aye |

Motion passed 6-3

**Old Business**

None

**New Business**

A. Authorizing Resolution for 2022 Capital Improvement Bonds

City Manager Mackie reported on August 1, 2022 the City Council approved Resolution 3512 to Acquire and Construct Capital Improvements, To Publish Notice of Intent to Issue Capital Improvement Bonds, and to Declare Office Intent to Reimburse Expenditures with Bond Proceeds. The bond revenue will be used to pay for the 2023 Westwood Area infrastructure project and other water/sewer capital expenditures. According to Act 34 of Public Acts of Michigan of 2001, as amended (“Act 34”) once the public is officially noticed they have a 45-day “right of referendum” period. The 45-day right of referendum period has expired. The City may proceed with the sale of bonds. Without bond revenue the Westwood Area project will not be able to proceed.

Motion by Council Member Sharp, seconded by Council Member Morrissey to approve 2022 Capital Improvement Bonds for Westwood Area infrastructure project. **Resolution #3517.**

Roll call:

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|--------------------------|-----|
| Council Member Stuchell  | Aye |
| Council Member Vear      | Aye |
| Mayor Stockford          | Nay |
| Council Member Sharp     | Aye |
| Council Member Pratt     | Aye |
| Council Member Socha     | Aye |
| Council Member Briner    | Aye |
| Council Member Zeiser    | Aye |
| Council Member Morrissey | Aye |

Motion passed 8-1

B. Resolution to Revoke Industrial Facilities Exemption Certificate Number 2019-045, issued to 245 Mechanic – Central Coast Designs, Inc.

City Manager Mackie reviewed on April 15, 2019, Council adopted Resolution 3373 approving an IFT application of Central Coast Designs, Inc. for building and real property improvements at 245 Mechanic Street in the amount of \$98,450.00. Certificate number 2019-045 was issued by the State Tax Commission with an expiration of December 30, 2029.

To revoke the certificate, Council would need to pass a resolution to be forwarded to the State Tax Commission. The State Tax Commission is required to give written notice to the certificate holder and afford them an opportunity for a hearing prior to issuing an official order.

Council discussion ensued on the clawback provision per the agreement with the City.

Motion by Council Member Sharp, seconded by Council Member Socha to approve the resolution to revoke Industrial Facilities Exemption Certificate Number 2019-045, issued to 245 Mechanic – Central Coast Designs, Inc. **Resolution #3518.**

By a voice vote, the motion passed unanimously.

C. Resolution to Revoke Industrial Facilities Exemption Certificate Number 2017-181, issued to 221 Industrial Drive – Corecoyle Composites LLC.

City Manager Mackie reported on January 4, 2016, Council adopted Resolution #3258 to establish a Plant Rehabilitation District encompassing the property located at 221 Industrial Drive, which had been vacant for approximately 10 years. The property was purchased by Two2One LLC on December 15, 2016, for occupation by Corecoyle Composites LLC. On July 26, 2017, Corecoyle Composites LLC submitted an application for an Industrial Facilities Tax Exemption Certificate for their rehabilitation project, started March 1, 2017 with a projected end date of December 15, 2020. The total cost of the building and improvements reported by the applicant was \$1,308,638. On

September 5, 2017 Council adopted Resolution #3319 approving the application. Certificate number 2017-181 was issued on December 12, 2017 by the State Tax Commission with an expiration of December 30, 2032.

City Manager Mackie mentioned that they are not in compliance with the agreement with the City as they are without jobs and have been given an extension due to Covid issues many businesses faced and is now brought to Council to entertain the revocation of the certificate. The City hasn't been given a timeline on when new jobs will be brought in.

Mr. Homovec, Corecoyle Composites owner, addressed Council with all the business accomplishments and upgrades that have been done to the building and business. He shared his concerns and issues he has faced with Covid and where he is at currently.

Council discussion ensued on holding off on revoking the certificate a year as Homovec has a financial meeting in two (2) weeks.

There was no action taken.

- D. Resolution to revoke Obsolete Property Rehabilitation Exemption Certificate Number 3-14-0004, issued to Broad Street Downtown Market located at 55 N Broad Street, Hillsdale, Michigan

City Manager Mackie reported on May 5, 2014, Council adopted Resolution 3168 approving an OPRA application of Broad Street Downtown Market for real property improvements at 55 N Broad Street in the amount of \$418,746. Certificate number 3-14-0004 was issued by the State Tax Commission with an expiration of December 30, 2024.

City Manager Mackie stated that there have been numerous times the taxes are not paid or paid late.

Motion by Council Member Sharp, seconded by Council Member Morrissey to revoke OPRA Certificate Number 31-14-0004 to Broad Street Downtown Market. **Resolution #3519.**

By a voice vote, 8 ayes, 1 abstain, the motion passed.

- E. Hillsdale Justice Project Inc Land Division

The owner of parcel number 30-006-126-160-23, located at 75 N Broad St. would like to divide the property for potential sale of the 2-story section of the building. The property in question is separately described as 2 parcels on the deed, and has historically been separately occupied, but was combined for assessment purposes prior to 1976. The 2-story section of the building sustained significant fire damage in 1997 and has remained unoccupied since that time.

Hillsdale City Code Section 18-82 requires application to council requesting approval to divide platted lots, with automatic referral to the planning commission for input, review and recommendation. The Zoning Administrator and Assessor have reviewed the request for compliance with the Zoning Ordinance and Michigan Land Division Act and recommend approval as requested. The Planning Commission reviewed the application at their regular meeting on September 21, 2022.

Motion by Council Member Sharp, seconded by Council Member Morrissey to approve the land division for Hillsdale Justice Project Inc located at 75 N. Broad St.

By a voice vote, the motion passed unanimously.

- F. Set Public Hearing for Obsolete Property Rehabilitation Exemption- JB Office Building, LLC

The clerk's office is in receipt of an "Application for Obsolete Property Rehabilitation Exemption Certificate" for property located at 30 & 32 North Howell Street owned by JB Office Building, LLC. The application is for tax abatement on the rehabilitation of the former Nash Drugs building. The project has an estimated cost of \$97,500.00 for new bathroom on 2nd floor, new ceiling, resurface walls, HVAC, painting, repair multiple roof leaks, repair plumbing leaks, seal brick on the exterior in back of building, rehabilitate entire blighted space on 2nd floor and convert to office

and living space.

Motion by Council Member Briner, seconded by Council Member Socha to set public hearing for OPRA exemption for JB Office Building, LLC on Monday, October 17, 2022.

By a voice vote, the motion passed unanimously.

**Miscellaneous Reports**

- A. Proclamation – Domestic Violence Awareness Month  
Pregnancy & Infant Loss Remembrance Day  
BPU Public Power Week 2022

Mayor Stockford read the proclamations aloud.

- B. Appointments- TIFA Board – Felicia Finch  
Reappointment TIFA Board – Mike Clark

Motion by Council Member Briner, seconded by Council Member Pratt to approve the appointment and reappointment to the TIFA Board as presented.

By a voice vote, the motion passed unanimously.

- C. Other- None

**General Public Comment**

Penny Swan, commented on the new sounds system and how good it is.

Ian Church, commented on special assessment and asked if something could be done for his portion of his assessment as he owns more than one lot.

**City Manager’s Report**

Staff will look at the special assessment situation for Mr. Church.

Staff is pleased with the new sound system and it is also compatible for the hearing impaired.

Train visit went well on October 1, 2022.

**Council Comments**

Council Member Stuchell asked if the City bills for the police and fire services for the fair as things are tight everywhere. Just suggesting options for help with the budget.

Council Member Zeiser stated that it was a difficult meeting with the special assessment district portion.

Council Member Sharp met with his neighbors on the special assessment, he thanked council for passing the special assessment as the Westwood area needed fixed.

Council Member Briner mentioned the police, fire and BPU were given fair passes.

**Adjournment**


Motion by Council Member Briner, seconded by Council Member Sharp moved to adjourn the meeting.

By a voice vote, the motion passed unanimously. The meeting adjourned at 9:43 p.m.




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Adam L. Stockford, Mayor




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Katy Price, City Clerk