

	<p>A business meeting of the Kalamazoo City Commission was held on Tuesday, January 20, 2015 at 7:00 p.m. in the City Commission Chambers at City Hall, 241 W. South Street.</p>
Roll Call	<p>COMMISSIONERS PRESENT: Mayor Bobby Hopewell Vice Mayor David Anderson Robert Cinabro Don Cooney Barbara Miller Jack Urban</p> <p>COMMISSIONERS ABSENT: None</p>
	<p>Also present were City Manager Jim Ritsema, City Attorney Clyde Robinson, and City Clerk Scott Borling.</p>
Invocation	<p>The invocation, given by Pastor Strick Strickland, Second Baptist Church, was followed by the Pledge of Allegiance.</p>
Oath of Office for Commissioner Cunningham	<p>City Clerk Borling administered the Constitutional Oath of Office to newly appointed City Commissioner Eric Cunningham.</p>
	<p>Following the Oath of Office City Clerk Borling called the roll again:</p> <p>COMMISSIONERS PRESENT: Mayor Bobby Hopewell Vice Mayor David Anderson Robert Cinabro Don Cooney Eric Cunningham Barbara Miller Jack Urban</p> <p>COMMISSIONERS ABSENT: None</p>
Presentation of the Social Justice Youth Awards	<p>Mayor Hopewell introduced the presenters of the 2015 Social Justice Youth Awards.</p> <p>Judy Woolsey, Assistant to the CEO of Schupan and Sons, presented the Schupan and Sons Social Justice Youth Award to Sariah Metcalfe.</p> <p>John Pinkster, Director of South Operation for Life EMS, presented the Life EMS Social Justice Youth Award to Lynn Tomlinson.</p> <p>Ron Foor, Community President of Fifth Third Bank, presented the Fifth Third Bank Social Justice Youth Award to Tiara Blair.</p> <p>Dr. Lewis Walker of the Lewis Walker Institute for the Study of Race and Ethnic Relations presented the Dr. Lewis Walker Social Justice Youth Award to Zhi Xin.</p> <p>A transcript of the remarks made by Mayor Hopewell and the presenters was filed with the papers for this meeting.</p>

By unanimous consent the City Commission adopted its meeting agenda as presented.

Community Planning and Development Director Laura Lam described the community engagement efforts that would be utilized during the Priority Based Budgeting process. Ms. Lam announced the City would use both high-tech tools, like a MindMixer website, and high-touch tools, like listening campaigns, focus groups, and events, all under the brand "Imagine Kalamazoo" to establish a dialogue with the community. Director Lam stated Priority Based Budgeting would be the first use of Imagine Kalamazoo, but the hope was that the City would be creating a network of relationships and a system of engagement that could be used on a regular basis to get input on issues as they come up. Director Lam indicated the first engagement efforts around Priority Based Budgeting would be used to gather citizen input about community values and results relative to existing *Blueprint for Action*.

Director Lam explained the City was anticipating increased development in the Southtown area with the opening of the Western Michigan University School of Medicine and the construction of the Kalamazoo Valley Community College Healthy Living Campus. Downtown Design Review Standards and Guidelines were a tool to make sure development was in line with the neighborhood and current revitalization efforts already underway. Director Lam described ways in which the proposed standards complimented the goals and action items in the City's Master Plan. Director Lam highlighted and addressed questions and concerns that had been raised about the proposed ordinance. Director Lam explained the proposed ordinance included an exemption for buildings that were used exclusively for residential purposes, which was a change from the version of the ordinance presented to the City Commission on January 5th.

At 7:33 p.m. Mayor Hopewell opened a public hearing to receive comments on an ordinance to amend Section 6.5C of the Zoning Ordinance and the Downtown Design Review Standards and Guidelines pertaining to the extension of the Downtown Design Review District to the Southtown area.

Dr. Michelle Johnson, City resident and Executive Director of FIRE Historical and Cultural Arts Collaborative, spoke about creative justice and stated she did not see the elements of creative justice in the proposed plan. Dr. Johnson asked the City Commission to look at change in the Edison and Washington Square neighborhoods through the lens of creative justice and let development be driven by the residents and their vision for the neighborhood rather than a top-down plan for development.

Paul Manstrom, Associate Vice President for Kalamazoo College, expressed support for the proposed ordinance.

Tim Graham, City resident, remarked the City needed a better rationale for not doing an impact study.

Adoption of the
Agenda

Communications

Public Hearing re: An
Ordinance to Expand
the Downtown Design
Review District to the
Southtown Area

Public Hearing re: An Ordinance to Expand the Downtown Design Review District to the Southtown Area (cont'd)

Mike Fleckenstein, property owner in the Southtown area, expressed opposition to the proposed ordinance and stated the plan needed more study and consideration. Mr. Fleckenstein recommended the following changes to the ordinance and standards: development on in-fill lots should not be subject to the standards; the plan should not try to impose a pedestrian lifestyle on an area that was not ready for it but should focus on transition zones, where pedestrian friendly streetscape already existed; and the review committee should be made up of stakeholders who were familiar with the Southtown area.

Matt Milcarek, City resident, stated citizens wanted to engage on this issue, and he asked the City Commission to allow more time for community engagement.

Frank Lucatelli, City resident, expressed support for the ordinance on behalf of the Edison Business Association. Mr. Lucatelli stated Kalamazoo was an urban area, and suburban development was out of place.

Ardis Kennedy, City resident, expressed opposition to the proposed ordinance and requested an impact study.

Jeremy Cole, City resident and President of the Kalamazoo Area Landlords Association, asked for more time to dissect the design standards and guidelines, as he had first heard about the proposed ordinance on January 15th.

Tomas Minto, City resident, expressed support for the proposed ordinance.

Monica Zehner, City resident, expressed support for the proposed ordinance.

Mark Fricke, City resident, described the Planning Commission process. Mr. Fricke stated it was good to see increasing interest and community involvement, and he encouraged people to continue to be involved.

Albert Trombley, City resident, expressed opposition to the proposed ordinance and the increased regulation it would bring.

Chris Wahmhoff, City resident, noted the Edison Neighborhood was not Downtown and stated nobody at the community meeting on January 15th wanted the ordinance to move forward. Mr. Wahmhoff asked for more time to make sure the ordinance was right.

Laura Sprague, City resident, stated the ordinance had been pushed through quickly, and the Commission had not been told the truth about the City's community outreach efforts. Ms. Sprague expressed concern about the leadership of the Edison Neighborhood Association and their attitude towards community engagement.

Max Tibbitts, City resident, stated the City's Planning Department was dedicated to authentic communication, but there had been a breakdown in the process. Mr. Tibbitts stated three months was not enough time and there needed to be more dialogue.

Annie Sprague, City resident, expressed concern that the ordinance was being rushed through and asked the City to step back and restart the process. Ms. Sprague spoke about the most recent Edison Neighborhood Association meeting and how people were using the heritage and culture of Edison residents as a marketing device for the Southtown area.

Gerry Hoffmann, City resident, expressed support for the proposed ordinance.

John VanderSalm, non-resident and owner of VanderSalm's Flower Shop, expressed concern that the new design standards would increase his building maintenance costs to the point where those costs would put him out of business.

Roger Schmitt, non-resident, expressed support for the proposed ordinance.

Jacob Johnson, City resident, stated rents in this area were rising, and he was concerned about the effect of the standards on rents.

Chris Mbah, City resident, observed the struggle over this issue seemed to be about culture and identity. Mr. Mbah stated the process had not taken long enough and there needed to be more dialogue.

Steve Deisler, Executive Director of Downtown Kalamazoo, Inc., expressed support for the Downtown Design Standards and the proposed ordinance.

Richard Stewart, City resident, expressed opposition to the proposed ordinance and stated the ordinance needed to be rewritten from the ground up.

At 8:36 p.m. Mayor Hopewell closed the public hearing.

Commissioner Miller, seconded by Commissioner Urban, moved to adopt an ORDINANCE to amend Section 6.5C of the Zoning Ordinance and the Downtown Design Review Standards and Guidelines pertaining to the extension of the Downtown Design Review District to the Southtown area.

Prior to a vote on the motion, Commissioner Cooney suggested the creation of a task force to let neighborhood residents help determine how the neighborhood was developed.

Public Hearing re: An Ordinance to Expand the Downtown Design Review District to the Southtown Area
(cont'd)

Public Hearing re: An Ordinance to Expand the Downtown Design Review District to the Southtown Area (cont'd)

Commissioner Urban stated any extension of time for additional work on the ordinance should include milestones and goals to keep the process moving. Commissioner Urban asked for assurances a solution existed that would be satisfactory to most people, as the strong language being used suggested compromise was impossible. Commissioner Urban stated the Commission needed to think about what was best for the whole community. Commissioner Urban expressed concern about the use of the term "authentic communication" and stated authentic communication would happen on a case-by-case basis during the implementation of the ordinance.

Commissioner Cinabro noted the ordinance started as a proposal for a proactive tool to guide anticipated development. Commissioner Cinabro stated he would support the ordinance if there was a commitment to review the impacts after one year and report back to the City Commission. Commissioner Cinabro suggested a task force not be formed unless the City Manager recommended it as a result of the impact study.

Vice Mayor Anderson stated it was difficult to engage in a public setting, but people needed to move beyond this in order to have a public discussion. Vice Mayor Anderson expressed hope that people would engage around Priority Based Budgeting, as the budget was more important. Vice Mayor Anderson commented on how people tended to personalize their disagreements, and he urged everyone to assume positive intent and remember the people they disagreed with were their neighbors. Vice Mayor Anderson stated the proposed ordinance was based on the idea that planning was valuable. Vice Mayor Anderson indicated the community could not talk about this issue forever, and he stated he was not sure what would be gained by waiting and what specific changes would be needed to improve the plan.

In response to a question from Commissioner Miller, Director Lam stated the cost for fully implementing the Portage Street Corridor Plan was estimated to be \$13 million.

Commissioner Miller stated the Portage Street Corridor Plan was a vision, and she remarked the Southtown area could be a beautiful area with a vision. Commissioner Miller expressed support for the ordinance and agreement with Commissioner Cinabro. Commissioner Miller stated she had faith in the staff who would implement the ordinance.

Commissioner Urban expressed support for a one-year review of the impacts of the ordinance and the creation of a task force at that time. Commissioner Urban stated a task force would need to have clear goals. Commissioner Urban indicated he had faith in City staff and peoples' good will.

Commissioner Cooney stated there was no question about the dedication and competence of City staff, but there were two types of expertise: professionals, and those with real life experience. Commissioner Cooney stated the two types of experts needed to work together.

Mayor Hopewell noted there were no design standards for the Southtown area, and with no standards there could be chaos. Mayor Hopewell observed the battle would not change with more time if people were not willing to change their minds. Mayor Hopewell expressed support for moving forward and stated he agreed with a one-year review and reevaluation of the ordinance.

City Attorney Robinson noted there was a proposed amendment that should be voted on prior to a vote on the main motion. City Attorney Robinson clarified the amendment, if approved, would be a substantive change that would require postponing final adoption of the ordinance until a future meeting.

Commissioner Miller, seconded by Commissioner Urban, moved to amend Section 6.5C of the Zoning Ordinance and the Downtown Design Review Standards and Guidelines pertaining to the extension of the Downtown Design Review District to the Southtown Design Review District, to specifically exempt structures solely used as single-family residential structures, duplex homes, and multi-family residential structures.

With a roll call vote the motion to amend passed unanimously.

AYES: Commissioners Cinabro, Cooney, Cunningham, Miller, Urban, Vice Mayor Anderson, Mayor Hopewell

NAYS: None

City Attorney Robinson offered optional language that would further amend the proposed ordinance to require an evaluation of the effects of the ordinance one year after adoption.

Commissioner Miller, seconded by Commissioner Cinabro, moved to amend the proposed ordinance by adding Section 5 to read, "One year following the adoption of this ordinance the City Manager shall conduct an evaluation of the effects of the Design Review Standards and Guidelines on the affected Southtown Design Review District, and recommend to the City Commission whether a task force should be created to consider further amendments to the ordinance.

Commissioner Cooney expressed opposition to the proposed amendment and stated it was evidence the ordinance was not ready for adoption.

With a roll call vote the motion to amend passed 6-1.

AYES: Commissioners Cinabro, Cunningham, Miller, Urban, Vice Mayor Anderson, Mayor Hopewell

NAYS: Commissioner Cooney

Amendment to DDRD Expansion Ordinance re: Exemption of Residential Structures

Amendment to DDRD Expansion Ordinance re: Impact Study 12 Months After Implementation

Consent Agenda

Consent Agenda items were presented as follows with a recommendation to approve the items and authorize for the City Manager to sign on behalf of the City:

- approval of a contract with the Michigan Department of Transportation for the reconstruction of the I-94 and Sprinkle Road interchange in the amount of \$519,700.
- approval of the following appointments and reappointments to boards and commissions:
 - the appointment of **Margy Belchak** to the Environmental Concerns Committee for a term expiring on January 1, 2017.
 - the appointment of **Chris Patchell** to the Parks and Recreation Advisory Board for a term expiring on January 1, 2018.
 - the appointment of **Zadie Jackson** to the Parks and Recreation Advisory Board for a term expiring on January 1, 2018.
 - the appointment of **Kenneth C. Jones** to the Transit Authority Board for a term expiring on December 31, 2015.
- approval of a recommendation to hold until February 2, 2015 consideration of a sale and purchase agreement with Kalamazoo Charter Township for a strip of land at 1720 Riverview for public right-of-way purposes.

Commissioner Cinabro, seconded by Vice Mayor Anderson, moved to approve the consent agenda requests and authorize the City Manager to sign on behalf of the City.

With a roll call vote this motion passed unanimously.

AYES: Commissioners Cinabro, Cooney, Cunningham, Miller, Urban, Vice Mayor Anderson, Mayor Hopewell

NAYS: None

Regular Agenda

Regular Agenda items were considered next.

Adoption of the FY2015 Budget

Commissioner Cunningham, seconded by Commissioner Urban, moved to approve the City's Proposed FY2015 Budget and various fee schedules:

Resolution 15-03

- adoption of a **RESOLUTION** approving the Annual Appropriation for the year 2015, setting forth the number of mills to be levied, approving an interim appropriation for the year 2016 and establishing policies for the administration of the budget.

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| <ul style="list-style-type: none"> - approval of the proposed FY2015 Downtown Development Authority Operating Budget as submitted by the DDA Board (including 2015 Capital Improvement Program) and approve a two-mill tax levy. - approval of the proposed FY 2015 Economic Development Corporation budget as submitted by the EDC Board. - approval of the proposed FY2015 Brownfield Redevelopment Authority budget as submitted by the BRA Board. - approval of the proposed FY 2015 Local Development Finance Authority budget as submitted by the LDFA Board. - adoption of a RESOLUTION which sets various permit fees for the Public Services Engineering Division. - adoption of a RESOLUTION to establish Department of Parks and Recreation fees and charges. - adoption of a RESOLUTION establishing the fees to be charged for special event applications, late fees and service fees. - approval of the Kalamazoo Municipal Golf Association FY2015 fee schedule | <p>Adoption of the FY2015 Budget (cont'd)</p> <p>Resolution 15-04</p> <p>Resolution 15-05</p> <p>Resolution 15-06</p> |
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Prior to a vote on the motion, City Manager Ritsema highlighted changes to the budget that were made as a result of the sale of Other Post-Employment Benefits (OPEB) Bonds. City Manager Ritsema reported the pricing of the bonds was less than anticipated, which would mean a savings of approximately \$10 million over the 30-year life of the bonds. City Manager Ritsema explained there would be savings to the General Fund of \$2.3 million in FY2015 as a result of replacing direct payments for healthcare services with the debt service payments on the OPEB Bonds. City Manager Ritsema stated the budget being considered for adoption included a new communications coordinator position in the City Manager's Office, but the added position would not have an impact on the budget.

When given an opportunity to comment on the Proposed FY2015 Budget, the following people addressed the City Commission:

Steve Deisler, Executive Director of Downtown Kalamazoo, Inc., thanked the City for its support and Public Safety Chief Jeff Hadley for finding a way to keep the additional Community Police Officer (CPO) for the downtown area.

Mark Fricke, City resident, stated there were only two ways to grow a business: get customers to pay more or get more customers. Mr. Fricke stated the City had two basic options to address its structural budget problems: increase taxes or get more people to move into the City.

Adoption of the
FY2015 Budget
(cont'd)

Matt Milcarek, City resident, stated the City's spending and revenue did not add up. Mr. Milcarek indicated the City needed new customers and urged the Commission to diversify the City's revenue in the form of an income tax.

Tim Graham, City resident, spoke about the City's budget deficit over the next 20 years, the need to address inequalities, and the importance of due process.

Dana Underwood, City resident, suggested the City consider alternatives to tax abatements, like granting business tax credits if they met performance standards.

Commissioner Cooney stated the FY2015 budget did not being to do everything the City wanted it to do, and he discussed the need for the state to do more for cities. Commissioner Cooney commended staff for their work on the budget.

Commissioner Cunningham expressed excitement about the leadership of City Manager Ritsema and stated Priority Based Budgeting would be the key to moving forward.

Commissioner Miller thanked City staff for their work on the budget and thanked Chief Hadley for finding a way to keep a CPO in the downtown area.

Commissioner Anderson thanked citizens for staying during the approval of the budget.

With a roll call vote this motion to approve the budget passed unanimously.

AYES: Commissioners Cinabro, Cooney, Cunningham, Miller, Urban, Vice Mayor Anderson, Mayor Hopewell

NAYS: None

Ordinance 1931
Amending Chapter 28
to Incorporate Federal
and State Regulations
and Standards

An opportunity was given for citizens to comment on an ordinance to amend certain sections of Chapter 28 of the Kalamazoo Code of Ordinances to incorporate mandated Federal/State Industrial Pretreatment Program Streamlining Regulations and Local Limit Standards, but no comments were offered.

Commissioner Miller, seconded by Commissioner Cooney, moved to adopt an **ORDINANCE** to amend certain sections of Chapter 28 of the Kalamazoo Code of Ordinances to incorporate mandated Federal/State Industrial Pretreatment Program Streamlining Regulations and Local Limit Standards.

With a roll call vote this motion passed unanimously.

AYES: Commissioners Cinabro, Cooney, Cunningham, Miller, Urban, Vice Mayor Anderson, Mayor Hopewell

NAYS: None

An opportunity was given for citizens to comment on authorization for the City Manager to offer incentives to 230 City of Kalamazoo public safety retirees who are not enrolled in Medicare Part B, as an enticement to voluntarily elect Medicare Part B as their primary health care coverage, but no comments were offered.

Commissioner Cooney, seconded by Vice Mayor Anderson, moved to authorize the City Manager to offer incentives to 230 City of Kalamazoo public safety retirees who are not enrolled in Medicare Part B, as an enticement to voluntarily elect Medicare Part B as their primary health care coverage.

Prior to a vote on the motion, Commissioner Miller explained that certain collective bargaining agreements did not require Public Safety retirees to sign up for Medicare when they became eligible, which meant the City had to pay more for the healthcare of these retirees than retirees under other contracts.

Commissioner Urban commended City Manager Ritsema for his approach to this matter and noted an incentive was needed because the City was contractually obligated to provide benefits, and any change would need to be voluntary on the part of each individual retiree.

Mayor Hopewell thanked City Manager Ritsema for how he had addressed challenges during his first year as City Manager, and he thanked the retirees who would participate in this incentive.

Commissioner Cinabro stated he would be abstaining on this vote to be consistent with his abstentions on other retiree benefit-related votes in August and December of 2014. Commissioner Cinabro indicated he made statements at those meeting explaining his abstentions, and those statements were on the record.

Vice Mayor Anderson stated this item was grounded in the work of the Legacy Cost Task Force, which was an effort to engage the community around the issue of retiree healthcare benefits. Vice Mayor Anderson explained the City was bound by law to honor the retiree healthcare provisions of the union contracts and noted they had been upheld through arbitration and a lawsuit. Vice Mayor Anderson asked retirees to think about their honorable choice to become a public servant and to consider this another opportunity to help the City of Kalamazoo.

With a roll call vote this motion passed unanimously.

AYES: Commissioners Cinabro, Cooney, Cunningham, Miller, Urban, Vice Mayor Anderson, Mayor Hopewell

NAYS: None

Authorization for the City Manager to Offer Incentives to Retirees for Voluntarily Electing Medicare Part B as Their Primary Health Coverage

City Manager's Report

City Manager Ritsema provided the following reports and updates:

- Departmental Reports and Project Updates
- Monthly Investment Report – December 2014
- December 2014 Purchases

City Manager Ritsema thanked Management Services Director Tom Skrobola and his staff for their work on the budget and Director Lam for her work on community engagement. City Manager Ritsema reported 711 people had taken the Public Safety Officer position test on January 16th.

Citizen Comments

Next, an opportunity was given for general citizen comments.

Dana Underwood, City resident, thanked Vice Mayor Anderson and Commissioner Cinabro for their comments and stated they are a precursor to the citizen engagement efforts surrounding the Priority Based Budgeting process. Ms. Underwood expressed support for Director Lam and for the new Communications Coordinator position. Ms. Underwood suggested Director Lam dissect the DDRD expansion process and figure out how to get people to the table.

Tim Graham, City resident, stated the City could not assume help would come from the federal or state government, and he stated there needed to be an economic development visioning process. Mr. Graham commended the City Commission for appointing a member of the millennial generation to fill the vacancy on the Commission. Mr. Graham read a passage from Ralph Waldo Emerson.

Chris Mbah, City resident, stated there needed to be clarification around the definition of "authentic community engagement" and suggested it involved building authentic relationships. Mr. Mbah indicated the City needed to change its processes, as the use of flyers and neighborhood associations had been a "flop."

Commissioner Comments

Finally, an opportunity was given for miscellaneous comments and concerns of City Commissioners.

Commissioner Cunningham stated the conversation about the FY2016 budget was started. Commissioner Cunningham indicated his approach would be to use love and compassion to gain understanding, and he needed to hear from residents in order to serve effectively.

Commissioner Urban stated Ms. Underwood's suggestion about tax credits was intriguing. Commissioner Urban expressed support for a lively public discussion about a city income tax and stated there was an opportunity for real citizen engagement around this issue. Commissioner Urban stated the City needed to engage people "where they are."

Commissioner Cinabro welcomed Commissioner Cunningham to the City Commission.

Commissioner Miller welcomed Commissioner Cunningham to the City Commission and announced City Manager Ritsema would be the featured speaker at the next Oakland/Winchell Neighborhood Association meeting.

Commissioner
Comments (cont'd)

Mayor Hopewell welcomed Commissioner Cunningham to the City Commission.

The meeting adjourned at 10:27 p.m.

Adjournment

Respectfully submitted,

Scott A. Borling
City Clerk
For City Commission approval on April 6, 2015

Approved by: _____
Bobby J. Hopewell, Mayor
Dated: April 6, 2015