1. Mayor Michael C. Taylor called the meeting to order at 7:00 p.m.

2. Mayor Taylor led the Pledge of Allegiance to the Flag and Melanie D. Ryska, City Clerk, gave the Invocation.


   Also Present: Mark Vanderpool, City Manager; Marc D. Kaszubski, City Attorney; Melanie D. Ryska, City Clerk; Carol Sobosky, Recording Secretary.

4. **APPROVAL OF AGENDA**
   Moved by Koski, seconded by Ziarko, to approve the Agenda as amended.

   Yes: All. The motion carried.

5. **REPORT FROM CITY MANAGER**
   Mr. Vanderpool reminded that the City is recycling Christmas trees, so they can be left at the curb on the normal collection day, through January 31, adding that all of the trees are shredded and wood chips will be available, with none of it going to landfills. He added that the trees should not be placed in bags, and the ornaments should all be removed, noting that after January 31, any trees placed at the curb will have to go in with regular garbage and they would like to avoid that situation.
Mr. Vanderpool reported that there was a major fire on Christmas Day in the Troy-Sterling Apartments, located on Dequindre between 14- and 15-Mile Roads, and it took hours to bring the fire under control. There was unfortunately one serious injury involving a firefighter who had a broken femur but he is home resting. He showed a few photographs of the event, adding they had fire departments from other local communities responding to this three-alarm fire. He noted that firefighters had to dive down the ladders to get to safety, and added it is a tribute to their great skill and God’s good will that there were not any more major injuries. He showed some photographs taken from the drone. The fire was under control by late afternoon, and clean-up efforts were underway; however, the approximate 60 families who were displaced by this fire will not be returning soon because the building will need to be reconstructed. He explained that fatigue was a major concern for firefighters on the scene, and he expressed appreciation for the strong support from the Salvation Army and Red Cross, who were on the scene within a number of hours. The Red Cross mobilized, the Senior Center was activated as an emergency shelter, and bus transportation was put in place to get the people to the Senior Center for temporary lodging and housing. He recognized some of the groups that played a role in this, including businesses, residents and non-profit organizations who donated hotel rooms, gift cards, clothing and supplies. There were so many donations that the management company had to rent numerous pods to store the donations. He thanked the Salvation
Army, Blue Cross, Chaldean Foundation, numerous houses of worship across the community, businesses, residents, many of the local Fire Departments, the Police Department, DPW Department, and Parks and Recreation Department who had to staff the shelter. He informed the displaced families have all been provided alternative housing locations from the management company, and some have chosen to move in with friends and family, but none are left in the temporary shelter and everyone has been accounted for.

Mr. Vanderpool explained that Consumer’s Energy is going to embark on a major initiative throughout the region, including Sterling Heights. He invited Ms. Lynn Wilson, Consumer Energy’s Public Affairs and Stakeholder Engagement Manager, to provide an overview of the entire project.

Ms. Lynn Wilson, Stakeholder Engagement Manager for Consumer’s Energy, thanked the Council for enabling them to speak this evening. She explained she provides a liaison role between the project and the communities in which they are working. She also provides support to the area manager Ms. Ursula Warren. She introduced Ms. Kristin van Reesema, Project Manager for South Oakland/Macomb Network Project, who will provide them with a technical overview. She also introduced the Project Manager for the Macomb Corridor section of the project, as well as a representative from their real estate department.

Ms. Kristin van Reesema explained they are modernizing their pipeline system, which entails 15 projects, building 17 miles of new pipeline while retiring 29
miles of pipeline, rebuilding some of their city gates and building one new city gate. She noted the purpose of the city gates is to take higher pressures from their pipelines and regulate it to pressures for residential customers. She noted it is a 4-phase $200 million project and they anticipate completion by 2022. A high-level map was depicted, showing the proposed pipelines as well as those that will be retired. They determined the proposed pipeline is in a safe location and away from residents as much as possible. She provided some of the details, noting construction will begin in 2019 and the work will be completed before the next heating season. The new pipelines will offer new technology that the “vintage” pipelines do not have, and this will ensure proper pressures for the growing demand in the area, noting this also offers safety and reliability benefits and value for their customers. They are a regulated utility and have made a very strong commitment to their gas systems. They are anticipating about 450 construction jobs will be created during this project. She noted the ITC Corridor was their preferred route because they like to stay away from major roadways if possible, and she assured they have minimized the impact of the trees they are seeking to clear for this project. She further assured pipeline safety is important, so they will be keeping a safe distance from the powerlines within the ITC corridor, and will be relocating some of the power lines. They are aware of drains that need to be maintained and want to make sure environmental impacts are minimized.
Ms. Wilson advised that activity to prepare the area will be started within the next couple of months. They will be working north to south, and she assured they are committed to be a good neighbor, although she cautioned, they will have large equipment, pipes and construction workers. She indicated they have a 1-800 phone number on cards that she will bring in, and the project website is www.consumersenergy.com/pipelineproject, which contains phone number and an email address. She advised the City that if anyone has concerns, they can be directed to these resources, and they will make sure they get a prompt response back. Residents who have property directly adjacent to the ITC corridor will soon receive a letter alerting them to the project and an informational open house that will be held on January 30, 2019 at the Velocity Center, which is a drop-in event where questions can be answered. She added that they are not issuing separate invitations for this event. They will be filing a map with the Michigan Department of Environmental Quality (MDEQ) for a permit, and the City will receive notice of that as they go through the process. The Real Estate group will be initiating contact with some residents who have specific impacts to their property, although they will not be going to every door. If those residents are interested in speaking to a real estate representative, they can reach out to Consumer’s Energy through phone or email, and she assured they will set up an appointment with them. She indicated they would be happy to answer questions, and she thanked the Council for their time.
Mr. Vanderpool assured the Consumer’s Energy link will be added to the City’s website. He concluded his report by reminding that the Consumer’s Energy open house for this project is January 30, 2019 at the Velocity Center.

Mayor Taylor opened the floor for questions from Council.

Mayor Pro-Tem Sierawski questioned whether they are working with MDEQ, the EPA or the County.

Ms. Wilson replied they will have their own environmental inspector on the pipeline every day of the project, so that helps them to self-monitor. They will get random inspections performed from the MDEQ. They will be obtaining other permits from Michigan Department of Transportation, the Macomb County Department of Roads and the Drain Commission, and she assured they will remain in compliance with those permits.

Mayor Taylor stated on Friday, December 21, 2018, retired Police Sergeant Daryl Brown was killed by a drunk driver in Detroit while celebrating with friends and family. He was laid to rest at a funeral with more than a thousand people in attendance. He provided some brief history on Sgt. Brown, noting he had served in the Sterling Heights Police Department for 26 years and was a member of the Traffic Safety Bureau. He added he was well-liked and highly regarded, and his loss will be felt in the community for a long time. A moment of silence was held in honor of Police Sgt. Daryl Brown’s life and his service to Sterling Heights.

6. **PUBLIC HEARINGS**
A. Mayor Taylor stated the first public hearing this evening is to consider a Second Amended and Restated Conditional Rezoning Agreement for property situated on the south side of Lakeside Circle, between Shore Line Drive and South Cove Drive, in Section 1; Case No. PZ17-0011, petitioned by Frank Karam. He invited Mr. Chris McLeod, City Planner, to give the presentation.

Mr. Chris McLeod, City Planner, stated this is a proposed amendment to a previously-adopted Conditional Zoning Agreement for the subject property. He explained the applicant is requesting an additional story to be added on to the existing approved three-story senior living apartment complex. He noted the developer originally secured the western half of the property, went through the approval processes, and then secured property to the east and amended the last approved application. The property went from the original O-2 zoning classification to an RM-3 zoning classification. He provided additional details on the proposed development, which will be comprised of one- and two-bedroom units, each with kitchenettes and a common kitchen area for the overall development. He added there are extensive areas of landscaping. He reviewed the various zoning districts and developments surrounding the subject parcel and added the Master Plan designation calls for this entire area to be Lakeside Village, which involves the potential reinvention of Lakeside Mall, and this property is part of that envisioned area. He showed the concept plan, noting there is additional parking provided based on the additional units being proposed, and he reviewed the renderings of the floor
plans and elevations. He explained the construction materials would be mainly
brick and stone, with accents of lap siding and peak gables. He offered to
answer questions.

Mr. Tom Ciaramitaro, attorney for the developer, introduced Mr.
Freeman Greer, architect for the project, and explained that Mr. Frank
Karam is the developer of the project. He reviewed the history of the
project, noting the original plan in 2016 was to build on one narrow lot
because the owner of the adjacent lot did not want to sell. They
obtained variances and the project was approved. Once he received
approval, he was able to purchase the adjacent lot, which would allow
more parking, open areas and landscaping, and Mr. Karam felt it would
be a much better project for the community and the residents. He
preferred to increase it by one story, which was not as significant as
expanding the footprint of the building, but it would pay for the
additional costs; however, after objections from the community for a
fourth floor, he opted to add a three-story wing to the remainder of the
three-story building. Due to rising construction costs, material costs and
increased interest rates within the last few months, and the fact that the
bank loan possibilities are not as good because of the lower density, it
does not financially make sense to go on with the project unless they
can increase the density. He explained they can table the project
indefinitely and see what happens with the economy in the next year,
or they can go to City Council with a revised plan for a four-story building. He noted with the Master Plan calling for a change of the Lakeside Mall area from a shopping center to a lifestyle project which will need additional density and foot traffic, he felt this will be more in line with what the City wants for that area. They are also providing an easement for people on foot to cross over to the island. He stressed that a four-story building is not new to Sterling Heights, and he was confident it will help with the revitalization of the Lakeside area. He requested that City Council approve the revised plan, and he offered to answer questions.

Mayor Taylor opened the public hearing.

- Mr. Mario Ermers, Lakeshore Drive – opposed four-story building; concerned about dwarfing neighboring developments.
- Ms. Linda Godfrey – opposed four-stories; questioned rescue capabilities; questioned Island Park use.
- Mr. Richard Straughen, of Lakeshore Drive – prefers two-story office or three-story residential building; opposed four stories; parking concerns.

Mr. Frank Karam, developer of the project, commended the City Council for looking to create a downtown district in the Lakeside Mall area. He assured this will be a “class-A” building with brick and stone.

Mr. Ciaramitaro claimed 62 parking spaces are required for senior living, and they are proposing 125, which is double the number required. He noted they donated an easement across their property so pedestrians
can go over to the island if the City puts in a bridge, and because of this potential use, they felt more people may be parking in their lot.

Mayor Taylor closed the public hearing.

Moved by Ziarko, seconded by Taylor, to approve the Second Amended and Restated Conditional Rezoning agreement for property situated on the south side of Lakeside Circle, between Shore Line Drive and South Cove Drive, in Section 1; Case No. PZ17-001, and authorize the Mayor and City Clerk to sign the Agreement on behalf of the City.

Councilwoman Ziarko stated this is a difficult decision and inquired as to what provisions will be made for the facility related to traffic.

Mr. McLeod replied that the development has two access points to Lakeside Circle, which is a five-lane roadway. He added there are six five-lane “spokes” from that circle that lead to other major roads, such as Hall Road, Schoenherr and Hayes. He noted that this is a senior-oriented facility, so traffic numbers will be less than other residential areas. The site has a full maneuvering lane all the way around the building and has potential for emergency access for the site to the west and is being set up for future cross-connections for both sites to the west and east for general traffic.

Councilwoman Ziarko stated the building will be perpendicular to Lakeside Circle. She inquired as to the width of the building.

Mr. McLeod estimated it is about 60 feet in width, but there is a “bump-out” in the building, so the southern end of the building is probably 80 feet in width.
Councilwoman Ziarko inquired as to whether the City has the equipment to handle a fire in a four-story building.

Mr. McLeod pointed out there are taller buildings in the City, citing Lakeside Towers which is eight or nine stories. The subject building will be fully sprinkled.

Councilwoman Ziarko questioned the type of fire suppression system being installed.

Mr. Freeman Greer explained that a water fire suppression system will be installed throughout the entire building, and it will comply with the international fire codes for this type of facility. He added that each unit is separated by a fire suppression wall. All stairways are fire-rated so it is at the 2015 code. He addressed the concerns about the recent fire at an apartment complex in Sterling Heights, noting it appeared to him as though the building was quite old, and he estimated it was built to code in the 1970's.

Councilwoman Ziarko acknowledged that when the fire codes change, some of the older buildings are “grandfathered,” but she felt it is something the City may have to address because safety and lives are involved. She questioned whether the parking is sufficient compared to other similar facilities.

Mr. McLeod confirmed that the petitioner is providing parking over and above city requirements.
Councilwoman Ziarko stated she always considers whether she would want a certain development in her backyard, and she stated she would not have an objection to what is being proposed. She felt that at some point, there may be even taller buildings around Lakeside Circle. She added that if this were going to be four stories and parallel to the street, she may feel differently because the view of Lakeside by residents in the area would be affected. She pointed out that Mr. Karam is building now and that is why he is proposing this; however, there may be others in the years to come that will build taller buildings.

Councilwoman Koski inquired as to whether the Fire Department has reviewed this site plan.

Mr. McLeod replied that the Fire Department review occurs as part of the Site Plan review process, so if they receive approval this evening, it would go through the review process. He reminded this layout is essentially the same as their previous submission, so he does not anticipate there will be an issue, although he assured it will go through their review before any final sign-offs. He reiterated the property owner to the west has granted emergency access connection along the Lakeside driveway connection if the Fire Department determines that is necessary.

Councilwoman Koski asked for a map to be shown that indicates the ingresses and egresses.

Mr. McLeod pointed out the driveways are on either side of the development. There will be a loop around the building, so there will be full maneuvering all
the way around the building, as well as an access drive in the front of the building. He replied to further inquiry that, at this time, the driveway to the west does not connect to the adjacent office building, but the site plan sets it up for future connection. He noted the property owner to the west does not want to connect to this driveway, but it is set up so when the site to the west is redeveloped or modified, a connection will be created at that point. The property owner to the west has offered two emergency connections.

Councilman Radtke noted that change is hard, but they have designated Lakeside as a future mixed-use development for a future “downtown.” He noted that a “downtown” area generally has taller buildings, less parking and more walkability. He stated Mr. Karam has come up with an idea for a development to start this process. He questioned whether any of the greenbelt is being lost as a result of the increased parking for the fourth floor addition.

Mr. McLeod replied that the only way to gain parking is through the loss of greenbelt. He pointed out it is not one entire area being eliminated but it is spread out throughout the site. There are an additional 30-plus parking spaces being added, so some greenbelt is being lost.

Councilman Radtke inquired as to whether the petitioner has offered anything to mitigate the loss of greenbelt space.

Mr. McLeod replied the landscape plan has continued to evolve, and he added they have been very cooperative as far as adding more landscaping, shrubbery and additional tree coverage where the greenbelt areas remain. He cautioned
that greenspaces are looked at in intensification areas, and they look at quality versus quantity, so as Lakeside continues to be redeveloped, this will be one of the areas that will be looked at closely.

Councilman Radtke inquired as to whether Mr. Karam will be constructing the pathway to the proposed Island Park, or whether that will be the responsibility of the City if they decide to link the park to the north shore.

Mr. McLeod replied at this point, Mr. Karam is dedicating the easement but not constructing the pathway.

Councilwoman Schmidt questioned whether the building was originally planned in a straight line without the “bump-out.”

Mr. McLeod replied that was the original plan because it was going to be on once parcel rather than the two parcels that are currently being considered. The rezoning request and design of the building changed when the easterly property became available for Mr. Karam. The “bump-out” portion of the building to the east was originally added to try to keep the building to three stories and appease the residents in the area who were opposed to a fourth story.

Councilwoman Schmidt inquired as to whether these are apartments only rather than assisted living units.

Mr. Karam replied affirmatively.

Councilwoman Schmidt requested clarification on the 62 required parking spaces, especially since this is proposed for independent living. She felt there
would be a minimum of 93 parking spaces required for 93 units because it is not assisted living.

Mr. McLeod explained the ordinance takes into consideration that, even though it is not assisted living, it is for seniors and not all seniors have a vehicle. He noted in this case, they have one parking space for each unit, with an additional 30-plus parking spaces for others, so he is confident there is adequate parking on the site.

Councilwoman Schmidt stated she is conflicted on this proposal, noting the petitioners wanted a larger building and the Planning Commission did not feel that should happen.

Councilwoman Ziarko noted there are only six council members present this evening, and she requested what happens if it is a tie vote.

Mr. Kaszubski replied that, because there is a vacant council seat, a tie vote would be considered a failure of a motion to approve, so the motion would fail.

Mayor Taylor thanked the petitioner, his representatives and the people in the area who expressed their opinions, but he felt it is time that Lakeside begins to transition to what the City wants, which is a higher-density use which could possibly support five- to seven-story hotels. He added he would love to see a high-rise apartment complex included in the future development of that area. He understood the concern of the residents but he did not feel it will be as bad as it is being made out to be, and the residents on Lakeshore Drive will still have a very nice view of Island Park and the lake. He felt high-quality
development is better than vacant land, and he pointed out the petitioner has exceeded the parking requirements. He added he is not concerned that this will impact traffic in that area, so he will be voting in favor of the proposal.

Mayor Pro-Tem Sierawski appreciated the residents coming out to express their concerns. She understands the beauty of the open space, but she also understands that buildings can be beautiful as well. She felt it is time for this type of development, because starting this as soon as possible encourages more developers to come in and buy the bigger piece of property that they are most concerned about.

Mayor Taylor called for a roll call vote.

Yes: Schmidt, Sierawski, Taylor, Ziarko, Koski, Radtke.

No: None. The motion carried.

B. Mayor Taylor stated this public hearing is to consider a Second Amended and Restated Conditional Rezoning Agreement for property situated south of 15 Mile Road, east of Van Dyke, in Section 34; Case No. PZ17-0005 – Gallo Companies LLC, on behalf of Sterling Landings LLC and Sterling Landings 2, LLC. He invited Mr. Chris McLeod, City Planner, to give the presentation.

Mr. Chris McLeod, City Planner, explained this is a potential amendment to a Conditional Rezoning agreement that was previously granted for Sterling Landings Development, located south of 15 Mile Road, east of Van Dyke. The petitioner is requesting this amendment to Phase II of the development, which is the southern half. During the site planning and engineering of Phase II, it was
determined the drain was to remain open rather than being closed, which required the drain easement to be much larger than what the petitioner originally requested. In an attempt to retain the overall number of units between the two phases, the applicant proposes to develop this phase with three-story buildings with very similar architectural character to those in the first phase. The site plan was depicted, showing the revised footprint. He indicated the Master Use Plan calls for this area to be Van Dyke Mixed Use District, which includes high-density multiple-family residential development. He addressed the façade is the last proposed by the petitioner, which indicates the first floor being all stone, and the second and third floors being two-tone vinyl sided with cedar shake. He added this is an upgrade from the buildings in Phase I, which only had stonework around the windowsills and entranceways, and after requesting more stonework, he indicated this is the petitioner’s proposal. Mr. McLeod explained Administration would still like to see more stonework on the building, noting that the buildings will be an additional ten feet in height. He concluded the presentation noting there are the same number of units, although the footprint configuration is slightly different, and the elevations have changed.

Mr. Phil Ruggeri, attorney for the petitioner, introduced Mr. Tony Gallo, developer and Mr. Wakefield, the engineer for the project. Mr. Ruggeri explained that Phase I for this project was completed in ten months, and he claimed it is “first-class.” He reviewed the complications they
have experienced with their plan because the Department of Environmental Quality (DEQ) is now requiring the drain remain open, and they have increased the size of the easement from 60 feet to 100 feet, which creates more open space but results in the loss of buildable area for their total of 200 units. They are proposing to add a story to some of the buildings, but he pointed out that three of the buildings still have two-story sections. He stated Phase I has three feet of stone around the perimeter of the building, and the proposed Phase II includes stone for the entire first floor of each building, which he felt adds character and is more in line with what Administration wants to see. Mr. Ruggeri addressed the top quality of all materials used, including granite counters, stainless steel appliances in the kitchen and wood flooring. Photographs of the model units were shown. Mr. Ruggeri emphasized that the developer is not trying to “squeeze in” more units but only wants to accomplish his original objective of 200 units. He added that there was discussion about having stone on the middle portion of the second floor at the request of Administration, but he indicated Mr. Gallo worked with his architect and they do not feel it looks right. He emphasized that this is not about cost, but Mr. Gallo owns the property and it is a long-term investment so he wants it to look right. He is confident that the City will be proud of this project. He referred to a comment in the staff report about the City’s desire to make
sure it has an aesthetic appeal from the street, but he noted this property is behind property zoned and developed as C-3, so he did not anticipate it will be visible from Van Dyke considering the high speed of motorists on that road, and if they see it, he did not feel they will notice whether it is stone or siding construction.

Mr. Tony Gallo, developer and owner of the property, stated it is up to City Council whether they want a stone façade on the second floor, and he is not saying he will not put it in. He added from an aesthetic point, they came up with five options, A through E, with some of those showing more stone as requested by Administration. He clarified that Option A depicted the three-foot-high belt of stone around the first floor and Option B depicted stone around the entire first floor, with shake siding and gables. Mr. Gallo stated the advantage of the shake siding is that it is a darker color siding and enhances the appearance of the building, providing a third material and third color point, and is more consistent with Phase I. Option E shows more stone, although he indicated his professional opinion, along with that of his architect and designer, is that Option B is the most beneficial and aesthetically-pleasing. He assured he will go with whichever option the Council chooses.

Mr. Ruggeri noted that a C-3 zoning would allow an intense use, including a hotel, so they could have exceeded four stories. He stated
they have RM-3 Mid- to High-Rise so he felt they still meet the criteria.

He noted Mr. Gallo is leaving the aesthetic matter up to the discretion of
the Council.

Mayor Taylor opened the public hearing.

- Ms. Linda Godfrey – suggested shutters on façade; recommended
  muted granite for interior counters.
- Mr. Charles Jefferson – questioned whether there are discounted rates
  for seniors.

Mayor Taylor closed the public hearing.

Moved by Sierawski, seconded by Ziarko, RESOLVED, to approve the Second
Amended and Restated Conditional Rezoning Agreement for property situated
south of 15 Mile Road, east of Van Dyke, in Section 34, Case No. PZ17-0005, and
authorize the Mayor and City Clerk to sign the Agreement on behalf of the City.

Mayor Pro-Tem Sierawski commented the plus side is they are providing more
open space. She felt the three-color façade goes well with Phase I and is
aesthetically pleasing.

Councilwoman Ziarko questioned how many buildings will be affected with
regard to changing the façade.

Mr. Ruggeri replied it will affect four buildings.

Councilwoman Ziarko questioned whether the stone will be only on the front
of each building or whether it will extend to the back.

Mr. Ruggeri assured the stonework will extend all the way around each
building.
Councilwoman Ziarko stated she likes the stonework on the buildings. She understands it is not directly fronting Van Dyke, but she felt the stonework would be a selling point for anyone looking at it because it is aesthetically pleasing.

Councilwoman Schmidt requested confirmation that they are not increasing the number of units but are making the footprint slightly smaller by adding the third floor.

Mr. McLeod replied that is correct.

Councilwoman Schmidt stated she has no objection to the proposed amendment. She felt having stonework all the way up is “a little busy,” but she has no problem with it around the entire first floor of each building.

Councilwoman Koski questioned how many choices the petitioner is offering with regard to the façade.

Mr. Gallo asked Mr. McLeod to show the three options once again, noting Option A is off the table because it shows stonework trim only, with the remainder of the buildings to be vinyl-sided. Option B shows the three materials, with stone on the entire first floor of the entire building and a combination of vinyl and shake siding, providing a third color. Option E shows stone all the way to the top of the building for certain units. He stressed that they will adhere to the wishes of the Council, and it is really a matter of opinion. He stated he prefers Option
B because he likes the look of the third color, and also that it brings in shake siding.

Councilman Radtke stated it is rare when he gets to vote against a project twice. He recalled voting no on the original project because he felt it was too intense for the property and they would be coming back with variances. Councilman Radtke believe a three-story building in this area dwarfs everything around it especially with a subdivision just south of the development. He agreed with his colleagues that more stone is better, but he indicated he will be voting no on this project in agreement with Administration.

Mayor Taylor clarified that the recommended denial is so they could vote on full stone for the building, but he did not feel Administration is recommending denial of the entire project. He questioned whether the motion on the floor is to approve the Amended and Restated Conditional Rezoning with Option A for the façade.

Mr. Kaszubski replied that the motion is not clear in that regard, and he would ask Mayor Pro-Tem Sierawski if it was her intention to approve Option B.

Mayor Pro-Tem confirmed her motion was to approve the Amended and Restated Conditional Rezoning with Option B for the façade.

Councilwoman Ziarko withdrew her support of the motion on the floor, and Mayor Pro-Tem Sierawski withdrew her motion.
Moved by Sierawski, seconded by Ziarko, RESOLVED, to approve the Second Amended and Restated Conditional Rezoning Agreement for property situated south of 15 Mile Road, east of Van Dyke, in Section 34, and substituting Option A with Option B as presented by the petitioner, Case No. PZ17-0005, and authorize the Mayor and City Clerk to sign the Agreement on behalf of the City.

Mayor Taylor felt this is the best option, and he was of the opinion that this is a beautiful piece of property. He felt the development is visually appealing, and he found the ingress from both 15 Mile and Van Dyke were easy and very clearly marked. He liked the two-tone on the buildings in addition to the stonework, adding that he felt the all-stone look is too much. He understands the Administration’s concerns that going up to a third floor will result in more visibility from Van Dyke, but he anticipated there is going to be plenty of visibility from Van Dyke regardless of whether the buildings are two stories or three stories. He appreciated and trusted the opinions of the professional architect and developer, especially when he knows they are not doing this to be extremely cheap on the project. He is confident this will be a great project and expressed his confidence in Mr. Gallo’s projects. He offered no objections to the third floor, noting there is a three-story credit union across the street from this location, and nearby there are two hotels and a movie theater going in, as well as BAE Systems, which is four or five stories, so he did not feel the height is uncommon for this district. He concluded that he is happy to support this project.
Councilman Radtke pointed out that all of the nearby developments mentioned by Mayor Taylor are not abutting residential property, whereas the subject property directly borders residential on two sides, and that is his biggest concern. He pointed out the third story will be overlooking the houses.

7. **ORDINANCE ADOPTIONS**
   **A.** Mayor Taylor stated this is to adopt the first amendment to the Appropriations Ordinance for the 2018/19 fiscal year. He noted that a presentation was given at the last meeting, and he opened the floor for comments from the audience.

   Moved by Radtke, seconded by Taylor, RESOLVED, to adopt the first amendment to the Appropriations Ordinance for the 2018/19 fiscal year.

   Yes: All. The motion carried.

8. **CONSENT AGENDA**
Mayor Taylor indicated this item is consideration of the Consent Agenda, and he opened the floor to the public.

   - Ms. Linda Godfrey – concerned about Items “H” and “I”.

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

   **A.** To approve the minutes of the Regular Meeting of December 18, 2018, as presented.
   **B.** To approve payment of the bills as presented: General Fund - $864,833.15, Water & Sewer Fund - $229,373.98, Other Funds - $2,254,194.90, Total Checks - $3,348,402.03.
   **C.** RESOLVED, to approve the Service Agreement between the City of Sterling Heights and CLS Enterprise of Lockport, Inc. and authorize the City Manager to sign the Agreement on behalf of the City.
D. RESOLVED, to approve the professional services agreement between the City of Sterling Heights and Superior Environmental Corporation, 1128 Franklin Street, Marne, MI 49435, and authorize the City Manager to sign the agreement on behalf of the City.

E. RESOLVED, to accept the proposal by Securian / Ochs, Inc. to purchase fully-paid retiree life insurance for twenty eligible Police Command Officers Association retirees at a one-time premium of $97,500 and authorize the City Manager to sign all required documents on behalf of the City.

F. RESOLVED, to purchase Mi.Net L water meter transmission units from Mueller Systems, 10210 Statesville Blvd., Cleveland, NC 27013, through December 31, 2019.

G. RESOLVED, to award the bid for cleaning and televising of sanitary sewers to DVM Utilities, Inc., 6045 Sims Drive, Suite 2, Sterling Heights, MI 48313 at the unit pricing bid and authorize the City Manager to sign all required documents on behalf of the City.

H. RESOLVED, to award the bid for tree branch / brush chipping services to Wonsey Tree Service, Inc., Post Office Box 1142, Alma, MI 48801, for a one-year period at unit prices bid and authorize the City Manager to extend the bid term one additional year upon mutual consent under the same terms and conditions.

I. RESOLVED, to purchase 100 Master Meter Allegro water meters, base station, antenna, back-up power supply, software, and installation services, from Core & Main, 6575 23 Mile Road, Shelby Township, MI 48316, at a cost of $29,498.54.

J. RESOLVED, to purchase the three-bay swing set structure, site work services, and safety surfacing from Playpower, Inc., through wholly-owned subsidiary and exclusive supplier, Miracle Midwest, P.O. Box 130, Holly, MI 48442, at pricing available through the Sourcewell cooperative RFP, contract #030117-LTS, in the amount of $13,500.

K. RESOLVED, to receive the report of the Purchasing Manager pursuant to City Code §2-221(B) regarding emergency repairs to Fire Engine/Pumper #1 by Cummins Bridgeway, LLC, 43575 N. Gratiot, Clinton Township, MI 48036, in the amount of $15,575.39.

Yes: All. The motion carried.

9. CONSIDERATION

A. Mayor Taylor stated this item is to consider an appointment to the vacant elective office of City Council member. He opened the floor for public comments.
• Ms. Linda Godfrey – expressed concerns about process for filling a council vacancy, concerned about impropriety and conflict of interest.
• Mr. Charles Jefferson – questioned process for filling a council vacancy.
• Mr. Jonathan Matthews – appreciated the opportunity to introduce himself a couple of weeks ago as an applicant for the vacant seat.

Moved by Ziarko, seconded by Taylor, to appoint Henry Yanez to fill the vacancy in the elective office of City Council member for the unexpired term of Nate Shannon.

Councilwoman Ziarko explained that their Charter does not specify how they are to go through the process of filling a vacant council seat, but it specifies it must be done within sixty days of a resignation. She noted they have extended the courtesy of accepting applications and inviting introductions from applicants, but that is not required in the Charter. She appreciated the fact that it is an open process, and she indicated she looks at what a person has done in their career because background is useful. She added she looks at their voting record, stressing it is important to her that they have voted in a City Council election. She reminded this job is about serving people, so she looks at their willingness to serve. She stated that this is a ten-month appointment so whoever fills that seat will have to go through an election in eleven months in order to continue to maintain their Council seat. She felt they all understand that there are some votes where Mr. Yanez will have to abstain due to his previous employment with the City, but she felt he will do a fine job, is willing to serve and understands city operations. She hopes that he decides to run in November. She encouraged anyone who applied for this position to consider
volunteering their time to serve on a Board or Commission, noting that is the best way to get involved in city business.

Councilman Radtke stated he spoke with Mr. Yanez, who had indicated to him if he is selected to fill the vacant seat, he will run for the new term in November. He noted that he was not selected by Council to fill a vacant seat, but he decided to run in an election, and the voters elected him in. He encouraged any applicants who were not selected to run for office in the election.

Councilwoman Schmidt stated she spoke with Mr. Yanez and expressed her concern about any conflict of interest with the Fire Department, and she assured he is fully aware of voting and situations where he will have to recuse himself. She stated she does not owe Mr. Yanez anything and has not made any deals, but she has kept an open mind. She was disappointed that so many applied, yet only about half showed up for the interview process. She thanked those who took the time to come and introduce themselves. She feels Mr. Yanez will be a good fit and understands how city government runs. She agreed with Councilwoman Ziarko that this is only until November, and the voters will decide at that point.

Councilwoman Koski questioned what issues Mr. Yanez would have to abstain from voting on should he be appointed this evening.

Mr. Kaszubski replied that the rules for voting and ethics would require him to abstain from anything in which he has a financial interest, for example a pension plan that could affect his pension or benefits in the future, or possibly
a union contract if the union contract included benefits that affected him. He felt outside of those instances, he could not see much in the way of financial interest in the day-to-day voting or operations of City Council.

Councilwoman Koski noted union contracts are voted on every three years, so she felt he will be voting a lot if he is appointed this evening.

Mayor Pro-Tem Sierawski stated she spoke with Mr. Yanez. She indicated he was not her first choice initially because she did not anticipate he would not win the election to the Senate, but when he indicated he would be interested in the City Council seat, she changed her mind and felt he will be a great fit. She noted he has experience with government at the state level, and he will be an asset to the City in dealing with the State. She stressed it is important to appoint someone who intends to run again, because they want to set the Council and the person up for success. She felt he is very in tune with the City, what needs to be done, and he is an excellent city servant.

Mayor Taylor stated he will be voting in favor of appointing Mr. Yanez to the vacant Council seat. He felt Mr. Yanez is a good fit and will be able to “hit the ground running.” He has knowledge of local government after serving as a firefighter in the City’s Fire Department for many years. He also served at the state level, so he knows what it is like to serve as an elected official. Mayor Taylor stated he has been able to work well with him. He thanked everyone who submitted applications for this position, and he encouraged anyone interested in city politics to become more involved by volunteering time,
finding a project or talking to Council members about ideas they may have. He addressed the process, noting it is up to the Council, and he would not like to lock them into a process because each situation is different. He pointed out in this case they had a candidate come forward who has a deep understanding of how the City works and knows everyone. He was confident that Mr. Yanez will be a great addition to the City Council.

Yes: All. The motion carried.

10. COMMUNICATIONS FROM CITIZENS
    • Mr. Charles Jefferson – process for filling a council vacancy; concerns about traffic at 15 Mile and Van Dyke; suggested Meet the Candidates be held at night.
    • Mr. Jonathan Matthews – thanked Mayor Pro-Tem Sierawski for providing information he requested.

11. REPORTS FROM CITY ADMINISTRATION AND CITY COUNCIL

Mr. Vanderpool stated he had nothing further to report.

Mr. Kaszubski stated he had nothing further to report.

Councilman Radtke noted that the Macomb County Public Works Department is selling property at the northwest corner of Hall Road and Garfield. He understood that property was purchased by the Wastewater District, for which Sterling Heights is a part. He requested that Administration make sure the money from that sale goes back into the Wastewater District rather than the Public Works Department or another entity so they make sure Sterling Heights is getting their fair share of the proceeds. He also requested that Mr. McLeod be asked to prepare a budget for possible zoning changes for the Mixed-Use District along the 16 Mile Corridor, especially near Dequindre, as well as
General Commercial Business Districts, other zoning improvements, and whether they should form a Downtown Development Authority (DDA) or Corridor Improvement Authority for the future redevelopment of the Lakeside Mall property.

Mayor Taylor inquired as to whether there are any objections to Councilman Radtke’s request.

Councilwoman Ziarko stated she has no objection, but she does not want it to turn into spot zoning. She added it can become spot zoning when they are addressing specific areas.

Councilman Radtke clarified the idea would be the future Mixed-Use District at Lakeside. He explained that the City of Troy has approved a heavier zoning along 16 Mile Road, ending at Dequindre, and he felt there could be the possibility of some development coming into Sterling Heights at that border. He pointed out that the zoning of that area in Sterling Heights is much different than the zoning of that same area in Troy, and it would be good to bring them together so business owners may look at locating in Sterling Heights rather than Troy.

Councilwoman Koski inquired as to the service Wade-Trim performed for the City with regard to Master Plan Zoning.

Mr. Vanderpool replied that Wade-Trim looked at about fifteen commercial nodes across the City, including commercial centers along Metro Parkway, 15 Mile, 17 Mile, Van Dyke and the Lakeside area. He stated he is happy to do
research on this, but when they address Lakeside, that will be coming to City Council in different ways, most likely through a text amendment in the near future with respect to mixed use zoning. He assured there will be a plethora of incentives, including tax increment financing they will need to consider. He felt it may be a little premature to establishing such districts right away. He agreed that research information and a report would be helpful to City Council.

Councilman Radtke recalled when they updated the Master Plan, they changed what areas were zoned, but they did not change requirements of those zoning districts, such as setbacks or number of trees required. He pointed out that the City of Troy allows buildings to be closer to the street, especially in the 16 Mile Road corridor. He felt City Council needs to look at whether those changes are appropriate in Sterling Heights.

Mr. Vanderpool replied to inquiry that he has clear direction and will follow up with some research he can report to Council in order for them to make an informed decision on Councilman Radtke’s suggestions.

Mayor Taylor felt it is a good idea. He referred to the area where the Chaldean Chambers is proposing a development. He agreed with Councilman Radtke that the developments along Big Beaver, close to Rochester Road, are much closer to the street, which provides a more “downtown feel,” and that is something the City can examine. He suggested looking into the possibility of something done in Lakewood, Colorado, which is the capturing of sales taxes based on cities, or districts, although he felt that would take a constitutional
amendment through the State. He would like to see a report as to whether there have been any efforts to address that concept in the past.

Councilwoman Koski relayed that in the late 1980’s and early 1990’s, they had a Master Plan Zoning update. They went through the entire City of Sterling Heights, approving major rezoning. She felt that Councilman Radtke is suggesting it is time to do that again and noted that if Mr. McLeod can go through the report from Wade-Trim and address the various situations and properties that should change for future plans of Sterling Heights.

Mayor Taylor felt it is a great idea but indicated looking at the sales tax is a separate issue to determine what it would take for a city or county to initiate a constitutional amendment. He questioned whether there have been any groups that have attempted to do so, and he felt that may tie into what they can or cannot do at Lakeside.

Councilwoman Schmidt stated when they receive the rezoning updates for properties along 16 Mile Road, she would be curious to see the difference of opinion between Oakland County and Macomb County as far as curb cuts. She noted that Macomb County will very rarely allow a curb cut on 16 Mile, and she is curious to see the difference in the philosophies between the two counties.

Councilman Radtke replied to inquiry that he is happy with tonight’s discussion but he expressed concern that a local sales tax would violate Proposal A.

Mayor Taylor agreed and is fairly certain that the sales tax issue would take a vote of the State of Michigan.
Councilwoman Ziarko referred to fires in older apartment complexes, and she cited several examples. She is aware the buildings have been grandfathered as far as fire suppression systems, but she felt they need to research what they can do to help people who live there because they are talking about safety of lives. She felt they need to research what the City can do legally by requiring other fire safety improvements in older buildings, such as multiple smoke alarms or more frequent inspections. She stressed it is important to make it safer for the people living in the older buildings.

12. **UNFINISHED BUSINESS**
   There was no unfinished business.

13. **NEW BUSINESS**
    There was no new business.

14. **CLOSED SESSION**
    Mr. Kaszubski stated there were no items for Closed Session this evening.

15. **ADJOURN**
    Moved by Ziarko, seconded by Schmidt, to adjourn the meeting.

    Yes: All. The motion carried.

    The meeting adjourned at 9:24 p.m.

    ________________________________________________

    MELANIE D. RYSKA, City Clerk