

CITY OF STERLING HEIGHTS
MINUTES OF REGULAR MEETING OF CITY COUNCIL
TUESDAY, JUNE 21, 2022
IN CITY HALL

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 Melanie D. Ryska, City Clerk, 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: Mark Vanderpool, City Manager; Marc D. Kaszubski, City Attorney; Judy McHale, Clerk Coordinator; 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**
Mr. Vanderpool reminded everyone that in observance of Independence Day, City offices and all city buildings are closed for business on Monday, July 4, except for Police and Fire. He advised there will be no refuse collection on Monday, but there will be a one-day delay throughout the week, with Friday's collection will be moved to Saturday. He reminded everyone that, pursuant to state statute, consumer-grade fireworks can only be used during the Fourth of July holiday from 11 a.m. to 11:45 p.m. on June 29 to July 4. They can only be used on private property and only with the permission of that property owner. He advised that police and DPW do the best they can to enforce this and confiscate illegal

fireworks, so he requested anyone using fireworks to use them properly and only during the allowed times on the allowed days.

Mr. Vanderpool stated they have recently been highlighting the City's boards and commissions, and he praised the volunteers who help run the City. He introduced Budget and Finance Director Jennifer Varney, who will introduce board members from their pension boards.

Budget and Finance Director Jennifer Varney explained she is here tonight to provide some insight on the inner workings of the City's two pension boards, with information on the roles and responsibilities of the pension board members. She stated the City has two separate pension funds administered by two separate boards. The General Employee Retirement System covers non-police and fire personnel, and it is closed to new members. It is eighty-six percent funded as of the last actuarial valuation, and pays out pensions to three hundred fifty-seven retirees, with an average pension of \$31,829. There are only seventy-one active members remaining. The annual contribution to the plan is about \$4 million, funded through the General Fund and the Water and Sewer Fund. The Police and Fire Retirement System covers all police and fire personnel and is the City's only open system. It is seventy-two percent funded and pays out pensions to four hundred twenty-three retirees, with an average pension of \$54,612. There are two hundred twenty-seven active members, and the annual contribution is \$13.5 million, funded through a dedicated millage.

Ms. Varney explained that the board for the General Employee Retirement System consists of five trustees. The City Treasurer and Finance and Budget Director serve by virtue of their position, and there is one citizen representative appointed by council. She introduced Richard Weiler, who is the appointed citizen representative and has been a board member for twenty-six years. She named the remaining two trustees, who are elected by the members of the system.

Ms. Varney explained that the Police and Fire Board also consists of five trustees, the City Treasurer by virtue of position, one Police Trustee and one Fire Trustee, as elected by the other members. She added that there are two citizen representatives appointed by Council, and she introduced Rob Maleszyk, who has served for eight years. She advised that both boards employ professionals and assist in the administration of the retirement system, including a legal advisor and an actuary. The actuary provides annual reports that calculate the funding level of the plan, as well as the required annual contributions. They also calculate pension estimates and final benefit amounts for retirees. The board's investment consultants assist the board regarding investment decisions with the goal of achieving the highest return on pension assets with a minimum amount of risk.

Ms. Varney explained the main responsibilities of the pension boards, who has the power and authority to administer, manage, and operate the retirement system. They attend monthly and special board meetings, retain, and monitor plan professionals, manage investment of plan assets, development of investment and administrative policies, administer pension benefits, establish actuarial

assumptions, and ensure compliance with plan provisions and applicable laws. The boards have a fiduciary responsibility to make decisions that are in the best interest of the members of the retirement system. Ms. Varney stressed that the trustees on both boards take this responsibility very seriously and commit substantial time, energy, and expertise into fulfilling their duties and responsibilities. She introduced Richard Weiler, a retired police officer from the Detroit Police Department and former director of the Police Officers Labor Council, who has been a member of the General Employees' Pension Board for twenty-six years. She also introduced Rob Maleszyk, former City Controller for the City of Warren and currently the Chief Financial Officer for the City of Troy, who has been a member of the Police and Fire Pension Board for eight years. She explained both Mr. Weiler and Mr. Maleszyk are here tonight to make a few comments.

Richard Weiler, Chair of the General Employees Pension Board, stated there are two main responsibilities for trustees on pension boards, with the first being to manage the funds being set aside for the beneficiaries of the plan, and the second to make sure the beneficiaries receive the proper benefits they have incurred throughout their years of service. He explained he presides over the meetings, and they follow an agenda, adding that they also let the general public speak. He assured they follow all the rules and regulations as prescribed by state laws, City Charter, and documents for the pension trustees. He offered to answer questions.

Mayor Taylor thanked Mr. Weiler for his report and for being here this evening.

Rob Maleszyk, a member of the Police and Fire Pension Board, thanked the Council for letting him serve the community for these past eight years. He stated they have done their best to get the funding levels up. He explained that Ms. Varney's leadership has helped them with the actuaries, and he added they must make sure they are up to date with everything, including their assumed rate of return and mortality tables. He added they have closed the amortization period, so they have an unfunded liability that they are amortizing under a shrinking amount of years each year. He emphasized that they have hired the best professionals, including GRS, which is the best actuary firm in the area. Tim Brice and his leadership with Morgan Stanley is also the best, and he stressed that their fund over the last ten years is ranking in the top ten percent for return. He added that Attorney Tom Michaud does a great job. He stated he is extremely proud that they pay the retired police and firefighters who have worked very hard for their City, making sure they receive the right amount. He thanked Council for letting him serve.

Mr. Vanderpool stated that concludes his report for this evening.

Mayor Taylor stated he would like to take a moment to recognize James E. McCarthy, one of the City's original Council members, who recently passed away at the age of ninety. He provided some background on Mr. McCarthy's service, including his focus on the expansion of their police and fire departments to meet the needs of a growing community, his focus on the library and helping it grow, and recommended the creation of an official City newsletter to inform citizens of

the action of their city government. A moment of silence was observed in memory of Mr. McCarthy.

6. PRESENTATIONS

A. Mayor Taylor stated this to acknowledge and accept donations to the 2022 Sterlingfest Art & Music Fair by AT&T, Christian Financial Credit Union and Stellantis in the cumulative amount of \$35,000. He invited Community Relations Director Melanie Davis to give a presentation.

Community Relations Director Melanie Davis stated her department, along with the staff from Parks and Recreation, DPW, Facilities, Police and Fire, and others, have been hard at work planning Sterlingfest 2022. She noted that each year, Sterling Heights receives very generous corporate financial support for this event, which helps offset a significant portion of the cost to produce this festival, which has become one of the largest and best festivals in the County and the State of Michigan. It brings in 125,000 visitors over the three days and provides an amazing visibility for their corporate donors. She announced that this year, the Community Relations Department has received donations of \$10,000 each from AT&T and Stellantis, and \$15,000 from Christian Financial Credit Union. She stressed that all three of these corporate citizens have had a long-term presence, and they enjoy positive relationships with all of them. She explained how all three have had an important part in supporting the residents of this community, and all three of these donors provide economic stimulus in Sterling Heights through investments and job creation, and the City is extremely grateful for their generous donations.

She respectfully requested City Council's acceptance of these donations. She invited Christian Financial Credit Union Marketing Manager Ashley Maye to speak. Ashley Maye, Marketing Manager for Christian Financial Credit Union (CFCU), stated that since 2018, CFCU has brought the fireworks to the citizens of Sterling Heights, and they are excited to be sponsoring the fireworks again this year after a hiatus for a couple of years. One of their core philosophies is "people helping people" and there is no better way than investing into their community. She stated CFCU has partnered with the City of Sterling Heights for many years to bring different programs and events to its residents, and they look forward to continuing the partnership for many years to come.

Mayor Taylor stressed the City appreciates the partnership they have had with Christian Financial Credit Union, AT&T, and Stellantis, along with others. He stressed they have been incredible corporate citizens, and he thanked them all for their generosity.

Moved by Schmidt, seconded by Radtke, **RESOLVED**, to acknowledge and accept donations of \$10,000 each by AT&T and Stellantis and \$15,000 from Christian Financial Credit Union to the 2022 Sterlingfest Art and Music Fair.

Councilwoman Schmidt stressed this event would not be possible without their sponsors, and Christian Financial Credit Union, AT&T, and Stellantis continue to step up to help make this a successful event.

Yes: All. The motion carried.

7. **PUBLIC HEARINGS**

A. Mayor Taylor stated this is to consider the application by Phillip Ruggeri for a multi-family residential Planned Unit Development on approximately 2.25 acres of land situated on the north side of Irving Road, east of Van Dyke, PPUD21-0002. He invited City Planner Chris McLeod to give a presentation.

City Planner Chris McLeod stated this is a planned unit development request by Philip Ruggeri for and on behalf of Tony Gallo and Sterling Landings 3 LLC, for sixty-four one- and two-bedroom unit, reduced from the originally requested eighty-four units, to be located on vacant property addressed as 8271 Irving Road. The property is currently zoned O-2 (Planned Office District). The proposal is for one two-story building, which is Phase 3 of Sterling Landings, although it does not touch Phases 1 and Phases 2. The Planning Commission considered the plan and requested a number of amendments and changes at the January meeting, and at the March meeting, the application received a 5-3 vote by the Planning Commission for recommendation for approval. Mr. McLeod reviewed the zoning of the subject property as well as the zoning of the surrounding parcels. He noted this property is the last property on the eastern boundary of the Mixed Use Van Dyke Corridor, which provides for additional land uses, including residential on either the first floor or upper floors of non-residential buildings. He showed photos of the property and surrounding area. If approved, they would have to comply with the Tree Preservation requirement, and he added that they are aware and have provided the tree surveys. The modified site plan was shown as it came out of the Planning Commission meeting, and there were two main conditions.

The first was that the parking on the north side of the building be removed to provide for additional green space. They split the difference between pushing the building slightly north as well as providing greenspace on the north side as well. The second condition was that the originally proposed "masonry wall or fence" on the east property line was solidified to a masonry wall, as shown on the modified plans. He showed the landscaping plan, which also shows intense landscape around the building itself, noting all the landscape amounts have increased following Planning Commission review. The building was also reduced from a three-story to a two-story building as a result of Planning Commission review. He pointed out carports on the north, west, and east sides to provide covered parking for the residents in the building, and he noted the courtyard in the middle for the residents of the apartment community. An aerial perspective was shown as to how the development fits relative to the surrounding environment, with the commercial corridor to the west, single-family residential to the east, and the green space adjacent to the residential subdivision is their stormwater facility. He outlined the rest of the changes made as a result of Planning Commission review. Mr. McLeod outlined the PUD modifications being requested, noting they are not necessarily variances but modifications, and City Council can determine if the proposal warrants these modifications. These include the following: density being significantly above the RM-2 density; front yard setback being less than required; open space of just under 7,500 square feet rather than the 32,000 square feet that would be required for a development of this size; building length exceeds what is

permitted in RM-2 district; number of parking spaces and parking setback is less than what would be required; elimination of required storage spaces for residential vehicles; and reduction in the number of parking lot trees. Mr. McLeod stated the Planning Commission recommended approval in a 5-3 vote at their March meeting. He offered to answer questions.

Mayor Taylor opened the public hearing and invited Mr. Ruggeri to speak.

Philip Ruggeri, applicant, introduced Mr. Gallo and their team. He felt Mr. McLeod had accurately outlined what happened at the Planning Commission in two extensive hearings, with the first one having a lot of commentary from the public as well as the Planning Commission. It was tabled for revisions, and every comment made by the public, as well as the Planning Commission, were addressed. He noted the original proposal was for an 84-unit development with two three-story buildings, and that was reduced to one two-story building with sixty-four units. He stressed their ideal number of units for a complex of this type is 100 units, but because of the vicinity of Sterling Landings 1 and 2 to the north, he was able to pool together the resources to have the economy of scale, resulting in lesser density than anticipated. He pointed out this is a dormant piece of land, the zoning is outdated, and this is an opportunity to make a remnant parcel useful. He emphasized that multiple-family residential housing is lacking in Sterling Heights, and this is a prime example of a well-thought-out development that addresses the concerns expressed by the public and the Planning Commission. He believes this is an ideal proposal for the City, and Mr. Gallo has been a significant

member of the community so he will develop it. Mr. Ruggeri pointed out this is a difficult time to build, with costs being significantly high and labor being short. He assured they are very respectful of the citizens of Sterling Heights and their points have been well-taken, but they feel very comfortable that their concerns have been addressed. He noted Planning Commission recommended approval once those changes were incorporated, and he offered to answer questions.

Mayor Taylor opened the floor for public comments.

- Joseph Znoy – In Ordinance 278, the intent of PUD is to encourage innovation and efficient land use through regulatory flexibility; felt it should not be deficient in meeting code standards; approval of this would be a great disservice to potential future renters and all citizens of the surrounding homes, noting it lacks human space; the plan is squeezing too many people into too little space; concerned about safety and that this development will experience crime similar to Sterling Landings 1 and 2.
- Anita Znoy – does not feel there is enough space for the residents who would live there.
- Steve Callens – resident on Daventry Court; noted that residents already have flood problems and sewage problems and expressed concern about bringing that many more residents in such a small area will add to the problem; urged Council to consider the wildlife in the area; noted there is no main entrance to Sterling Landings 1 and 2 without cutting through commercial developments; questioned whether this proposed development will eventually serve as their main entrance.
- Bill Nolan – resident on Forrer Court near Amsterdam; opposed to this proposal, which is putting too much on a small piece of property; concerned this will increase traffic and crime in the area and depreciate the values of the neighboring homes; he would prefer an office building with traffic 7 a.m. to 7 p.m. on Mondays through Fridays, minimal traffic on Saturdays, and no traffic on Sundays, whereas apartments generate traffic all hours every day.
- Carmela LaCommare – resident on Chatsworth Drive; she stated she can provide her expert opinion because she was in property management for

eighteen years, running apartment communities ranging from 50 units to 1,000 units; stressed this does not belong in a residential area; confident that there is not sufficient proposed parking; concerned about more traffic, music, parties, crime; expressed opposition to having no staff on site and noted the property is too small.

- Paul Smith – resident on Utica Road; opposed to the proposal; compared it to building “a pyramid on a stack of variances”; concerned there is no room for parking, snow clearing, or recreation; anticipated crime and increased work for police and fire.
- Ken Nelson – pleased neighbors are speaking out; requested clarification on how maximum permitted density within the PUD shall be governed by the zoning district in which it is located, when it is an O-2 district; pointed out Planning Commission vote was 5-3; concerned about the shortage of parking spaces and no place to plow snow in the winter; also concerned about such a large building in the event of a fire.
- Brandy Wright – questioned why it did not go through a traditional rezoning; zoning map should be updated; suggested shortening the length of the building to provide more recreation space; concerned about crime, would like to see comparison of crime in Sterling Landings 1 and 2 since Flock camera systems were implemented; opposed to not having a property manager on site 24/7; questioned if anticipated rent is \$1,500 per month and whether people will pay that amount.
- Nick Mills – resident on Daventry Court; proposed development will be adjacent to his backyard; concerned about the size of the building being so close; noted the number of units has decreased from original application, but it is still a big building.
- Conan Cici – resident on Daventry Court; concerned about crime in Sterling Landings 1 and 2; questioned type of tenants being drawn in; opposed to reduced setback from Irving; too big of a building in a small area; concerned about this development decreasing property values of surrounding homes.
- Jennifer Yakubesan – resident on Colonial Court; opposed to the proposed development; concerned about depreciation of surrounding homes and increased traffic in the area; opposed to a 22-foot setback.
- Deonne Kurpinski – resident on Sebastian Lane; understands the need for affordable housing, adding Sterling Heights has done a good job; would

prefer to see condominiums rather than apartments, noting many young people want to purchase condominiums and stay in the community; commented this is the wrong place for apartments because it is in a residential area with no access to a main road; questioned why she has to abide by the ordinances when the developer does not have to do the same.

- Billie Wood – resident on Sebastian Lane; with lots of children in the area, she is concerned about their safety with the amount of traffic this development would bring into the area; complained residents in the south end of the City do not get what the north end gets.
- Pat Daleo – states he is a runner for exercise, and he witnesses the excessive traffic in the area, especially bad drivers using it as a cut-through; concerned the proposed development would make the traffic even worse.
- Nancy Hoffman – complained that with Fillmore Elementary now closed, there are less police patrols in the area, and no signage in place that can help; urged Council to consider all the points brought up by the residents this evening, because they have valid concerns.

Mayor Taylor closed the public hearing.

Moved by Ziarko, seconded by Yanez, **RESOLVED**, to **deny** the application by Philip Ruggeri, for and on behalf of Tony Gallo and Sterling Landings 3, LLC, for the multi-family residential Planned Unit Development on approximately 2.25 acres of land situated on the north side of Irving Road, east of Van Dyke, PPUD21-0002.

Councilwoman Ziarko stated Mr. Gallo provides a good product in his apartment developments. She stated she would like to see him build the type of apartment community that is located behind Costco, where there are ranch units with garages. She agreed they need housing, but she agreed with the concerns expressed this evening that this is too much for a small parcel. She expressed concern that the parcel north of this could be eventually acquired and developed by Mr. Gallo, and she questioned where they would have ingress and egress. She lives at 15 Mile and Schoenherr and receives Ring alerts for what goes on at

Sterling Landings, so she understands the residents' concerns about crime. She commented that research shows people who move into apartments already live in the community; however, she agreed with a resident's comment that she would prefer to see condominiums over apartments, adding that when there is an investment by a resident, they take better care of what they have. She is aware of the traffic and the cut-through, noting she has done it herself on occasion. She felt another sixty vehicles is too much for this small parcel.

Mayor Pro-Tem Sierawski stated she would love to be able to support this, but she agreed with Councilwoman Ziarko. She loves the products that Mr. Gallo develops, but she felt this is too small of a parcel for this development. She felt there is a need for both apartments and condominiums, but she recommended they use the large empty parking lots for this type of development rather than using the few treed lots remaining. She assured she listens to the residents, and she does not feel this is the right development for this property. She stressed it is important for kids to have a place to play, and this development does not have sufficient room.

Councilwoman Schmidt agreed with the motion to deny this proposal. She agreed with the safety concerns of the traffic in that neighborhood and admitted she has cut through that neighborhood to get to Aldi's. She mentioned the proposed development of apartments on Schoenherr, which should not enter this decision at all, but she stressed the difference is that this is within a single-family residential neighborhood and not with access on a major road such as Schoenherr.

She pointed out that some of the concerns brought up this evening, such as snow removal, are things she had not thought about. She also expressed concern with where people will park when the parking being provided is not enough. She felt there are a lot of issues with this property, and she did not feel the neighbors would have a problem with this property being developed with an office building. Having this dense of a development on the edge of a neighborhood will cause more problems, so she supports the motion to deny.

Councilman Radtke stated he is against this project, but not for a lot of the reasons expressed this evening. He agreed the City needs more housing, and even more density in some areas, but he is against it because of its design. He stated the long building, along with having no recreation space and no trees, equates it to "a building in the middle of a parking lot." He stated he lives in a condominium development in the City, and the ownership group is fighting about whether kids can play on the grass. He noted that when the condominiums were developed, there were very few children living there, but now there are quite a few, and there is no place for them to play. He agreed there may be a park at Fillmore in the future, but he felt it is important to have a place to play outside their back door. He is concerned there are no trees screening the building, and there will be more stormwater runoff with the large parking lot. Councilman Radtke emphasized they are trying to create a greener, more sustainable community for the future, and this does not seem to add to that. He would love to see townhomes or ranch homes, and he likes the idea of giving people an opportunity to buy a place. He

commented that if Mr. Gallo brings back a plan with townhouses or condominiums, he may be more amenable to it. He reiterated that the zoning map needs to be updated, and was last updated in the 1980's. This area is zoned for mixed use, and he stressed this proposal does not involve mixed use, which is commercial and residential on the same site. He felt this property may be good for an ice cream shop or other retail facility that can add to the community, especially if the City ends up purchasing Fillmore Elementary and making it a public park. He added his father lives in this neighborhood, so he is very familiar with it. He felt they can do better for this location and was confident that Mr. Gallo can do better to meet the housing needs of the community while fulfilling the mixed-use requirement.

Councilwoman Koski agreed with her colleagues and the residents. She felt there is too much building on a small piece of property. The City is working toward sustainability by preserving some green spaces and construct buildings based on what the future will bring to the children of the community. In looking at the aerial view of the property, there is a lot of cement, and this size of the building, when looking at the parking lot, does not leave much greenspace, which can result in flooding. Councilwoman Koski stated that if Mr. Gallo chooses to develop a condominium or townhouse project on this site, she would be happy to support it, and she commended him for building great developments in the City. She stressed this is one project she cannot support.

Mayor Taylor expressed disappointment with the way this vote seems to be heading. He recalled the conversations about having more housing options for people who cannot own their own home because they cannot produce \$50,000 to \$100,000 for a down payment, and others will never qualify with the credit rating they have. Some people rely on apartments, and he questioned the message this Council is sending to thousands of people who rely on apartments, basically relaying they do not want "apartment people" but want "owner people." He emphasized that these people are not a danger to society, nor are they criminals or derelicts. He pointed out that Council now has the opportunity to live out some of the principles they have been discussing, such as more density and more housing options. He expressed confusion about the statement that apartments should not be in residential areas, and he questioned what they think people do in apartments, because they are residents who live in apartments. He felt this will be a net benefit to the community, and they have the opportunity to look at the long-term future of this area and help people who need help. He understands the concern with traffic and speeding, but it is not unique to Sterling Heights, and they have been doing everything they can to control it, but he stressed one apartment building does not mean people will be driving over children in the neighborhood. Mayor Taylor stated it is common that when a new development is proposed, neighbors will often come forward to voice their concerns, but it is very rare that those concerns ever happen. He understands that their concerns are legitimate, but he felt they can find a solution. Developers know

what the market wants and what they need, and he felt an apartment complex in this area makes sense.

Mayor Pro-Tem Sierawski clarified that she does not believe anyone said they do not want apartment residents in the City, but the comments were more specific to this particular parcel, which they felt is not conducive to the density of residents being proposed. She is in favor of apartments where there is space, but not on this particular property.

Councilman Radtke explained that being in favor of more apartments and residential housing does not mean he has to say yes to every plan that is submitted. He assured he does not prejudge any development but looks at each one, determining whether it is something the community needs, will work, and will fit in. He pointed out he presented his reasons for why he believes this development will not fit in, and he has voted in favor of Mr. Gallo's proposals in the past, adding he will continue to consider each one individually.

Councilman Yanez appreciated Councilman Radtke's comments, and he indicated he also evaluates every single proposal that comes before them. He clarified he is not a planner, and he appreciates the work the Planning Commission does. He explained he is concerned about the buffer between the commercial and the residential properties. He is voting no on this project because of his belief that when they transition from commercial to residential, there needs to be a buffer other than putting a lot of people into a very small space. He agreed with Councilman Radtke that they have a lot of postage-stamp-sized lots in the City,

and they will have to decide on how to move forward when it comes to developing these pieces of property other than PUD's. He will be voting to deny this because of an insufficient buffer between commercial and residential.

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

No: Taylor. The motion carried (6-1).

8. ORDINANCE ADOPTIONS

A. Mayor Taylor stated this is to consider adoption of a map amendment to Zoning Ordinance No. 278 to conditionally rezone property situated on the east side of Schoenherr Road, between 14 Mile Road and 15 Mile Road, in Section 36, from O-1 (Business and Professional Office District) to RM-3 (Multiple Family Mid and High Rise District); Case PZ22-0002.

Mr. McLeod replied he has nothing to add tonight unless anyone has any questions.

Mayor Taylor opened the floor for public comments.

- Ken Nelson – felt a three-story building does not fit on this property; commented if this is a rezoning request to RM-3, it should meet the requirements of the RM-3 zoning district without variances.
- Paul Smith – does not understand the need for more rental housing; developers make more money building apartments; opposed to new wave of high-density apartments with inadequate parking and no recreation area.
- Joseph Znoy – resident on Centennial Court; talked about Planning Commission.

Mayor Taylor reminded that public comments at this time must be about the topic of the agenda item. He advised that there will be an opportunity during Communications from Citizens for people to talk about other issues.

- Brandy Wright – expressed she was on the fence when this was first presented; commended Mr. Gallo on making the changes requested by Planning Commission; talked about how taxes are capped for long-time homeowners, whereas new homes bring in more taxes to benefit everyone in the City; felt there is a need for apartments, and she is in favor of the location of this development.

Moved by Yanez, seconded by Sierawski, **RESOLVED**, to adopt the map amendment to Zoning Ordinance No. 278 to conditionally rezone property situated on the east side of Schoenherr Road, between 14 Mile Road and 15 Mile Road, in Section 36, from O-1 (Business and Professional Office District) to RM-3 (Multiple Family Mid and High Rise District); Case PZ22-0002 subject to the terms and conditions of the conditional rezoning agreement that the Mayor and City Clerk are authorized to sign on behalf of the City.

Councilman Yanez stated they talked a lot about this at the last meeting. He agrees with the need for more housing, and this property has been vacant for a long time. He felt this project is a good fit for this area. He agreed with the concern in the future about sustainability issues, and although they will not be addressing them for this project, he felt they need to be addressed for future projects.

Mayor Pro-Tem Sierawski clarified that this is a completely different project than the first one they heard earlier. This is on a major road, so there will be no cut-throughs to get to this apartment complex. She noted this project has more parking, much more greenspace, a large buffer to residents who are further away, and there is a large play area for children who may or may not live there. This had originally been turned down by the Planning Commission, but the petitioner had addressed every single concern that the Planning Commission and the residents had made, and he changed those items. She stressed that made a big difference

in what they were considering, and they ultimately decided it is a property they can approve. She is in favor of this plan.

Councilwoman Schmidt stated she is also in favor of this project, and felt it is a prime example of City Council considering each case separately and evaluating what is in the best interest of the entire City, and not just one area or one developer. She felt this is a good compromise. She recalled someone asking why it would come to City Council if it was turned down by the Planning Commission. She explained that the Planning Commission is a recommending body to City Council, but it is ultimately the decision of City Council, so sometimes they concur with the Planning Commission recommendation and other times they do not.

Councilwoman Ziarko expressed her support of this project and felt it is a good fit, and the property has been vacant for years. She pointed out that American House and other apartments and condominiums are located across Schoenherr from this property, so it is a good mix. She added there may be more multiple-family residential going up in the future as more properties become available. She noted that the back yards of the residential homes on Morrison are very deep. She questioned where the apartments are proposed to be built.

Mr. McLeod replied the properties on Morrison are approximately 150 feet deep, so they are a little deeper than the average lot.

Councilwoman Ziarko noted that, when they indicate they look at every project individually, this development has more distance between the apartments and the abutting homes.

Councilman Radtke commended Mr. Gallo on this project, noting that it has greatly improved. He stated he will be voting no, and his issue is the lack of greenspace between the cars parking at the building edge and the door. He considered this a spot zone, and the master plan needs to be updated. He expressed concern that there is a lack of amenities, sustainability, and screening, and he referred to it as "another building in a parking lot." He explained he will be voting no but agreed that the plan has improved through the Council's efforts.

Councilwoman Koski questioned whether Mr. Ruggeri brought drawings reflecting the list of modifications that have been made.

Mr. Ruggeri replied they were submitted to Mr. McLeod.

Mr. Gallo showed the drawings, pointing out the modifications made.

Mr. Ruggeri assured they made every modification requested, and a sheet was attached to the package.

Mr. Mark Schovers, Principal Architect, Spire Design Group, explained they reduced the building length by eliminating six units, and that increased their rear yard setback distance. They reduced their parking because of reducing number of units, so that provided more green space on the sides and in the parking lot islands. The side yards and front yard stayed the same, and they added almost 4,000 square feet of recreation area, but from the initial proposal that went to Planning Commission, they added 14,000 square feet. The greenspace and landscape were increased, and trees were added along the roadway, and they

increased plantings in the islands, as well as plantings of tall grasses on the north side.

Mr. Ruggeri informed that they decreased the coverage to twenty-two percent of the site.

Councilwoman Koski wanted the applicant to show they do work with the City and try to listen to the City's suggestions to give them a nice project.

Councilwoman Schmidt noted the driveway is a circle around the building, and she inquired as to whether it will be one-way.

Mr. Gallo replied it will be a two-way drive.

Mayor Taylor inquired as to the acreage of the property.

Mr. Gallo replied it is 2.8 acres.

Mayor Taylor felt this is a very similar development to the previous item on the agenda, but he is hearing different stories. He noted there are eighty-two units on 2.8 acres, and the previous project was sixty-four units on 2.2 acres. He pointed out there were a lot of comments on the last item that it was too big for the property, and the property is too small to handle such a development. The last development had 1.7 parking spaces per unit, and this proposal is 1.9 parking spaces per unit. The recreation space on the last development was about four hundred square feet per unit below what they would like to see, and this development is approximately three hundred square feet below. The building for the last development was too long at 219 feet, and yet this building is 463 feet in length. He stressed he does not understand that he is looking at two

developments that seem almost identical and yet one is looked at in favor, and the other is not. He commented that the only difference appears to be where the kids will play.

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

No: Radtke. The motion carried (6-1).

B. Mayor Taylor stated this is to adopt the final amendment to the Appropriations Ordinance for the 2021/22 fiscal year. He opened the floor for public comments, but no one spoke.

Moved by Yanez, seconded by Ziarko, **RESOLVED**, to adopt the final amendment to the Appropriations Ordinance for the 2021/22 fiscal year.

Yes: All. The motion carried.

C. Mayor Taylor stated this is to consider adoption of an ordinance amending Chapter 53, Article 1 of the City Code to update billing protocols and calculation of capital charges for the water and sewer system. He opened the floor for public comments, but no one spoke.

Moved by Sierawski, seconded by Schmidt, **RESOLVED**, to adopt the ordinance amending Chapter 53, Article 1 of the City Code to update billing protocols and calculation of capital charges for the water and sewer system.

Yes: All. The motion carried.

9. CONSENT AGENDA

Mayor Taylor stated this item is consideration of the Consent Agenda. He opened the floor for public comments.

- Ken Nelson – questioned Items L and M; it is currently June 21, 2022, and they are adopting resolutions for “Men’s Health Month” and “Immigrant Heritage Month”; suggested these be moved to the month of July rather than the month of June.

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 7, 2022.
- B. To approve payment of the bills as presented: General Fund - \$1,174,963.14, Water & Sewer Fund - \$1,838,848.15, Other Funds - \$3,035,493.31, Total Checks - \$6,049,304.60.
- C. **RESOLVED**, to accept the proposal by Nordicom Technologies, Inc., 43155 Main Street, Suite 2208, Novi, MI 48375, for the maintenance and daily administration of the City's firewalls through June 30, 2023, at a total cost of \$18,000 and authorize the City Manager to sign all required documentation.
- D. **RESOLVED**, to approve the purchase of information technology consultant services from:
 - 1) Access Interactive, LLC, 46635 Magellan Drive, Novi, MI 48377, pursuant to the terms and conditions of the Master Services Agreement for the term July 1, 2022, through June 30, 2025, and authorize the City Manager to sign the Agreement on behalf of the City and exercise the option to extend the term one additional three-year period through June 30, 2028, upon mutual consent.
 - 2) Nordicom Technologies, Inc., 43155 Main Street, Suite 2208, Novi, MI 48375, at the proposed Professional Services Hourly Rates for the term July 1, 2022, through June 30, 2025, and pursuant to the terms and conditions of the Master Services Agreement dated February 16, 2022.
- E. **RESOLVED**, to approve the application by Ace Pyro, LLC, for a fireworks display permit on Friday, July 15th, 2022, 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.
- F. **RESOLVED**, to approve the Subscription and License Agreement between the City of Sterling Heights and Costar Realty Information, Inc., 1331 L. St., NW, Washington, DC 20005-4101, for the period September 1, 2022, to September 1, 2023, and authorize the City Manager to sign the Agreement on behalf of the City.
- G. **RESOLVED**, to approve the Healthcare and Benefits Consulting Services Agreement between the City of Sterling Heights and AP Global Insurance Services, LLC, d/b/a/ Manquen Vance, 50 W. Big Beaver, Suite 220, Troy, MI 48084, for the period July 1, 2022 through June 30, 20, with an option for the City Manager to extend the term one additional year, and authorize the City Manager to sign all documents required in conjunction with this approval.
- H. **RESOLVED**, to approve Amendment No. 4 to the Water Service Contract between the City of Sterling Heights and the Great Lakes Water Authority

and authorize the Mayor and City Clerk to sign the amendment on behalf of the City.

- I. **RESOLVED**, to approve the Promotional Agreement between the City of Sterling Heights and the Michigan Bureau of State Lottery for the 2022 Sterlingfest Art & Music Fair and authorize the City Manager to sign it on behalf of the City.
- J. **RESOLVED**, to award the bid for overhead door and operator repair services, inclusive of the operation for the quarterly preventative maintenance program, to Allied Building Service Company of Detroit, Inc., 1801 Howard Street, Detroit, MI 48216, for a three-year period, with the option for the City Manager to extend the bid term two additional years, at unit prices bid.
- K. **RESOLVED**, to award the bid for water service installations and repairs and water valve maintenance to Shelby Underground, Inc., 12304 24 Mile Road, Shelby Township, MI 48315, for the period June 22, 2022, through June 30, 2024, at unit prices bid, and authorize the City Manager to extend the bid award for two (2) additional one-year periods, upon mutual consent, at unit pricing bid.
- L. **RESOLVED**, to adopt the resolution designating June 2022 as "Men's Health Month" in the City of Sterling Heights.
- M. **RESOLVED**, to adopt the resolution designating June 2022 as "Immigrant Heritage Month" in the City of Sterling Heights.
- N. **RESOLVED**, to waive the competitive bidding requirement in accordance with City Code Section 2-217(A)(9)(b) and purchase water service parts and soft copper tube from: Ferguson Waterworks, 24425 Schoenherr Road, Warren, MI 48089; Michigan Pipe & Valve, 3604 Page Ave., Jackson, MI 49203; Core and Main, 6575 23 Mile Road, Shelby Township, MI 48316; and Etna Supply, 29949 Beck Road, Wixom, MI 48393, for the period June 22, 2022, through June 30, 2023.
- O. **RESOLVED**, to set a public hearing on Tuesday, July 19, 2022, at 7:00 p.m. regarding the application by Mancini Holdings 42800 LLC for a Speculative Building Designation at 42800 Merrill Road.

Yes: All. The motion carried.

10. **CONSIDERATION**

- A. Mayor Taylor stated this is to consider appointments to the City of Sterling Heights Planning Commission. He opened the floor for public comments, but no one spoke.

Mayor Taylor stated these are three mayoral appointments, and nominations were made at the previous Council meeting.

Moved by Radtke, seconded by Taylor, **RESOLVED**, to appoint Paul Jaboro, Gerald Rowe, and Parmpreet Sarau to the Planning Commission to a term ending June 30, 2025, 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 all three of the appointees are on the Planning Commission and have been doing an excellent job.

Yes: All. The motion carried.

B. Mayor Taylor stated this is to consider approval of a collective bargaining agreement and memorandum of understanding between the City of Sterling Heights and Michigan Association of Public Employees (MAPE) Supervisory Employees for the period July 1, 2022, to June 30, 2025. He invited Mr. Vanderpool to give a presentation.

Mr. Vanderpool stated he will summarize both collective bargaining agreements, which are items 10-B and 10-C. The existing collective bargaining agreements between the City of Sterling Heights Executive Group and the Supervisor's Group expire on June 30, 2022. In anticipation of the expiration, the groups have been negotiating and have come to a tentative agreement, both of which are presented to Council this evening. Mr. Vanderpool briefly summarized the key terms, including a 2 percent increase in wages the first year, a 2.5 percent increase the second year, and a 3 percent increase the third year. The medical and hospitalization plan remains the same, and employees will pay ten percent health

insurance premium toward the coverage, which is standard in all their collective bargaining agreements. The high deductible plan will be the health care plan taken into retirement for any eligible member retiring during the term of the agreement. He clarified retiree health care has been eliminated for almost all groups, but some were grandfathered in, and they will also have a ten percent premium share. Members are eligible for compensatory time up to 175 hours. Members who are provided paid time off for vacation, sick, and personal needs can have up to three days of unused Paid Time Off (PTO) purchase at the end of the service year. The City has transitioned from traditional pension plans to more common 401K or similar that the private sector is now accustomed to, and the City's contribution has been below market rate at 4 percent. These agreements increase the DC contribution or the equivalent of a 401K from 4 percent to 5 percent, and to 5.5 percent in 2023. He explained that for members who do not have retiree health care, the City contributes to the equivalent of a health savings account (HSA), and that contribution will be \$2,000 annually. He pointed out the City saves millions of dollars annually by transitioning from retiree health care to the health savings accounts. For members who have earned a higher education degree, the City's annual stipend will be \$2,000. There is also the creation of a Deputy Chief of Police job classification, and that new position is funded in the current fiscal year budget. The process of filling the City's first Deputy Chief of Police will soon commence. He explained that, while the percentage utilized for determining performance pay are not changing, the City and the Executive Group

and Supervisory Group will be provided for monetary supplement to the annual performance pay to reward extraordinary performance for those who qualify and/or address internal and/or external inequity within the marketplace that may come up. He respectfully requested that the Mayor and City Council approve the two collective bargaining agreements before them this evening.

Mayor Taylor stated he appreciates that Mr. Vanderpool consolidated these explanations into one presentation, but they will be voted on separately. He opened the floor for public comments, but no one spoke.

Moved by Sierawski, seconded by Ziarko, **RESOLVED**, to approve the collective bargaining agreement and memorandum of understanding between the City of Sterling Heights and MAPE Supervisory Employees for the period of July 1, 2022, through June 30, 2025, and authorize the Mayor and City Clerk to sign all documents in conjunction with this approval.

Mayor Pro-Tem Sierawski commended the City for getting this done quickly.

Councilman Radtke noted that Supervisory employees only receive \$1,500 per year for a master's degree versus \$2,000 for the Director's Group.

Mr. Vanderpool replied there are some small nuances.

Councilman Radtke questioned the maximum monetary award for equity in marketplace or performance.

Mr. Vanderpool replied it depends on the situation, the position, and the marketplace. It could be one thousand dollars, or it could be a few thousand dollars, although it typically does not get into the \$10,000 to \$15,000 range, but they need to periodically monitor the marketplace. They have historically tried to keep their employees in the top third of marketplace comparisons at all levels,

because it helps retain good, talented employees, as well as helping with their attraction efforts as well. It allows them to make the adjustments more administratively rather than to have to go through job analysis, memorandums of understanding, etc. It is the same analysis in terms of the marketplace, but implementing it is more streamlined.

Councilman Radtke noted that the court was closed for Juneteenth. He inquired as to whether that is a floating holiday next year. He felt it is odd for the court to be closed and the City offices to be open, and vice-versa.

Mr. Vanderpool replied to inquiry that the difference between the City and the court is the court is governed by the State Court Administrator, and the court must follow that, so it is different than the City's schedule. He added they do not have Juneteenth as a formal scheduled holiday for the City, but it could be considered in future bargaining agreements.

Councilwoman Koski recalled there was previously a procedure where a change had to be requested, and they went to Michigan Municipal League to show the City was underpaying that position. She questioned whether that is being eliminated and questioned how they know that position will require a higher wage.

Mr. Vanderpool explained it can happen in a couple of ways, but it is typically the bargaining unit that will come forward to say a member is requesting their position be reviewed because they feel there is a market inequity. Many times, they will proceed with that review and look at it. For the Executive Group and

Supervisory Group, which affects only fourteen members, the Human Resource team, himself included, are in tune with the marketplace and when one of those positions is getting out of line, so they can make the adjustment without a formal request being made. He assured they always do a comprehensive analysis and would never make the adjustment without the backup data.

Yes: All. The motion carried.

Mayor Taylor stated that, since it is 9:30 p.m., they will take up Communications from Citizens, and will come back to Item 10-C.

11. COMMUNICATIONS FROM CITIZENS

Mayor Taylor stated that they will be moving this item up since it is past 9:30 p.m. and Council rules indicate they need to take comments from citizens. He opened the floor for comments from the audience.

- Larry Meitzner – talked about a legal matter; requested that a time be arranged where he can sit down with the Mayor and Council to discuss the legal matter.

10. CONSIDERATION (continued)

Mayor Taylor stated they will continue with the consideration items at this time.

C. Mayor Taylor stated this is to consider approval of a collective bargaining agreement and memorandums of understanding between the City of Sterling Heights and Sterling Heights Executive Group for the period July 1, 2022, to June 30, 2025. He noted they had a presentation from Mr. Vanderpool. He opened the floor for public comments, but no one spoke.

Moved by Ziarko, seconded by Schmidt, **RESOLVED**, to approve the collective bargaining agreement and memorandums of understanding between the City of Sterling Heights and Sterling Heights Executive Group for the period of July 1,

2022, through June 30, 2025, and authorize the Mayor and City Manager to sign all documents in conjunction with this approval.

Mayor Taylor thanked the bargaining groups, noting the City's employees are the best asset they have. He thanked them for their dedication to the City and the fantastic job they do for the residents, and he hoped these collective bargaining agreements reward them for the work they put in. He felt they should all be proud of the work they do.

Yes: All. The motion carried.

D. Mayor Taylor stated this is to consider approval of a Seventh Amended Consent Judgment in the case, David C. Adams, et al vs. City of Sterling Heights; Macomb County Circuit Court Case No. 1978-001955-CE. He invited City Planner Chris McLeod to give a presentation.

City Planner Chris McLeod explained this is the potential Seventh Amendment to this Consent Judgment, which involves 38810 Ryan Road. He showed an aerial view of the site and pointed out the building which they currently occupy half and are seeking approval to occupy the other half, so they will occupy the entire office building. He showed the elevations of the site and explained that the occupation of the additional half of the building would be for administration and additional classrooms, but no additional prayer area would be provided for in this particular location. There will be no expansion of the building, but this would only involve acquiring the additional square footage inside the building. He showed the portion of the building that would comprise the additional square footage, so in

total, it will measure approximately 3,600 square feet. The existing Consent Judgment specifies this property to be used for office purposes, and places of worship are not a permissible use in the office district, which is why this amendment is being brought forward. He offered to answer questions.

Representative for the petitioner was present and stated she has worked with Mr. DeNault for over a year on the amendment. She explained the Community Center is their purpose of worship; however, this expansion would be to allow for a community room, some classrooms, a warming kitchen for gathering but for nothing extensive. She hopes Mayor and Council vote to approve the amendment so they can move forward with occupying the remainder of the building.

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

Moved by Radtke, seconded by Sierawski, **RESOLVED**, to approve the Seventh Amended Consent Judgment in the case, David C. Adams, et al vs. City of Sterling Heights; Macomb County Circuit Court Case No. 1978-001955-CE, and authorize the City Attorney to sign all documents required in conjunction with this approval.

Councilman Radtke felt this was well-explained and he looks forward to letting them use the building. He added it seems to be an oversight that they are correcting, so they are happy to have them there.

Mayor Pro-Tem Sierawski wished them well and hoped they have good use of the building.

Mayor Taylor congratulated them and added he is glad to have them as part of the community.

Yes: All. The motion carried.

11. **COMMUNICATIONS FROM CITIZENS**

This item was moved to follow Item 10-B on tonight's agenda due to time constraints.

12. **REPORTS FROM CITY ADMINISTRATION AND CITY COUNCIL**

Mr. Vanderpool stated he had nothing further to add this evening.

There were no further comments from the Council members.

13. **UNFINISHED BUSINESS**

There was no unfinished business.

14. **NEW BUSINESS**

There was no new business.

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

Mr. Kaszubski stated there is nothing for tonight.

15. **ADJOURN**

Moved by Sierawski, seconded by Ziarko, **RESOLVED**, to adjourn the meeting. The motion carried.

The meeting was adjourned at 9:43 p.m.

MELANIE D. RYSKA, City Clerk