



# The City of Auburn Hills

## City Council Meeting

### Minutes

September 23, 2013

**CALL TO ORDER:** by Mayor McDonald at 7:00 p.m.  
**LOCATION:** City Council Chamber, 1827 N. Squirrel Road, Auburn Hills, MI 48326  
**Present:** Mayor McDonald, Mayor Pro-Tem Hammond, Council Members Knight, McDaniel, Verbeke  
**Absent:** Council Members Doyle, Kittle  
**Also Present:** Community Development Director Cohen, Deputy Director/Police Hardesty, Assessor Lohmeier, DPW Director Melchert, City Clerk Kowal, City Attorney Beckerleg, City Engineer Juidici  
14 Guests

#### 4. APPROVAL OF MINUTES

##### 4. Regular Council Meeting – September 9, 2013

**Moved by Hammond, Seconded by Knight.**

**RESOLVED: To approve the September 9, 2013, meeting minutes.**

**VOTE: Yes: Hammond, Knight, McDaniel, McDonald, Verbeke**

**No: None**

**Motion Carried (5-0)**

##### **Resolution No. 13.09.167**

##### 4b. Workshop – September 9, 2013

**Moved by Knight, Seconded by Verbeke.**

**RESOLVED: To approve the September 9, 2013, Workshop minutes.**

**VOTE: Yes: Hammond, Knight, McDaniel, McDonald, Verbeke**

**No: None**

**Motion Carried (5-0)**

##### **Resolution No. 13.09.168**

#### 5. APPOINTMENTS AND PRESENTATIONS

##### 5a. Motion - Appointment of Susan Emery to the Planning Commission for a term to expire July 31, 2016

Ms. Emery stated she moved to the City in 2009 and works out of her home doing health insurance and benefits. She has worked with Oakland County and others and decided she would like to work in her own community on a smaller level and contributing any way she can.

Mr. Knight asked Ms. Emery if she owns or rents the condo she is currently living in, because he felt an owner may be tied to the community for a longer period of time.

Ms. Emery stated her fiancée owns the condo.

**Moved by Verbeke; Seconded by Knight.**

**RESOLVED: To confirm the Appointment of Susan Emery to the Planning Commission for a term ending July 31, 2016.**

**VOTE: Yes: Hammond, Knight, McDaniel, McDonald, Verbeke**

**No: None**

**Motion Carried (5-0)**

##### **Resolution No. 13.09.169**

##### 5b. Motion - Appointment of Randy Wyatt to the Brownfield Redevelopment Authority, term to expire December 31, 2014.

Mr. Wyatt explained he has lived in Auburn Hills for 29 years and spent most of that time working for the Auburn Hills Fire Department. As of March 1, 2013, he retired as Assistant Fire Chief for the City. He was contacted by Mayor McDonald and asked if he would be willing to serve on this Board because of his experience with hazardous materials and environmental issues.

Mr. Knight thanked Mr. Wyatt for stepping forward and agreeing to work with the Brownfield Redevelopment Authority, and noted there will be a meeting the first of next month.

**Moved by Knight; Seconded by McDaniel.**

**RESOLVED: To confirm the Appointment of Randy Wyatt to the Brownfield Redevelopment Authority for a term ending December 31, 2014.**

**VOTE: Yes: Hammond, Knight, McDaniel, McDonald, Verbeke**

**No: None**

**Motion Carried (5-0)**

**Resolution No. 13.09.170**

**6. PUBLIC COMMENT**

Veronica Mitchell, 2701 Williamsburg Circle explained on September 9<sup>th</sup>, concerns were brought before Council, which pertains to the Library Board, and being the President of the Library Board, she personally followed up with the individual who raised those concerns. There was an extended conversation between her and the resident and she urged him to attend a Library Board meeting to discuss his issues. If the time of the meetings is not convenient, the third Tuesday of the month at 4:30 p.m. there is Conversations with the Board in December, the third Monday of the month at 5:00 p.m. If for some reason those times are not convenient, she can make herself available at another time if needed; her e-mail address is available on the website.

Ms. Verbeke asked if the Library Board had any available dates to meet with City Council.

Ms. V. Mitchell stated the Library has received a draft meeting agenda and she will be presenting the agenda at the next Board meeting. The discussion will include some possible dates for a joint meeting.

Janet Mitchell, 3907 Hillsdale Drive, is the President and founding member of the Friends of the Auburn Hills Public Library and wishes to make Council aware of recent developments that have affected the ability of the Friends of the Library to raise money for the library through the sale of donated books. The Friends of the Auburn Hills Public Library was formed in 2009 with the help of Karrie Waarala, the former Library Director. Ms. Waarala gave the friends a small room next to the fireplace room to use as a book store. The Friends have sold donated books to raise money for the Library until September 1, 2013. When present Director, Stephanie McCoy, told the Friends of the Library, that the Library would take over the operation of the room, no explanation was given. The Friends bookstore had been making about \$250 a month. According to Paul Snyder, President of the Friends of Michigan Libraries, this type of action has never happened in any library in Michigan.

Continuing, Ms. J. Mitchell stated there are two large book sales held each year from books donated to the Friends throughout the year. Money made from the book sales, along with money made from the book store support library programs, equipment, and upholstery of the chairs in the Library. On July 20<sup>th</sup>, the Director posted a notice that the Library was suspending acceptance of donations. The reason given was the donation policy was being updated. The new policy was approved by the Library Board of Trustees at the end of August. Donations are still not being accepted. She was told the Library staff must be trained in the new policy. This severely affects the upcoming book sale as inventory is very low and low inventory affects future sales as well. She had cleared the dates of the book sale, October 9<sup>th</sup>, 10<sup>th</sup>, 11<sup>th</sup>, and 12<sup>th</sup> with the Director in August, and then placed an ad publicizing the dates. Shortly after, the Director e-mailed her that the Library would be closed for a staff in-service day on October 11<sup>th</sup>; which was not posted on the calendar; the dates had already been cleared with the Director. Also, there are no other events posted for any other Friday in October.

From the date of formation of the Auburn Hills Friends group, the donations thus far is \$13,589.29, raised from the book store book sales, memberships and individual donations. The Friends is an incorporated 501-3c tax exempt organization, members of the Michigan Friends of Libraries, and attend the Michigan Friends workshops. The Friends board is disheartened by the recent development and lack of support by the Director. Although the Director is a member of Friends of the Library Board, she rarely attends meetings, but sends a representative requesting funds for equipment or programs. The Director receives copies of the Friends meetings. The Friends have appealed to the Board of Trustees with little evidence of any change. It is difficult for the Friends to stay motivated to do their work in the present environment.

She wanted to make Council aware of the how the Director and Board of Trustees has created a negative atmosphere and limited the ability of the Friends to raise funds through book sales and other activities.

Mayor McDonald thanked Ms. J. Mitchell, and explained City Council has no authority over the Library Board, but appreciates the information.

Continuing, Mayor McDonald asked Ms. V. Mitchell if she could address this issue at the next Board meeting.

Ms. V. Mitchell stated some of the topics brought up are on the next meeting agenda, noting the Library is accepting donations.

Mayor McDonald asked if the Board approved the taking back of the room and not accepting donations any longer.

Ms. V. Mitchell stated it was decided to suspend donations by the Director as part of the day-to-day operations, until the policy is up and running. The policy was approved by the Library Board.

Mr. Knight asked for clarification, that the policy is decided by the Board and whether to have the sale or not is up to the Director.

Ms. V. Mitchell explained the policy update is what the Board approved. The day-to-day operations of the Library are managed by the Library staff, done administratively. The policy amendments are investigating how to efficiently manage the book donation room, which will also be on the next Library Board agenda.

Ms. Verbeke asked if the book room was taken away from the Friends by the Library Board.

Ms. V. Mitchell stated the room wasn't taken away from anyone, and suggested that this conversation be continued at the Library Board meeting.

## 7. CONSENT AGENDA

All items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

*Ms. Verbeke requested Item 7b. be removed from the Consent Agenda.*

### 7a. Board and Commission Minutes

7a.1. Beautification Advisory Commission – August 14, 2013

7a.3. Tax Incentive Review Committee – September 9, 2013

7a.2. Tax Increment Finance Authority – September 10, 2013

### 7c. Motion – Approve Contract for Light Pole Painting

**RESOLVED: To concur with the approval of the TIFA Board of Directors for the painting of fifty-three light poles in the median on University Drive, from I-75 to N. Squirrel Road.**

**Moved by Verbeke; Seconded by Hammond.**

**RESOLVED: To approve the Consent Agenda Items 7a., and 7c.**

**VOTE: Yes: Hammond, Knight, McDaniel, McDonald, Verbeke**

**No: None**

**Motion Carried (5-0)**

**Resolution No. 13.09.171**

*THIS ITEM WAS REMOVED FROM CONSENT AGENDA BY COUNCIL MEMBER VERBEKE.*

### 7b. Motion – Approve Federal Non-Discrimination Plans

Ms. Verbeke asked how the police and fire departments would handle a situation with someone that doesn't speak English, the plan states for the City to be eligible for grants and federal funding, there must be an option for an interpreter.

Deputy Director/Police Hardesty stated the City employs a service, available 24 hours a day, seven days a week that connects a phone to the interpreter of most any language. The fee for the service is less than \$30.00 per month.

**Moved by Verbeke, Seconded by Knight.**

**RESOLVED: To approve the attached Title VI Non-Discrimination Plan and the Limited English Proficiency Plan as presented, and to appoint Assistant City Manager Tom Tanghe as the Coordinator of these plans.**

**VOTE: Yes: Hammond, Knight, McDaniel, McDonald, Verbeke**

**No: None**

**Motion Carried (5-0)**

**Resolution No. 13.09.172**

## 8. OLD BUSINESS – None.

## 9. NEW BUSINESS

### 9a. Public Hearing/Motion – Request to Approve IFEC for PyeongHwa Automotive USA LLC for Personal Property

Mr. Lohmeier explained an application for an IFEC has been received from PyeongHwa Automotive USA LLC (PHA) for personal property on September 3, 2013, and as of this date a portion of the personal property has been purchased and installed. The personal property will be used at the leased facility located at 765 Standard Parkway. There is at least five years remaining on the building lease and PHA has applied for a three-year abatement which would require an additional two-year stay. The total project investment is \$1,975,851, anticipating the retention of 20 jobs, as well as creating 10 new jobs. The company will save approximately \$26,472 in taxes, with \$12,780 of that being City revenues.

As asked by the Tax Incentive Review Committee, PHA has no tax delinquencies or tax appeals. It was also noted, the new personal property was purchased prior to requesting the tax incentive. The company needed the equipment immediately to fulfill a very aggressive timeline in supporting their customers, such as Chrysler and General Motors.

Mr. Lohmeier noted there is not a company representative in the audience, however, he noted the supplemental information included in the packet of information for Council, is more extensive than most companies provide. He also noted the deadline for filing exemptions is quickly approaching, October 31<sup>st</sup>, and there will be more filings at the next two Council meetings.

Mr. Knight asked if adequate notice was given to the company to be available for the Council meeting.

Mr. Lohmeier stated the company was notified to be available for the Council meeting; he isn't sure why they aren't present.

Mr. Knight suggested Mayor McDonald open the public hearing, but he doesn't feel action should be taken by Council without the petitioner present.

Mr. Lohmeier stated if the company attends the next Council meeting, October 7<sup>th</sup>; that should be adequate time to forward all the necessary paperwork to the State.

Ms. Verbeke asked how much earlier had the property purchased prior to the request.

Mr. Lohmeier explained the personal property was purchased approximately five and a-half months prior to the exemption request and the State guidelines provide a six month window. It is the City's policy that requires the company to ask for the incentive prior to the purchase of personal property.

Mr. Lohmeier introduced the late arriving President of PHA, Gene Paik.

*Mayor McDonald opened the public hearing at 7:30 p.m.*

Mr. Paik apologized for his late arrival. Continuing, he explained the company has been able to bring the assembly of the products back to Michigan. There has been a waiting game with Chrysler and GM on their orders, but once a decision was made to move forward, there was the immediate need for the equipment to be purchased. PHA didn't want to appeal to City each time a piece of equipment was purchased, so they decided to wait until all the equipment that is needed was purchased and bring the request as one lump sum.

Continuing, Mr. Paik stated with phase one complete, he hopes to be back for another request in six months to a year with more personal property for components and parts being made here, in Michigan. The goal for the company is to localize in the State.

Ms. Hammond asked how involved has PHA become since settling in the City.

Mr. Paik admitted to lacking in that area; he had visions of doing community service in the area. He is the superintendent for the Sunday school program at his Troy based church and works with those youths. He hopes to become more involved with the City, but time has been limited with the growth of the company and continuing to hire employees. He noted, he did participate in the Chambers golf outing and promised to become more involved.

*Mayor McDonald closed the public hearing at 7:35 p.m.*

**Moved by Knight; Seconded by McDaniel.**

**RESOLVED: To approve the request for a 3-year IFEC for new personal property for PyeongHwa Automotive USA, LLC for a total personal property investment of \$1,975,851 by adopting the attached resolution (Attachment A).**

Mr. Knight thanked Mr. Paik for arriving, noting what a fine project this is and is happy there will be more equipment added, and becoming stronger in the community.

**VOTE: Yes: Hammond, Knight, McDaniel, McDonald, Verbeke**

**No: None**

**Resolution No. 13.09.173**

**Motion Carried (5-0)**

***Items 9b., 9c., and 9d. were removed from the Agenda at the Petitioner's request.***

9b. Public Hearing/Motion – Request to Approve Transfer of IFEC 2010-394 for Unwired Technology LLC

9c. Public Hearing/Motion – Request to Approve Extension of IFEC 2010-394 for Unwired Technology LLC

9d. Public Hearing/Motion – Request to Approve IFEC for Unwired Technology LLC for Real and Personal Property

## **10. COMMENTS AND MOTIONS FROM COUNCIL**

Mr. Knight:

- Suggested compiling a list of different activities and/or non-profits that a company could extend their goodwill towards, piggy-backing on Ms. Hammond's general question to petitioners seeking tax relief. The list could also be posted on the City's web-site for anyone looking to becoming more involved in the community.

- Questioned if the TIFA district extends to Auburn Road and Primary Road.

Mr. Melchert stated he believes the district extends to Primary Road.

Mr. Knight asked about the possibility of appointing people to the Downtown District Authority, who live within the DDA, but do not live in the TIFA district.

Mayor McDonald stated the person must live within the DDA.

- The downtown parking is doing okay, but feels it can be further improved. He stated when turning properly onto Cherryland, in some cases there are vehicles that cut through the parking spaces. Another complaint, when heading eastbound on Auburn Road, approaching South Squirrel Road, there is sufficient room for traffic to be side-by-side, but the markings only indicate through traffic.

He is in the process of making a list of trouble areas with suggestions and suggested other Council Members concerns can be included on his list.

Mayor McDonald suggested Mr. Knight meet with DPS and Police to determine if his suggestions are possible.

Mr. McDaniel asked if anything can be done to remove the old street markings, many drivers don't realize the lane no longer exists, and they are driving through the angle parking spaces.

Mr. Melchert noted the old markings have been ground somewhat, but grinding to deep into the road will create more problems. He stated he will see what can be done, but for the most part it will take time for the lines to fade. He noted the salting of the road will also help eliminate the markings.

**11. CITY ATTORNEY'S REPORT** – none.

**12. CITY MANAGER'S REPORT** – none.

**13. ADJOURNMENT**

The meeting adjourned at 7:44 p.m..

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James D. McDonald, Mayor

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Terri Kowal, City Clerk

**CITY OF AUBURN HILLS  
RESOLUTION 13.09.173  
APPROVING AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE  
FOR PYEONGHWA USA LLC**

At a regular meeting of the City Council of the City of Auburn Hills, Oakland County, Michigan, held in the Council Chambers at 1827 N. Squirrel Road, Auburn Hills MI 48326 on the **23<sup>rd</sup> day of September, 2013**.

The following resolution was offered by Councilperson Knight and supported by Councilperson McDaniel.

WHEREAS, pursuant to P.A. 198, 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on the **9<sup>th</sup> day of September, 2002**, the City of Auburn Hills, established an Industrial Development District, commonly referred to as the **Joslyn Commerce Park Industrial Development District**; and

WHEREAS, **PyeongHwa Automotive USA LLC** has filed an application for an Industrial Facility Exemption Certificate with the Clerk of the City of Auburn Hills with respect to proposed **personal property** to be acquired and installed within the **Joslyn Commerce Park Industrial Development District**; and

WHEREAS, before acting on said application, the City Council of Auburn Hills held a hearing on the **23<sup>rd</sup> day of September, 2013** at a regularly scheduled meeting, at which time the applicant, the assessor, and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, construction and installation of the facility has not begun earlier than six (6) months before **September 3, 2013**, the date of the acceptance of the application for the Industrial Facility Exemption Certificate; and

WHEREAS, completion of the facility is calculated to and will at the time of issuance of the certificate have the **reasonable likelihood to retain, create or prevent the loss of employment** in Auburn Hills; and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of Auburn Hills after granting this certificate **will exceed 5% of an amount equal** to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE, BE IT RESOLVED BY the City Council of Auburn Hills that:

1. The City Council of Auburn Hills finds and determines that the granting of this Industrial Facilities Exemption Certificate, together with the aggregate amount of the certificates previously granted and currently in force, under PA 198 of 1974, and PA 225 of 1978, **shall not** have the effect of substantially impeding the operation of the City of Auburn Hills, or of impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the City of Auburn Hills.
2. The application for an Industrial Facilities Exemption Certificate with respect to a **New Facility** on the following described parcel of real property situated within the **Joslyn Commerce Park Industrial Development District**; to wit;

Legal Description:

T3N, R10E, SEC 9 PART OF NW 1/4 BEG AT SLY COR OF LOT 3 OF 'SUPERVISOR'S PLAT NO 5', TH S 31-31-36 W 107.18 FT, TH S 00-00-28 W 445.97 FT, TH N 89-59-32 W 12.62 FT, TH ALG CURVE TO RIGHT, RAD 500 FT, CHORD BEARS N 82-55-56 W 122.91 FT, DIST OF 123.22 FT, TH N 75-52-20 W 149.91 FT, TH ALG CURVE TO LEFT, RAD 500 FT, CHORD BEARS N 84-14-03 W 145.43 FT, DIST OF 145.94 FT, TH S 88-03-37 W 169.05 FT, TH ALG CURVE TO RIGHT, RAD 80 FT, CHORD BEARS N 14-06-51 E 44.25 FT, DIST OF 44.83 FT, TH N 59-49-55 W 20.58 FT, TH N 00-46-45 W 440.94 FT, TH N 32-07-34 W 115.12 FT, TH N 00-46-45 W 85.16 FT, TH S 36-32-49 E 80.17 FT, TH S 80-59-24 E 99.53 FT, TH N 75-02-33 E 156.66 FT, TH S 67-51-10 E 91.13 FT, TH N 57-54-57 E 130.55 FT, TH S 49-57-47 E 303.91 FT TO BEG 8.97 A10-16-02 FR 003

This real property parcel is also identified as 02-14-09-126-006, having an address of 765 Standard Parkway, Auburn Hills, MI 48326

is hereby approved for **Personal Property** improvements only.

3. The Industrial Facilities Exemption Certificate shall remain in force and effect for a period of **three (3) years**, and the starting date for the certificate is **December 31, 2013** and the ending date is **December 30, 2016**.

4. The total project investment approved is **\$1,975,851**.

5. **PyeongHwa Automotive USA LLC** agrees to operate the facility for which the Industrial Facilities Exemption Certificate is granted for the term of the certificate, plus an additional **two years** after the date of the expiration.

AYES: Mayor McDonald, Mayor Pro Tem Hammond, Council Members Knight, McDaniel, Verbeke  
NAYS: None  
ABSENT: Council Members Doyle, Kittle  
ABSTENTIONS: None

RESOLUTION 13.09.173 ADOPTED (5-0)

STATE OF MICHIGAN)

)SS

COUNTY OF OAKLAND)

I, the undersigned, the duly appointed City Clerk for the City of Auburn Hills, Oakland County, Michigan do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the Auburn Hills City Council held on the **23<sup>rd</sup> day of September, 2013.**

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this **24th** day of **September, 2013.**

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Terri Kowal, City Clerk