



Rochester Hills

Minutes

City Council Regular Meeting

1000 Rochester Hills Dr
Rochester Hills, MI 48309
(248) 656-4600
Home Page:
www.rochesterhills.org

*David J. Blair, Susan M. Bowyer Ph.D., Ryan Deel, Dale A. Hetrick, Carol Morlan,
Theresa Mungioli and David Walker*

Vision Statement: *The Community of Choice for Families and Business*

Mission Statement: *"Our mission is to sustain the City of Rochester Hills as the premier community of choice to live, work and raise a family by enhancing our vibrant residential character complemented by an attractive business community."*

Monday, May 22, 2023

7:00 PM

1000 Rochester Hills Drive

CALL TO ORDER

President Deel called the Regular Rochester Hills City Council Meeting to order at 7:00 p.m. Michigan Time.

ROLL CALL

Present 6 - David Blair, Ryan Deel, Dale Hetrick, Carol Morlan, Theresa Mungioli and David Walker

Absent 1 - Susan M. Bowyer

Others Present:

*Jason Boughton, Engineering Utilities Specialist
Cathy Fitzpatrick, Museum Program Coordinator
Bill Fritz, Public Services Director
Kristine Ismail, Museum Fiscal Associate
Chris McLeod, Planning Manager
Pat McKay, Museum Manager
Tim Polizzi, Water Resources Specialist
Leanne Scott, City Clerk
Joe Snyder, Chief Financial Officer
John Staran, City Attorney
Maria Willett, Chief of Staff, Mayor's Office*

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

A motion was made by Mungioli, seconded by Hetrick, that the Agenda be Approved as Amended to move Legislative File 2023-0248 'Request for an Off-Premise Wine Tasting Room License from Modern Craft Winery, LLC to be located within AR Workshop located at 882 Rochester Road' from New Business to Planning and Economic Development, immediately following Legislative File 2022-0424. The motion CARRIED by the following vote:

Aye 6 - Blair, Deel, Hetrick, Morlan, Mungioli and Walker

Absent 1 - Bowyer

COUNCIL AND YOUTH COMMITTEE REPORTS

Rochester Hills Government Youth Council (RHGYC):

President Deel introduced RHGYC Representative Siddh Sheth.

Mr. Sheth shared that he is a freshman at Stoney Creek High School and that this is his first year serving on the RHGYC. He stated that on Saturday, May 13, 2023, the RHGYC hosted its Cultural Togetherness Event at Rochester University. He added that there were a total of 412 participants at the event that included volunteers, performers and attendees. He shared that there were several performances, food and information booths throughout the event. He explained that the RHGYC has received 43 applications for the upcoming 2023-2024 term, with 33 eligible applicants. He stated that this past Saturday, the RHGYC volunteered at the O.A.K. in the Hills event.

President Deel commended the RHGYC on a successful Cultural Togetherness Event.

Ms. Mungioli stated that there is a survey requesting resident feedback on the Adams Road Corridor PEL Study project. She encouraged everyone to visit the following website to participate in the survey: www.surveymonkey.com/r/adamspurposeandneed. She announced that there will be another community meeting in early winter 2024 and the results from the survey will be shared at that time.

Rochester Avon Recreation Authority (RARA):

Ms. Mungioli shared that RARA will host a Tigers Fundraiser Night on June 23, 2023. She noted that the game will take place at Comerica Park and the proceeds go directly to RARA programs.

Ms. Mungioli stated that the City of Rochester is looking for input from the residents of Rochester Hills in regard to their 'Front Porch' project. She added that more information can be found on the City of Rochester's website.

Older Persons' Commission (OPC):

Mr. Hetrick shared that the 2023 5K Run and Walk for OPC's Meals on Wheels is Saturday, June 3, 2023. He added that the OPC Summer Soiree will take place on Friday, June 23, 2023 from 6:30 p.m. until 10:00 p.m. He noted that this is the OPC's signature fundraising event and is always a great time.

RECOGNITIONS

2023-0236 Proclamation Recognizing Stoney Creek Village's 200th Anniversary

Attachments: [052223 Agenda Summary.pdf](#)
[Proclamation.pdf](#)

President Deel shared that one of the things he loves most about living in Rochester Hills is the deep history that the City has. He stated that Stoney Creek Village is being recognized for its 200th year anniversary. He presented Pat McKay, Museum Manager, with a proclamation on behalf of the City.

Mr. McKay thanked City Council for the recognition and stated that it is an honor to receive the proclamation. He shared that last week the Museum opened a new exhibit that features Stoney Creek Village and its history. He added that the goal is to keep the exhibit open for as long as possible to share the history with people that visit the Museum. He noted that 44 years ago, a group named the Questers saw a need to preserve Stoney Creek Village. He mentioned the following individuals that played a large role in the City's history:

- Dr. Bertha Van Hoosen, the best known woman doctor in the world that passed away in the 1950s.*
- Dr. Sara Van Hoosen Jones, who specialized in animal genetics.*
- William Austin Burt who invented the solar compass and discovered iron ore in the Upper Peninsula.*

*He stated that there were remarkable people that lived in Stoney Creek Village and that there are still remarkable people that live there today. He introduced **Lou Veschetti**, a resident of Stoney Creek Village.*

Mr. Veschetti shared that the Village of Stoney Creek is a unique place and always has been. He stated that his family moved to the Village of Stoney Creek in 1992 and added that Dr. Bertha Van Hoosen was born in the house that he lives in. He shared that the Museum hosts many events throughout the year that the neighborhood enjoys such as the World War II Reenactment, the Pumpkin Festival, and the Vintage Baseball Games. He encouraged everyone to stop by the Village of Stoney Creek and the Museum to see the amazing grounds and learn more about the history of the City.

Presented.

PRESENTATIONS

2023-0247 Presentation of the 2023 Earl Borden Award

Attachments: [052223 Agenda Summary.pdf](#)
[Presentation.pdf](#)
[Earl Borden Awards List.pdf](#)
[Selection Criteria.pdf](#)
[Minutes HDC 030923 \(Draft\).pdf](#)

Chris McLeod, Planning Manager, explained that the Earl Borden Award was created in 1989 by the Historic District Commission upon the recommendation of Pat McKay, Museum Manager. He added that each year, the Historic District Commission determines the recipient of the Award. He noted that there are two types of Earl Borden Awards:

- The Historic Preservation Award recognizes buildings/structures that serve as outstanding examples of historic preservation, architectural integrity and adaptive reuse.
- The Historic Preservation Leadership Award recognizes individuals who have made outstanding efforts to support historic preservation in our Community.

He explained that the Historic Preservation Award will be presented only to local, state or nationally registered facilities within the City of Rochester Hills. He stated that the Preservation Leadership Award may be presented both to individuals and organizations for outstanding historic preservation efforts in the greater Rochester Hills Community.

He announced that the Stoney Creek #203 Questers are the 2023 Earl Borden Preservation Leadership Award recipient. He stated that the Questers are recognized for the amazing work they have done at Meadow Brook Hall. He shared that the Questers International was founded in 1944 to encourage the preservation, restoration and conservation of historic buildings, sites and antiquities. He added that the Stoney Creek #203 Questers was chartered in April 1965 in Rochester, Michigan and is the oldest of four chapters in Rochester. He stated that the Questers obtained nine Preservation and Restoration Grants for Meadow Brook Hall totaling over \$13,000.

He noted the following restoration work done at Meadow Brook Hall by the Questers:

- The Ballroom Chandelier Tassels
- Historic Chinese Porcelain
- Several Meadow Brook Artifacts that include a sofa, Italian Urn, dolls, artwork and more.

President Deel presented the Questers with the Earl Borden Preservation Leadership Award.

Presented.

2023-0148 Legislative Update - State Representative Mark Tisdel

Attachments: [052223 Agenda Summary.pdf](#)

State Representative Mark Tisdel provided the following updates from Lansing:
- Governor Whitmer has signed 32 bills into law this year that include a

Retirement Tax reduction and an increase to the Earned Income Tax Credit. He noted that he was in favor of both of these bills.

- There is a tax rollback; however, the Attorney General interprets that the tax rollback only applies to one year.*
- The Elliott-Larsen Civil Rights Act was expanded and now the word 'sex' includes sexual orientation, gender identity and expression. He noted that he was in favor of this bill.*
- The third grade reading statute has been rescinded and children no longer have to be able to read to advance to fourth grade. He noted that the State of Michigan ranks 41st in fourth grade reading.*
- Prevail and Wage was added to any project that uses State funds as well as Millage funds. He was not in favor of this bill.*
- Right to Work was rescinded and he was not in favor of this.*
- The Safe Storage Bill applies to minors only and he voted in favor of this and added that there is no penalty if a firearm is not properly stored. He stated that this bill would hold the gun owner responsible if a minor was to injure themselves or someone else with a firearm. He noted that the expansion of universal background checks was also included in this package.*
- The Municipal Caucus is run by the Michigan Municipal League and he and Senator Webber are two of the four co-chairs of the Municipal Caucus. He stated that the Caucus has been tasked to provide certainty in revenue sharing for cities, villages and townships using a basic formula.*
- There will be a lot of activity with renewable energy sources such as wind and solar energy. He added that DTE has committed to ten million solar panels installed by 2040 and Consumers Energy has committed to 8,000 megawatts of installed solar panels by 2030.*
- Rochester Front Porch Project is a great project that will transform that area into a public venue area.*

Ms. Mungoli questioned whether there have been discussions in Lansing on Proposal 2 that was passed last November.

State Representative Tisdell responded that one act has made it through the House but he is not aware of how it will do at the Senate level.

President Deel stated that Proposal 2 also states that there will be nine days of early voting and stated that this will require a lot financially of the City. He questioned whether funding will be provided by the State to recover some of the costs associated with early voting.

State Representative Tisdell responded that there are a number of issues that will need to be defined and clarified prior to the election.

Presented.

ORDINANCE FOR INTRODUCTION

2023-0241 Request for Acceptance for First Reading - An Ordinance to Amend Article V, Division 2A, Section 54-590, of Chapter 54, Fees, of the Code of Ordinances of the City of Rochester Hills, Oakland County, Michigan, to add and modify fees charged for Other activities; repeal conflicting ordinances, and prescribe a penalty for violations

Attachments: [060523 Agenda Summary.pdf](#)
[052223 Agenda Summary.pdf](#)
[Ordinance.pdf](#)
[052223 Resolution.pdf](#)
[Resolution \(Draft\).pdf](#)

Bill Fritz, Public Services Director, explained that this is the First Reading to revise the Ordinance to reflect activities currently not included in the Ordinance, update fees and include provisions for security deposits for items such as traffic control devices.

A motion was made by Hetrick, seconded by Morlan, that this matter be Accepted for First Reading by Resolution. The motion carried by the following vote:

Aye 6 - Blair, Deel, Hetrick, Morlan, Munglioli and Walker

Absent 1 - Bowyer

Enactment No: RES0146-2023

Resolved, that An Ordinance to Amend Article V, Division 2A, Section 54-590, of Chapter 54, Fees, of the Code of Ordinances of the City of Rochester Hills, Oakland County, Michigan, to add and modify fees charged for Other activities; repeal conflicting ordinances, and prescribe a penalty for violations is hereby Accepted for First Reading.

2023-0228

Request for Acceptance for First Reading - An Ordinance to amend Sections 54-741, 54-743, 54-744, and 54-745 of Article XII, Utilities, of Chapter 54, Fees, of the Code of Ordinances of the City of Rochester Hills, Oakland County, Michigan, to modify water and sanitary sewer rates and fees, repeal conflicting Ordinances, and prescribe a penalty for violations

Attachments: [060523 Agenda Summary.pdf](#)
[052223 Agenda Summary.pdf](#)
[WSAC Resolution 050323.pdf](#)
[Ordinance.pdf](#)
[052223 Resolution.pdf](#)
[Resolution \(Draft\).pdf](#)

Joe Snyder, Chief Financial Officer, stated that the request is for approval of the First Reading to amend the Water and Sewer Rates Fee Ordinance to become effective on July 1, 2023. He noted that on May 3, 2023, the Water System Advisory Council (WSAC) met to review the water and sewer operating division year-end financial operating results, trends and to consider and recommend to City Council updated water and sewer rates. He explained that the following were the three rate setting options:

A. Keep rates flat this year with consequently larger increases in the following years.

B. Break even option that would adjust rates to break even in the upcoming year with moderate rate increases in the following years.

C. Smoothing option that proposed to adjust rates uniformly over the next four years.

The WSAC recommended Option C, the smoothing option that would adjust rates uniformly over the next four years. He stated that the following increases

are proposed:

- water rate increase of twenty cents per unit resulting in a 3.15 percent increase
- sanitary sewer increase of twenty-nine cents per unit resulting in a 4.83 percent increase
- customer charge per bill of sixteen cents per bill resulting in a 3.10 percent increase

He added that there are various pass-through charges from the Great Lakes Water Authority (GLWA) for industrial and commercial customers. He stated that for the typical residential water and sewer customer, the water and sewer bill is anticipated to change from \$156 for every two months to \$162 for every two months of water and sewer services.

Ms. Morlan stated that the WSAC felt that because there were no rate changes during COVID, they felt the smoothing option was appropriate at this time. She added that this option is more predictable for residents as they can anticipate a \$3 monthly increase per year.

Mr. Hetrick thanked Mr. Snyder for bringing this before Council and added that the collaboration with the North Oakland County Water Authority (NOCWA) saves the City money each year.

A motion was made by Morlan, seconded by Blair, that this matter be Accepted for First Reading by Resolution. The motion carried by the following vote:

Aye 6 - Blair, Deel, Hetrick, Morlan, Mungoli and Walker

Absent 1 - Bowyer

Enactment No: RES0147-2023

Resolved that an Ordinance to amend Sections 54-741, 54-743, 54-744, and 54-745 of Article XII, Utilities, of Chapter 54, Fees, of the Code of Ordinances of the City of Rochester Hills, Oakland County, Michigan, to modify water and sanitary sewer rates and fees, repeal conflicting Ordinances, and prescribe a penalty for violations is hereby Accepted for First Reading.

PLANNING AND ECONOMIC DEVELOPMENT

- 2022-0424** Request for Conditional Use Approval to allow alcoholic beverage sales for on-premises consumption for Modern Craft Winery to take place within A/R Workshop, 882 S. Rochester Rd., located north of Avon Rd., zoned B-2 General Business District with an FB Flexible Business Overlay, Thomas Nixon, Modern Craft Winery LLC, Applicant

Attachments: [052223 Agenda Summary.pdf](#)
[Staff Report 041823.pdf](#)
[Staff Report 121322 \(Postponement\).pdf](#)
[Applicant Request to Postpone 120522.pdf](#)
[Staff Report 111522 \(Postponement\).pdf](#)
[Applicant Letter 090722.pdf](#)
[Floor Plan.pdf](#)
[Survey and Lease Agreement.pdf](#)
[Minutes PC 041823 \(Excerpt\).pdf](#)
[Minutes PC 121322.pdf](#)
[Minutes PC 111522.pdf](#)
[Public Hearing Notice 111522.pdf](#)
[Public Hearing Notice 041823.pdf](#)
[Resolution \(Draft\).pdf](#)

Chris McLeod, Planning Manager, and **Thomas Nixon**, Applicant, were present.

Mr. McLeod, stated that the request before Council is for the approval of a conditional use for Modern Craft Winery for alcoholic sales within the existing A/R Workshop tenant space. He added that the Planning Commission recommended unanimous approval of the conditional use at its April 18, 2023 meeting. He noted that there would be no negative impact to surrounding properties. He explained that this is a proposed tasting room facility located inside the A/R Workshop facility and this would be the Applicant's seventh tasting room license.

Mr. Nixon shared that he is the owner of Modern Craft Winery and that they have been in business for eleven years. He added that the business started out in Au Gres, Michigan with a single tasting room that quickly grew within the first year to three tasting rooms. He explained that rather than a traditional distribution of their product, they found the tasting room to be more advantageous to the business. He added that they operate with different entities that work collaboratively with the tasting room.

President Deel stated that A/R Workshop has been in business in the City of Rochester Hills for several years and that they host events with small groups.

Mr. Walker stated that the business relationship is similar to the Painting with a Twist structure, where customers come to A/R Workshop to make a craft and enjoy a glass of wine from Modern Craft Winery while they are there. He added that the Liquor License Technical Review Committee thought this was a great idea and thanked Mr. Nixon for extending his business to the City.

Ms. Mungoli questioned whether food will be provided and whether a customer has to be attending an A/R Workshop to partake in the tasting room.

Mr. Nixon responded that food is not available at this time; however, pre-packaged items could be an option in the future. He replied that A/R Workshop operates on their event schedule; therefore, most customers will be attending an event at A/R Workshop.

A motion was made by Walker, seconded by Morlan, that this matter be Adopted by Resolution. The motion carried by the following vote:

Aye 6 - Blair, Deel, Hetrick, Morlan, Mungioli and Walker

Absent 1 - Bowyer

Enactment No: RES0131-2023

Resolved, that the Rochester Hills City Council hereby approves the Conditional Use to allow sales for on-premises alcoholic beverage consumption associated with and ancillary to a crafting use at Modern Craft Winery located at 882 S. Rochester Rd. with the following findings:

Findings

1. The proposed use will promote the intent and purpose of the Zoning Ordinance.
2. The use within the larger shopping center is proposed to be operated, maintained, and managed so as to be compatible, harmonious, and appropriate with the existing and planned character of the general vicinity, adjacent uses of land, and the capacity of public services and facilities affected by the use.
3. The proposal should have a positive impact on the community as a whole and the surrounding area by further offering jobs and a unique experience for residents.
4. The proposed use is served adequately by essential public facilities and services, such as highways, streets, police and fire protection, water and sewer, drainage ways, and refuse disposal.
5. The proposed use should not be detrimental, hazardous, or disturbing to existing or future neighboring land uses, persons, property, or the public welfare as the surrounding existing and proposed land uses are all of a commercial and industrial nature.
6. The proposal will not create additional requirements at public cost for public facilities and services that will be detrimental to the economic welfare of the community.

2023-0248 Request for an Off-Premise Tasting Room License from Modern Craft Winery, LLC to be located within AR Workshop located at 882 S. Rochester Road

Attachments: [052223 Agenda Summary.pdf](#)
[Application Packet.pdf](#)
[LLTRC Resolution.pdf](#)
[Resolution \(Draft\).pdf](#)

Clerk Scott explained that after the Planning Commission unanimously recommended approval of the conditional use, the Liquor License Technical Review Committee (LLTRC) met on May 11, 2023 to review Modern Craft Winery's application. She added that after careful consideration, the LLTRC recommends the application for an off-premise wine tasting room license be considered for approval by the Michigan Liquor Control Commission.

Approved as presented at the August 14, 2023 Regular City Council Meeting.

President Deel stated that he serves on the LLTRC and after a thorough background check and review of the application the LLTRC recommended approval.

Mr. Hetrick questioned whether the request is for a quota liquor license.

Clerk Scott responded that it is not for a quota license.

A motion was made by Walker, seconded by Morlan, that this matter be Adopted by Resolution. The motion carried by the following vote:

Aye 6 - Blair, Deel, Hetrick, Morlan, Mungioli and Walker

Absent 1 - Bowyer

Enactment No: RES0132-2023

Resolved, that the request from Modern Craft Winery, LLC for an Off-Premise Tasting Room License to be located with the AR Workshop located at 882 S. Rochester Road, Rochester Hills, Oakland County, Michigan be considered for approval by the Michigan Liquor Control Commission.

- 2023-0059** Request for Preliminary Site Condominium Plan Approval - Walton Oaks Site Condominiums, a proposed 11-unit, detached single family condominium development on approximately 6.8 acres at 3510 Walton Blvd., located on the north side of Walton Blvd. between Adams Rd. and Firewood Dr., zoned R-2 One Family Residential, Bruce Michael, Walton Oaks, LLC, Applicant

Attachments: [052223 Agenda Summary.pdf](#)
[Public Comment for City Council.pdf](#)
[Site Plan 022123.pdf](#)
[Plans Pt 1.pdf](#)
[Plans Pt 2.pdf](#)
[Plans Pt 3.pdf](#)
[Aerial.pdf](#)
[Revised Landscape Plan.pdf](#)
[Floor Plans & Elevations \(Chelsea\).pdf](#)
[Rendering \(Chelsea\).pdf](#)
[Floor Plans & Elevations \(St. Clair\).pdf](#)
[Rendering \(St. Clair\).pdf](#)
[Minutes PC 050223 \(Draft\).pdf](#)
[Minutes PC 022123.pdf](#)
[Staff Report 050223.pdf](#)
[Staff Report 022123.pdf](#)
[Presentation 051623.pdf](#)
[Rochester Housing Solutions Overview.pdf](#)
[Development Application.pdf](#)
[Revised EIS 031623.pdf](#)
[EIS.pdf](#)
[Response Table.pdf](#)
[Response Table 041023.pdf](#)
[Response Table 031623.pdf](#)
[Attorney Letter 041323.pdf](#)
[Attorney Letter 031623.pdf](#)
[Letter from Applicant 032023.pdf](#)
[Three Oaks Communities LLC Letter 010323.pdf](#)
[WRC Letter 041422.pdf](#)
[Staran Email 030722.pdf](#)
[Resident Q&A with Response.pdf](#)
[Resident Q&A.pdf](#)
[Neighbor Meeting Attendance.pdf](#)
[Applicant Email to Residents 031623.pdf](#)
[Public Comment 050223.pdf](#)
[Public Comment 022123.pdf](#)
[Public Hearing Notice 050223.pdf](#)
[Public Hearing Notice 022123.pdf](#)
[Resolution \(Draft\).pdf](#)

Chris McLeod, Planning Manager, explained that the request before Council is for approval of a Walton Oaks Preliminary Site Condominium Plan. He stated that there are eleven unit site condos proposed on the 6.85 acres site and that the site is zoned R-2, One-Family Residential. He noted that the site is located on the north side of Walton Boulevard, between Adams Road and Firewood Drive. He added that the site is heavily wooded and that a tree removal permit would be required. He shared that the Planning Commission granted approval of a tree removal permit and also recommended approval of the preliminary site plan at its May 2, 2023 meeting. He noted that the Site Condominium approval process is a multi-step process and stated that not only does the Planning Commission and City Council approve the preliminary plan, they also have to approve the final site plan. He shared that the Planning Commission granted a request to allow sidewalks on one side of the road and added that there are only units on one side of the road. He added that there are two storm water detention facilities: one at the south end of the site and one at the west side of the development.

He shared that the applicant proposed 12 foot evergreen trees to be planted to provide adequate screening as well as to provide additional landscaping along the west side of the development. He added that there is a significant amount of landscaping proposed throughout the site. He shared that the site does not connect to the adjacent sites and that a t-turn will be required for fire apparatus access. He explained there are a variety of floor plans and renderings available within the development.

He noted that there is a unique nature of the ownership of some of the units in this development and added that the applicant was transparent with that information at the Planning Commission Meeting. He explained that some of the units would be specifically for adults with IDD (intellectual or developmental disability). He shared that four of the units would have multiple ownership within the unit itself, adding that the City Attorney provided his opinion that the units still qualify as single-family status. He mentioned that the Planning Commission requested that the applicant hold a meeting with residents that live near the site to provide additional information and answer any questions they may have. He added that the applicant held the neighborhood meeting on March 6, 2023.

Bruce Michael, Applicant, shared that his team and legal counsel is present to answer any questions City Council or the public may have regarding the development.

President Deel shared City Ordinance Chapter 122, Article II, Section 122-156 and added that this Ordinance is what has been set for City Council to follow when a preliminary site plan approval is presented. He highlighted Section 122-156(b) as it reads:

'Approval or denial. Before granting tentative approval of the preliminary plat, the council shall be satisfied the plat meets the requirements of this article, the zoning ordinance and the other applicable sections and regulations of this Code. In denying a plat, the council shall state its reasons and shall communicate the reasons to the proprietor.'

Public Comment:

Jessi Lee, 190 Stonetree Circle, stated that she has been a resident of Rochester Hills for over 13 years and that this development borders her property. She added that she has attended every meeting regarding Walton Oaks and she does not understand how the IDD housing proposed within this development is in alignment with the current R-2 single-family zoning. She stated that the communication residents received from the developer regarding the IDD housing does not match the communication received from the City Attorney. She added that her concerns do not stem from sharing the neighborhood with IDD individuals, but rather the precedence the City is setting by allowing developers to find a loophole by developing single-family homes as multi-family homes. She questioned whether there is a City Ordinance that regulates an IDD designated unit to make sure it remains an IDD status. She believes that there are other ways the developer can achieve their goal of developing within the current zoning requirements.

Kellie Wycoff, 513 Bloomer Ridge Drive, explained that she is looking for a future home for her special needs daughter in Rochester Hills. She added that her family has lived in Rochester Hills for 23 years and love the community. She stated that there is nowhere for special needs adults to live in the City and this development would allow her daughter to remain living in the City.

Barbara Martin, 247 Stonetree Circle, questioned whether all Rochester Hills single-family homes now fall under the same classification as the proposed IDD units. She questioned who approved the exceptions to the proposed single-family homes and added that allowing a parcel that is zoned for single-family to operate as a multi-family will open the door to similar requests.

Harsha Gowda, shared that he was born in Avon Township and he would hate for anyone to not feel welcome in the community. He added that there are multi-family zoning districts that allow for this type of development. He stated that his focus is on tree preservation and shared that the City Ordinance states that preservation and conservation shall have priority over development when there are feasible alternatives. He noted that the City Ordinance states it is against a tree removal permit.

Noreen Meganck, 172 Stonetree Circle, shared that she lives adjacent to the proposed Walton Oaks development. She noted that she had previously addressed the Planning Commission and spoke to Paul Davis regarding her concerns of a large elm tree that is invading and possibly damaging a sanitary sewer drain alongside her property line. She stated that during construction of a home on Walton Boulevard, the manhole was tapped into and caused a significant amount of damage to the retaining wall and fence. She added that Mr. Davis had expressed he had no issues with the tree being removed by the developers. She noted that the proposed 11 units of Walton Oaks will be tied into this sanitary sewer drain and requested that the developers of Walton Oaks remove the tree to prevent further damage.

Mark Lula, 196 Stonetree Circle, expressed his concerns with the tree removal on the proposed Walton Oaks site. He stated that the longtime residents enjoy the trees in the area and requested that City Council reconsider the tree removal permit. He added that four separate owners under one single roof is not a single-family home and stated that the parcel should be left as a green space as it is a habitat to wildlife. He stated that the size of the parcel and the proposal is not aligned and should be looked at closer prior to approval.

David Mingle, 1555 Rochester Road, Leonard, shared that he is the Chairperson of Rochester Housing Solutions and also the father of Logan, a 31-year old man with autism. He stated that Logan, along with several other IDD adults in the community, enjoy the amenities in the City of Rochester Hills and want to remain residents of the City. He added that he has collaborated with the developer, Three-Oaks Community, from the beginning and at the direction of the City, they have worked for two years to meet every criteria of the current zoning of the proposed development. He noted that an independent living model has been selected for individuals with disabilities in the proposed Walton Oaks and South Oaks developments. He added that the model is recognized by state and local agencies and is in line with federal mandates that encourage

individuals with disabilities to choose how and where they want to live. He stated that the developments will be innovative and progressive and in line with the City's vision.

Lisa Kowalski, 1411 Ternbury Drive, stated that she has been a Rochester Hills resident for 27 years. She shared that she is speaking on behalf of her 30-year old son that has intellectual disabilities and also as the President of The Arc of Oakland County. She explained that The Arc of Oakland County is an inclusive organization that advocates for the rights and full participation of all children and adults with intellectual and developmental disabilities. She added that they strive to improve systems of support and services, connect families and inspire the community and influence public policy. She stated that her son has lived in the City since he was three years old and wants to continue to live in the City, independently.

Council Discussion:

Mr. Walker questioned whether the home values are determined by a comparable analysis and what is the perceived value and market value of the non-IDD homes verses the IDD homes in the neighborhood. He questioned whether the IDD homes would be purchased by cash, or if they could be mortgaged and how these units would be resold.

Mr. Michael responded that the sale price of the non-IDD homes will be between \$750,000 and \$1,000,000. He added that the IDD homes will be based on cost, but will average approximately \$600,000 range. He noted that the IDD home price would be divided by the number of occupants living in the home and that the homes could be mortgaged. He stated that the recorded Declaration of the units will state that the unit must be sold to only IDD individuals; therefore, upon resale the buyer must be an IDD individual. He added that there is also a background check that the IDD individuals will go through prior to owning a unit to make sure the occupants are compatible to live together.

Mr. Walker questioned whether the owner is responsible for the outside maintenance or would the condominium association assume that responsibility. He asked whether the developer has done similar developments like this in other communities.

Mr. Michael replied that the snow plowing and lawn maintenance would be covered through the condominium association. He added that they are in the process of interviewing property management agencies that will manage the outdoor property maintenance. He stated that they have already interviewed the caregiver agencies that will be involved with the IDD units. He added that the parents of the IDD individuals will be heavily involved in decisions regarding their child's care, more so than they would if their child was in a group home. He stated that they finished their first development similar to this one in Saline, Michigan and the last occupant took residency last August. He added that they believe they are the only developers that have developed communities with this type of ownership concept. He stated that most IDD developments are rentals with no option to own.

Mr. Walker questioned how the foreclosure process would work on the IDD units, if there was a turn in the economy and an owner could not continue to pay their mortgage.

Mr. Michael responded that he could get with his legal team for the answer to that question and added that they held an open house in Troy right before Covid hit and there was over 220 people that attended the open house. He stated that they were all in support of the development and there is a waiting list to get into the development. He added that there are limited options for IDD individuals to live independently and Walton Oaks is a great option. He shared that the condominium association has the right to step in and purchase the unit if there is not an appropriate purchaser for the unit at the time of sale.

Ms. Mungoli shared that her questions are intended to better understand the development and added that she has been to two community events hosted by the developer. She added that Rochester Hills is a community where everyone can live, work and play and she wants to make sure that everyone can live, work and play harmoniously. She addressed Mrs. Meganck's concern about the tree damaging the sanitary sewer drain and wanted to make sure that her request to remove the tree is included in the proposal.

Mr. McLeod deferred Ms. Mungoli's question to Jason Boughton, Engineering Utilities Specialist.

Mr. Michael added that he spoke with Paul Davis and discussed whether removing the tree was a possibility. He added that they are willing to remove the tree; however, it is not on their property.

Mr. Boughton concurred with Mr. Michael and stated that as long as all parties agree to remove the tree, including the homeowner, then the tree can be removed as part of the development.

Ms. Mungoli questioned that if the developer is willing to remove the tree and everyone including the homeowner agrees to have the tree removed, could this be added as a finding to make sure it gets done.

Mr. McLeod stated that if City Council wants to add the tree removal as a directive, it is best to put it into writing. He noted that the property owner has not agreed to remove the tree; however, the development should not be tied to whether the tree is removed or not.

President Deel directed Ms. Mungoli's question to City Attorney, John Staran for clarification.

Mr. Staran responded that the City cannot require the developer to remove a tree that is not on their property. He added that the developer and the property owner can come to a separate agreement about removing the tree.. He reiterated that this is the preliminary approval tonight and that if approved, this development will have to come back to City Council for final approval.

Ms. Mungoli shared that when a new subdivision was built next to her

neighborhood, the drains were overburdened and as a result her subdivision had flooding issues. She questioned whether the drains have been looked at to assure that the detention basins can handle more homes and prevent flooding issues.

Mr. Boughton responded that currently the vacant parcel drains from the northeast corner to the southwest where the sanitary manhole resides. He added that the proposed two detention basins will convey the storm water out to Walton Boulevard through the Road Commission for Oakland County's drainage ditch that exists on the north side. He stated that the storm design calculations have met the Department of Public Services standards.

Ms. Mungoli questioned whether the development would be close enough to allow residents to walk to the nearby retail and grocery stores. She expressed her concerns with residents safely crossing the intersection at Walton Boulevard and Adams Road. She mentioned that she had asked Paul Davis to find out more about the signaling at that intersection to make sure that there is sufficient time for pedestrians to cross the road. She stated that she has requested for clear pedestrian crossing lines on the road so cars can appropriately stop and allow pedestrians to safely cross the street. She also requested to see a copy of the Homeowner's Association Master Deed and Declaration so she can see what type of restrictions are in place and how the IDD homes will be regulated.

Mr. Michael responded that they have been working with the potential homeowners and their families for several years and the goal was to keep the families in Rochester Hills. He added that there is not a lot of land available in the City for new residential developments. He explained that this development is the closest they could find that were walkable to grocery stores and retail stores.

Sarah Karl, Makower Abbate Guerra Wegner Vollmer PLLC, Attorney for the Applicant, explained that their firm specializes in condominium associations and homeowner associations. She stated that she has been working on the draft Master Deed and Bylaws for this development and a copy was provided to Mr. Staran as part of the preliminary review process. She noted that the Declaration is a separate document that has not been prepared yet; however, it is in the process of being prepared. She added that the Master Deed and Bylaws describes the units and the common elements of the neighborhood; the shared components of the IDD units will be common elements of the development. She noted that common elements are items that the owners have an undivided interest as condominium owners. She explained that the Bylaws describe terms of assessment, insurance, restrictions and how the association itself operates. She pointed out that the restriction component states that the use of the homes are single-family use homes only. She added that the leases are restricted per the Condominium Act; however, there are additional restrictions. She continued that restrictions include a one-year minimum lease term, screening requirements for the IDD units, prohibitions on transient tendencies and review of leases. She added that the Homeowner Association Board will be comprised of members from the neurotypical homes as well as the IDD homes. She explained that the Declaration has to be a separate document because under the Condominium Act, the Master Deed and Bylaws can be revised by a two-thirds vote by the owners. She noted that the IDD homes are meant to remain IDD homes forever; therefore, the Declaration will be a separate document that cannot be revised by a vote of the owners.

Ms. Mungioli questioned whether the IDD units could be rented short-term to anyone or if they can only be rented to IDD individuals. She questioned whether all IDD individuals are single or if they are able to marry. She asked whether the parents of the IDD individuals will live in the same community or if they are able to live elsewhere. She questioned whether there will be onsite care for the IDD individuals and how is the decision made on whether the IDD individual is in a three-bedroom or a four-bedroom home.

Ms. Karl replied that the units can only be leased to IDD individuals and added that they would have to go through the screening process through the Homeowner Association prior to leasing the unit. She responded that she is not aware of their marital regulations; however, she was informed that all IDD individuals are single. She stated that it is her understanding that parents will be living in the community or close by, as the parents have a significant amount of involvement with their child. She added that the families are not required to live in the same development as their IDD child. She responded that onsite care will be the decision of the residents living in the IDD units and stated that there is an option for a shared common element in the home for onsite care. She explained that each IDD resident will have different needs; therefore, onsite care will be based on the specific needs of each individual.

Mr. Mingle explained that Rochester Housing Solutions (RHS) has 35 member families, most all of the families have adults with disabilities. He added that RHS members have gone through training through an organization called Center for an Independent Future and learned that IDD housing is about building relationships among the families and the individuals to make sure there is compatibility. He noted that RHS is providing the infrastructure to incorporate lifelong relationships amongst the individuals living in this development. He added that part of the process includes a roommate assessment that the families will go through. He pointed out that the IDD units could be co-ed living, depending on the individuals and their families.

Ms. Mungioli asked Mr. Staran to provide copies of the Homeowner Association Master Deed, Bylaws and Declaration.

Mr. Staran responded that the requested documents can be distributed to Council.

Ms. Morlan questioned whether the IDD units are owned by the IDD individual or by their parents. She questioned whether extra care is provided at an additional cost, arranged by the Homeowner Association.

Mr. Michael responded that the IDD units are generally purchased through a special needs trust that is owned by the IDD individual and the parents are listed as the trustees.

Mr. Mingle responded that most of the IDD individuals qualify for care through

Medicaid that provide services for activities of daily living. He added that RHS offers an additional level of service that provides community integration that is paid for by the IDD individuals and their families. He stated that RHS will coordinate activities and events within the community that the IDD individuals and their families have the option to partake in.

Ms. Morlan questioned whether there will be 24-hour care and assistance provided to the IDD individuals. She asked Mr. Staran whether other single-family homes in the City would be able to sell just a bedroom in their home.

Mr. Mingle responded that it is dependent upon the individual and the level of care that is needed. He continued that there are some IDD individuals that have jobs and require just a little bit of extra support; however, there are IDD individuals that can navigate the home safely but lack judgment in the event of an emergency and would require more support. He explained that Oakland County Health Network has multiple levels of agencies and through their process, they will authorize the services that the IDD individual is eligible for.

Mr. Staran replied that single-family homes cannot be sold in sections to individual owners and stated that this development has permanent, non-transient residents that would be living as a single-family dwelling with shared, common features of the home. He noted that the key distinction between these single-family homes and multi-family homes is that the IDD individuals will be living as a whole unit and will have daily interactions with each other.

Mr. Hetrick stated that the Applicant mentioned that the demand for the IDD units is significant and that there is a waiting list. He questioned whether the Applicant plans to develop as many IDD homes in this development to satisfy the demand, or will there the neurotypical homes still remain as proposed in the preliminary site plan.

Mr. Michael responded that the intention is to have an integrated neighborhood; therefore, there needs to be a combination of neurotypical homes and IDD homes. He stated that they selected 25 to 30 percent of the development to be IDD units, which equals three homes. He added that the Community Mental Health Agencies also determine Medicaid funding based on the living arrangements of the IDD individuals. He explained that the approach is to create integration within the community itself, instead of trying to buy a house in the middle of a neighborhood with neighbors that did not plan on living in an integrated community.

Mr. Hetrick noted that he appreciates that these homes are being sold as 'forever homes' and offers more stability to the IDD individual over a group home. He questioned how the Homeowners Association fees will be distinguished between the IDD owners and the neurotypical owners and how would the Homeowners Association Board vote on financial items.

Mr. Michael responded that there will be two different budgets; one for the IDD homes and one for the neurotypical homes. He explained that for the common

elements that serve the entire development such as the detention basins, the funds will be shared between the two budgets.

Ms. Karl responded that the Board will be made up of both the IDD individuals and the neurotypical individuals that will vote on the items that affect them.

Mr. Hetrick asked how many trees will remain as part of the development and not be removed.

Mr. Michael replied that 42 percent of the original trees will remain as part of the development. He noted that most of the trees along the Brookdale side towards the southwest corner of the property and around the northern edge will remain. He added that they are planting approximately 300 trees and per the request of the neighboring residents, more screening will be provided along the east side. He stated that the deciduous trees were replaced with evergreen trees to provide additional screening.

Mr. Blair thanked the residents for sharing their concerns about the development and assured them that every comment is heard. He added that Ms. Lee's concerns regarding the zoning and the IDD homes not fitting the current zoning caused him to look closer at the floor plans of the proposed development. He stated that he does not see an issue with the units and the zoning for this development, and added that the floor plans are similar to a single-family home. He questioned the traffic flow near Bellarmine and Donegal and whether the outlot near there was not paved in response to public feedback or a decision based on other factors.

Mr. Michael responded that originally they were going to purchase just the north end of the property to allow access to that outlot; however, the neighbors were very adamant that the outlot was not paved. He stated that because of that, they made arrangements with the seller to purchase the entire property to allow access to Walton Boulevard.

Mr. Blair commended the developer for working and listening to the residents to get the development as appropriate as possible. He noted that the developer has done a great job with community engagement and that the planning and response has been good from the developer.

Ms. Morlan questioned whether all of the units in this development are spoken for or are there still IDD units available.

Mr. Michael responded that the Walton Oaks development is full; however, there are still available units in the South Oaks development.

President Deel stated that he works in probate court and every week they hear several guardianships for IDD individuals that include cases with Special Needs Trusts. He assumed that many of the owners of the IDD units would purchase the unit through a Special Needs Trust that would be owned by the IDD individual and the parents would be the trustee of the Special Needs Trust and would make decisions and sign the purchase agreements. He noted that this development is unique as most of the IDD individuals are renting in a group home rather than owning their home.

He noted that City Council appreciates the feedback and concerns from the residents and stated that there were several concerns regarding the single-family home zoning. He shared that the City's definition of family is 'an individual group of two or more persons related by blood, marriage or adoption together with foster children and servants of the principle occupant with not more than one additional unrelated person who are domiciled together in a single domestic housekeeping in a dwelling unit'.

He added that there is a second definition in the City's Ordinance that states, 'a collective number of individuals domiciled together in one dwelling unit whose relationship is a continuing non-transient domestic character who are cooking and living as a single nonprofit housekeeping unit. This definition does not include any society, club, fraternity, sorority, association, lodge, coterie, organization or group of students or other individuals whose domestic relationship is of the transitory or seasonal nature for an unanticipated limited duration of a school term or other similar determinable period.'

He explained that City Council's responsibility is to review the Ordinance and determine if the proposed development fits within the scope of the existing Ordinance. He added that Walton Oaks does fit within the scope of the Ordinance; however, that does not mean that Council does not sympathize and understand the concerns of the residents.

He stated that the developer had proposed this development previously; however, it had over 20 units in the development and road access through the adjacent subdivision. He noted that Council did not approve that request. He added that Council advised the developer to come back with a site plan that was within the scope of the Ordinance and they did. He noted that this is the preliminary site plan approval and that this will have to go through the final site plan approval before development begins. He stated that Council wants to make sure that the developer is a good neighbor and that early on in this process, he had received a call from a non-profit organization in the City that was not happy that their intellectual property was being used in meetings to the public. He noted that there were other articles received about representations in other communities that were made that may not have been accurate or truthful. He reiterated that this development should be built according to the scope of the Ordinance.

A motion was made by Hetrick, seconded by Blair, that this matter be Adopted by Resolution. The motion carried by the following vote:

Aye 6 - Blair, Deel, Hetrick, Morlan, Mungioli and Walker

Absent 1 - Bowyer

Enactment No: RES0133-2023

Resolved, that the Rochester Hills City Council hereby approves the Preliminary Site Condominium Plan for Walton Oaks Condominiums, based on plans dated received by the Planning Department on March 16, 2023 and supplemented with updated landscape plans received April 10, 2023, with the following findings and subject to the following conditions.

Findings

1. The site plan and supporting documents demonstrate that all applicable requirements of the Zoning Ordinance, as well as other City Ordinances, standards, and requirements, can be met subject to the conditions noted below.
2. The proposed project will be accessed from Walton Road, thereby promoting safety and convenience of vehicular traffic both within the site and on the adjoining street.
3. Adequate utilities are available to the site.
4. The preliminary plan represents a reasonable street and lot layout and orientation.
5. The proposed improvements should have a satisfactory and harmonious relationship with the development on-site as well as existing development in the adjacent vicinity.
6. The proposed development will not have an unreasonably detrimental or injurious effect upon the natural characteristics and features of the site or those of the surrounding area.
7. The requested modification for sidewalks to be located solely on the west side of Peregrine Street is warranted due to the limited number of home sites and the home being located only on one side of the street.

Conditions

1. Address all applicable comments from other City departments and outside agency review letters, prior to final site condominium site plan approval including providing the appropriate street names for City Approval.
2. Provide a landscape bond in the amount of \$197,350.00, plus inspection fees, as adjusted by staff as necessary, prior to the preconstruction meeting with Engineering.
3. Provide payment, equal to the current required fee for replacement trees, along with any addition fees associated with such, into the City's Tree Fund for the remaining 44 trees identified on the site plan.

2023-0057 Request for Preliminary Site Condominium Plan Approval - South Oaks Site Condominiums, a proposed 9-unit detached single family condominium development on approximately 4.8 acres located on the north side of South Blvd., between Coolidge and Crooks, Parcel No. 15-32-376-078, zoned R-4 One Family Residential, Bruce Michael, South Oaks, LLC, Applicant

Attachments: [052223 Agenda Summary.pdf](#)
[Public Comment for City Council.pdf](#)
[Site Plan 022123.pdf](#)
[Plans Pt 1.pdf](#)
[Plans Pt 2.pdf](#)
[Plans Pt 3.pdf](#)
[Aerial.pdf](#)
[Revised Landscape Plan.pdf](#)
[Revised Wetland Plan.pdf](#)
[Floor Plans & Elevations \(Huron\).pdf](#)
[Rendering \(Huron\).pdf](#)
[Floor Plans & Elevations \(Chelsea\).pdf](#)
[Minutes PC 050223 \(Draft\).pdf](#)
[Minutes PC 022123.pdf](#)
[Staff Report 050223.pdf](#)
[Staff Report 022123.pdf](#)
[Presentation.pdf](#)
[Rochester Housing Solutions Overview.pdf](#)
[Development Application.pdf](#)
[Revised EIS 031623.pdf](#)
[EIS.pdf](#)
[Response Table 041023.pdf](#)
[Response Table 031622.pdf](#)
[Response Table 121422 .pdf](#)
[Attorney Letter 041323.pdf](#)
[Attorney Letter 031623.pdf](#)
[Letter from Applicant 032023.pdf](#)
[Three Oaks Communities LLC letter 121022.pdf](#)
[Staran letter 041123.pdf](#)
[Staran Email 030722.pdf](#)
[Q&A and Attendance.pdf](#)
[Applicant Email to Residents 031623.pdf](#)
[ASTI Wetland Letter 041123.pdf](#)
[ASTI Wetland Letter 032423.pdf](#)
[Bergman Traffic Memo 120222.pdf](#)
[EGLE letter 120821.pdf](#)
[Public Comment 050223.pdf](#)
[Public Comment 022123.pdf](#)
[Public Hearing Notice 050223.pdf](#)
[Public Hearing Notice 022123.pdf](#)
[Resolution \(Draft\).pdf](#)

Chris McLeod, Planning Manager, **Jason Boughton**, Engineering Utilities Specialist, **Bruce Michael**, Applicant, **Sarah Karl**, Applicant Attorney, **Bill Godfrey**, Three Oaks Representative, were present.

Mr. McLeod, Planning Manager, explained that this development has the same concept as the previous development with a few site plan differences. He stated that the site is 4.84 acres located on the north side of South Boulevard between Coolidge and Crooks and is heavily wooded. The proposed preliminary site plan consists of nine unit site condos and will require a Wetland Use Permit and a Tree Removal Permit. He noted that the Tree Removal Permit and the Natural Features Modification were approved by the Planning Commission and the Preliminary Site Condominium and Wetland Use Permit were recommended for

approval by the Planning Commission at their May 2, 2023 meeting. He pointed out that the approval tonight is for the preliminary approval and that the final site plan will have to go through the Planning Commission and City Council approval process. He noted that the Master Deed, Bylaws and Declarations will be provided as part of the final site plan approval.

Mr. McLeod stated that the site is zoned R-4 single-family residential and is surrounded by residential developments to the west and to the north of the site; the property to the east is currently undeveloped. He stated that the site consists of the nine units on a single-loaded road with sidewalks along the house side of the roadway. He added that the Fire Department approved a t-turn at the end of the road for emergency vehicle access. He pointed out the wetlands on the site plan: Wetland B, Wetland C, and Wetland E; Wetland C would provide a continuation under the road through a culvert that would establish a connection to the outlying wetland system to either side of the development. He added that the City's Environmental Consultant, ASTI Environmental, believed that by creating the culvert under the road, the wetland would still be able to function as it does today. He noted that Wetland B and Wetland E are of low quality and ASTI had no issue with the filling or modification of those wetlands. He added that the Applicant has provided a significant landscaping plan along the west and east boundaries of the development. He stated that at the far south end near South Boulevard, there is a small detention basin as well as a detention basin near the north end of the site. He explained that the floor plans and elevations in the proposed South Oaks Development are similar to the proposed Walton Oaks Development and there will be IDD units available in addition to the neurotypical homes. He noted that the Applicant held a meeting with the neighbors at the request of the Planning Commission on March 6, 2023.

Public Comment:

Mark Cornish, 3719 Cedar Brook Drive, stated that he sent a presentation to the City Council members yesterday and that he had hoped everyone had a chance to view the presentation. He expressed his concerns with destroying the wetlands, trees and natural features to build nine homes. He added that the abundant wildlife will significantly be impacted by the removal of the natural features. He stated that the City Ordinance states that the Wetland Permit and Tree Removal Permit should not be approved if feasible alternative locations are available. He added that there are other areas available for the developer to develop this site that would not interfere with wetlands. He stated that the city attorney validating multiple ownership being considered as single-family homes will set the precedent that future builders can build homes and sell to multiple individuals. He asked City Council to deny this development and preserve the wetlands and nature in this area.

Harsha Gowda, stated that the proposed South Oaks Development is not being constructed within the scope of the Ordinance, because this property has been declared a wetland. He stated that if a Wetland Permit is granted that City Council would be violating the Ordinance. He added that the Ordinance states that the application to EGLE must be filed at the same time as the application to the City is filed and stated that he does not believe that had happened. He expressed his concern with not given prior notification of this meeting, as he

lives within 300 feet of the proposed development. He added that the turnout from residents is much higher when notices are provided. He stated that his backyard already floods and this development would make the flooding worse.

Council Discussion:

President Deel addressed the public comment regarding the EGLE application to be submitted concurrently with the City application and questioned whether this is something stated in the City Ordinance and if the EGLE application was submitted.

Mr. McLeod responded that the EGLE permit would be applied for prior to coming back for final site plan approval. He added that ASTI Environmental does feel that an EGLE permit will be required due to the size of the wetlands and the proximity to the drains; that the process is to submit the application concurrently with the final site plan approval application.

President Deel addressed the public comment regarding the notice to the property owners within 300 feet of the development and questioned whether prior notice is required.

Mr. McLeod responded that the City provided a notice regarding the Wetland Use Permit request prior to the Planning Commission meeting held on February 21, 2023. He added that a second notice was given prior to the May 2, 2023 Planning Commission meeting. He stated that notice was provided and that the Planning Commission is included as part of the approval process. He added that this is the process that the Planning and Economic Development Department follows for Wetland Use Permit notifications.

Mr. Staran added that per the Ordinance the process that has been followed for this project is the same practice the City has followed since the adoption of the Ordinance. He stated that the City Council is the final approver for Wetland Use Permits and Site Plan approvals. He added that the City Ordinance states that before it comes to Council it goes to the Planning Commission for approval and recommendation. He explained that the notices are sent prior to the public hearing at the Planning Commission and that is what happened for the South Oaks Development. He added that there is not a requirement that prior notice has to be given before every City Council meeting.

Ms. Mungoli stated that it was her understanding that in years past when residents came forward in a public meeting and filled out the Public Comment Card, that the City would send them a notice when something relative to what they had spoken on came back to a public meeting. She questioned whether that is still the practice of the City.

Clerk Scott stated that the current practice is every City Council meeting agenda is emailed to the Homeowners Association Presidents in the City and it is hoped that they communicate the information to the residents in their associations.

Mr. Staran stated that he has attended many Planning Commission meetings

where the Planning Commission Chair states that anyone that filled out a comment card will be notified of any future meetings regarding the specific topic they commented on. He noted that was more of a courtesy rather than an Ordinance requirement and he is not aware if that is still the process today.

Ms. Mungoli questioned why the Rochester Housing Solution's website states that there are homes for rent in South Oaks; if they are structured the same as the Walton Oaks development and are they meant to be for purchase and not for rent.

Mr. Michael replied that as mentioned earlier for Walton Oaks, an individual family may purchase a home for their IDD child and decide to rent the other units in the home to other IDD individuals.

Ms. Mungoli stated that the explanation of the ownership of the Walton Oaks IDD units was that each unit was individually owned and that the units could not be rented. She questioned how the legal documents from Walton Oaks will compare to the legal documents of South Oaks when there are individual owners in Walton Oaks but in South Oaks, units can be rented.

Bill Godfrey, Three Oaks Representative, explained that the form of ownership is not a requirement rather a preference. He shared that there is a potential buyer of an IDD home at the South Oaks development and their son is severely disabled and it is going to take time to find individuals that they are comfortable with their son living with. He added that they are going to buy the whole home and their son will live in the home by himself until they are ready for him to live with other IDD individuals. He stated that the units can be purchased separately or multiple units can be purchased by the same family or individual.

Ms. Karl responded that the legal documents will be unit specific on both the Walton Oaks site and South Oaks site. She noted that whether a family purchased a single unit, two units or three units in a dwelling, they will have the deed for each specific unit that was purchased.

Ms. Mungoli questioned whether the IDD individuals that are renting units will have to go through the screening and evaluation process to make sure they are compatible with the other individuals in the dwelling. She questioned whether the homeowner gets to decide who they chose to rent to or if the Homeowners Association decides who can rent the unit.

Ms. Karl responded yes, the IDD individuals that are renting units will have to go through the screening process prior to leasing a unit to make sure that the individuals are compatible to live together. She added that the owner of the unit and the Homeowner's Association would work together to make sure the IDD individual selected to rent the unit is compatible to live there.

Ms. Mungoli questioned the flooding issues near the site and what the City plans to proactively do to prevent more flooding in this area. She questioned what the existing homes in the area that still have flooding issues are supposed to do once this new development is built. She questioned how often the City inspects the storm sewer systems.

Mr. Boughton explained that the site is downstream of the subdivision that experienced flooding issues. He added that the proposed development will discharge to the Looters Drain that is owned and maintained by the Water Resource Commission and the development meets their standards. He stated that there is a floodplain associated with the Looters Drain and can be seen on the updated City map. He addressed the existing Walnut Brook subdivision and its flooding issues and stated that it was approximately built in the 1980s and they have a ten-year storm detention pond and their storm sewer system is privately owned and maintained. He added if Walnut Brook subdivision is experiencing flooding they should first make sure that the detention pond has been properly maintained. He stated that Tim Polizzi, Water Resources Specialist, will inspect drains if the City receives complaints; however, they will direct that they work through the Homeowners Association to make sure that the detention pond has been properly maintained. He added that usually the cause of flooding is the retention pond has not been well kept and the water is over flowing to a new discharge route.

Ms. Mungoli questioned whether the proposed South Oaks Homeowners Association plans to set a specific account that will gather funds to pay for unexpected expenses such as storm drain repair or road repairs.

Mr. Michael responded that the Homeowners Association will have a sinking fund for the road, as well as an annual budgetary amount for the maintenance of the storm water system. He mentioned that there is only one part of the site that has part of the 100-year floodplain on it. He added that the area of the floodplain is similar to the area with the central floodplain and the only area that will be filled in is the area needed for the roadway. He explained that none of the homes would be sitting on the floodplain area and they are providing three times the amount of the existing floodplain in a separate area to make up for the area that will be filled.

Ms. Mungoli questioned whether there would be homes on Wetland B or Wetland E.

Mr. Michael responded that Wetland B and Wetland E are not considered floodplains and are not characterized as natural features by the City. He explained that these wetlands were created when Looters Drain was excavated and that created a small area where the water could not get out resulting in the wetland condition.

Mr. Hetrick questioned whether the units that may be leased out would have the leasing restrictions to prevent transient leases.

Ms. Karl responded that there will be leasing restrictions that are more restrictive than the Condominium Act that states there are no transient tendencies, has a minimum lease term of one-year and lists the screening mechanism as well.

Ms. Morlan questioned if the purchaser of multiple IDD units would have to have a relative living in one of the units. She asked whether a buyer could

purchase the IDD units without having a IDD family member that would live there.

***Ms. Karl** responded that the potential buyers of the IDD units have specified their plans for their IDD adult child to live in a unit and then rent the other units to non-family IDD individuals. She added that there is no subleasing of the units, the owner needs to live in the dwelling. She stated that the IDD units cannot be purchased as an investment opportunity; the purchaser has to live in a unit or have an IDD family member live in one of the units.*

A motion was made by Hetrick, seconded by Blair, that this matter be Adopted by Resolution. The motion carried by the following vote:

Aye 5 - Blair, Deel, Hetrick, Morlan and Walker

Nay 1 - Mungioli

Absent 1 - Bowyer

Enactment No: RES0134-2023

Resolved, that the Rochester Hills City Council hereby approves the Preliminary Site Condominium Plan for South Oaks Condominiums, based on plans dated received by the Planning Department on March 16, 2023 and supplemented with an updated sheet 6 dated April 7, 2023 and updated landscape plans received April 10, 2023, with the following findings and subject to the following conditions.

Findings

1. The site plan and supporting documents demonstrate that all applicable requirements of the Zoning Ordinance, as well as other City Ordinances, standards, and requirements, can be met subject to the conditions noted below.
2. The proposed project will be accessed from South Blvd., thereby promoting safety and convenience of vehicular traffic both within the site and on the adjoining street.
3. Adequate utilities are available to the site.
4. The preliminary plan represents a reasonable street and lot layout and orientation.
5. The proposed improvements should have a satisfactory and harmonious relationship with the development on-site as well as existing development in the adjacent vicinity.
6. The proposed development will not have an unreasonably detrimental or injurious effect upon the natural characteristics and features of the site or those of the surrounding area.
7. The requested modification for sidewalks to be located solely on the east side of Rouge Ct. is warranted due to the limited number of home sites and the home being located only on one side of the street, the same as the revised sidewalk location.

Conditions

1. Address all applicable comments from other City departments and outside agency review letters, prior to final site condominium approval.
2. Provide a landscape bond in the amount of \$108,150, plus the cost of the additional

noted storm water basin plantings, inspection fees, etc. as adjusted by staff as necessary, prior to the preconstruction meeting with Engineering.

- 2023-0058** Request for Approval of a Wetland Use Permit to impact approximately 12,200 square feet of wetlands and modify the required natural features setback for South Oaks Condominium Development, a proposed 9-unit detached single family condominium development on approximately 4.8 acres located on the north side of South Blvd., between Coolidge and Crooks, Parcel No. 15-32-376-078, zoned R-4 One Family Residential, Bruce Michael, South Oaks, LLC, Applicant

Attachments: [052223 Agenda Summary.pdf](#)
[Public Comment for City Council.pdf](#)
[Site Plan.pdf](#)
[Plans Pt 1.pdf](#)
[Plans Pt 2.pdf](#)
[Plans Pt 3.pdf](#)
[Revised Wetland Plan.pdf](#)
[Staff Report 050223.pdf](#)
[Staff Report 022123.pdf](#)
[ASTI letter 041123.pdf](#)
[ASTI letter 032423.pdf](#)
[ASTI Letter 011223.pdf](#)
[Minutes PC 022123.pdf](#)
[Public Comment 050223.pdf](#)
[Public Comment 022123.pdf](#)
[Public Hearing Notice 050223.pdf](#)
[Public Hearing Notice 022123.pdf](#)
[Resolution \(Draft\).pdf](#)

Chris McLeod, Planning Manager, **Jason Boughton**, Engineering Utilities Specialist, **Bruce Michael**, Applicant, **Sarah Karl**, Applicant Attorney, **Bill Godfrey**, Three Oaks Representative, were present.

Mr. McLeod shared that the site had been fully reviewed by the City's Environmental Consultant, ASTI Environmental, and they are recommending approval of the wetland modifications and filling, as well as the natural feature setback modifications that were presented. He noted that the Planning Commission also recommended approval of the request.

Public Comment:

Kim Dinda, 3624 Heatherwood Court, shared that filling the wetlands is not compatible with anything being done in the City and added that there are several areas of the City experiencing flooding issues consistently. She stated that the Homeowners Associations (HOA) are responsible for their storm water systems; however, the HOAs do not take responsibility for what their storm water system has done to adjacent subdivisions. She expressed her concerns that filling in the wetlands will create more flooding issues in the City.

Jessi Lee, 190 Stonetree Circle, requested that City Council give written notification to residents in surrounding areas, especially when it is relating to a final approval. She stated that she did not receive the City Council agenda until the week before the meeting and that is not sufficient time for residents to plan

to attend the meeting. She noted that she has a family and everyone has busy schedules and it is not fair to those that want to attend the meetings to not be given advance notice.

Karen Wilson, 3695 Cedar Brook, shared that she is the Vice President of Walnut Brook Homeowners Association and stated that she did not receive previous notification of the meeting tonight. She added that there were many neighbors that would have attended the meeting had they known about it. She pointed out that Section 126.524 in the Ordinance states that residents within 300-feet would be notified of meetings as part of the Wetland Permit Use process. She stated that her backyard backs up to the retention area and added that she shared photos with City Council of her flooded backyard. She explained that her neighborhood drains were operating properly; however, the Looter Drain overflowed into her neighborhood causing severe flooding. She stated that the City has an obligation to make sure that new developments do not make the flooding worse and added that this development would make the flooding in the area worse. She added that the removal of the walnut trees will also make flooding worse as they will no longer be there to absorb water. She stated that she is concerned about the three designated IDD homes being placed closest to the wetlands and questioned why they were chosen to be placed there.

Council Discussion:

President Deel addressed the public comment about written notification prior to City Council meetings and explained that the City Council packet is finalized and posted to the public on the Wednesday before the meeting. He added that City Council members do not see the packet until it is finalized.

Clerk Scott deferred to the Planning and Economic Development Department to speak on how they handle notifications for the Planning Commission meetings. She explained that for City Council meeting items, the packet is finalized and posted on the Wednesday before the City Council meeting and that is the soonest that the public can view it. She stated that the Clerk's Office could coordinate with the Planning and Economic Development Department to find out when this item will come back for final site plan approval and distribute notifications.

Mr. McLeod added that when public notice is required, the notice is sent fifteen days prior to a Planning Commission meeting and that process has been consistent in the Planning and Economic Development Department. He added that notice can be sent prior to these items coming to City Council, if that is the directive from City Council and the Administration. He noted that RH Connect is another good alternative to receiving notification of City Council meetings as well as boards and commission meetings.

President Deel stated that he has heard the concerns from the residents regarding the wetlands and the flooding that they are already experiencing in their neighborhoods. He noted that he is skeptical that there will not be water and flooding issues in the proposed South Oaks development. He added that he had reviewed the letter received from ASTI Environmental, the City's environmental

consultant, and stated that they recommend the Wetland Permit Use.

Ms. Morlan questioned whether there are additional steps that can be taken to prevent the potential flooding issues.

Mr. Michael responded that floodplains and wetlands are not the same thing; the wetlands at the north and south end of the property are not in a floodplain. He added that they are in an area where water could not directly flow to the Looters Drain and created a low quality wetland. He explained that the engineering concept of storm water management today is to capture the water that is generated by a storm by collecting it into the ponds and then outlet the water slowly, at the same rate as if there was no water on the property at all to the Looters Drain. He noted that by filling in the floodplain on the property, more volume will be created than what is being filled in. He added that both detention basins are below the 100-year floodplain and more water can be stored in that area. He stated that they performed infiltration tests that were required by Oakland County and the results showed that the land is clay enough that it does not qualify for infiltration out of the basins. He explained that they met with the Water Resources Commission to have them review the site and calculations and they were satisfied with the current plan. He noted that it was not a formal approval from the Water Resources Commission, as they typically do not review plans until it is in the final approval stage. He added that EGLE did a walk-through of the site and looked at the wetland boundaries and confirmed that they were correct.

A motion was made by Blair, seconded by Hetrick, that this matter be Adopted by Resolution. The motion carried by the following vote:

Aye 4 - Blair, Deel, Hetrick and Walker

Nay 2 - Morlan and Mungiola

Absent 1 - Bowyer

Enactment No: RES0135-2023

Resolved, that the Rochester Hills City Council hereby grants a natural features setback modification for South Oaks Site Condominiums, for 883 linear feet of permanent impacts to three different natural features identified on the site plans to construct the proposed private road, to provide the building area for single family residential units, and associated development infrastructure, based on plans dated received by the Planning Department on March 16, 2023 and supplemented with an updated sheet 6 dated April 7, 2023 and updated landscape plans received April 10, 2023, with the following findings and conditions:

Findings

1. The impact to the Natural Features Setback area is necessary for construction activities related to the proposed development.
2. The proposed construction activity qualifies for an exception to the Natural Features Setback per the ASTI Environmental letter dated April 11, 2023, which also states that the areas are generally of low ecological quality and function and offer little buffer quality.

Conditions

1. Work to be conducted using best management practices to ensure flow and circulation patterns and chemical and biological characteristics of wetlands are not impacted.
2. Site must be graded with onsite soils and seeded with City approved seed mix.

PUBLIC COMMENT for Items not on the Agenda

Harsha Gowda, stated that he believes the Ordinance requires written notice to residents more than ten days prior to the meeting for a Wetland Permit Use request. He added that he believes notice should be provided for everything, not just wetlands.

(Recess 10:46 p.m. to 10:54 p.m.)

CONSENT AGENDA

All matters under Consent Agenda are considered to be routine and will be enacted by one motion, without discussion. If any Council Member or Citizen requests discussion of an item, it will be removed from Consent Agenda for separate discussion.

2023-0242

Approval of Minutes - City Council Regular Minutes - December 12, 2022

Attachments: [CC Min 121222.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0136-2023

Resolved, that the Minutes of the Rochester Hills City Council Regular Meeting held on December 12, 2022 be approved as presented/amended.

2023-0244

Approval of Minutes - Joint Planning Commission/City Council Meeting
Minutes - January 30, 2023

Attachments: [PC CC Min. 013023.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0137-2023

Resolved, that the Minutes of the Rochester Hills Joint Planning Commission/City Council Meeting held on January 30, 2023 be approved as presented/amended.

2023-0234

Request for Approval of the Community Development Block Grant 2024-2026
Cooperation Agreement

Attachments: [052223 Agenda Summary.pdf](#)
[Agreement Letter.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0138-2023

Whereas, The U.S. Department of Housing and Urban Development (HUD) requires Oakland County to renew its Cooperation Agreement with participating communities every three years.

Whereas, Oakland County has requested eligible and participating communities to opt into Oakland County's Urban County CDBG program for program years 2024-2026 as the 2021-2023 is set to expire. _

Resolved, that the Rochester Hills City Council authorizes that the City opt into Oakland County's Urban County Community Development Block Grant (CDBG) programs for the years 2024, 2025, and 2026.

Furthermore, we resolve to remain in Oakland County's Urban County Community Development programs, which shall be automatically renewed in successive three-year qualification periods of time, or until such time that it is in the best interest of the City to terminate the Cooperative Agreement.

2023-0209 Request to Rescind Traffic Control Order No. TM-10.2, Restricting turning movements on to Barclay Circle at Kohl's Driveway, Section 26

Attachments: [052223 Agenda Summary.pdf](#)
[Area Map.pdf](#)
[Barlay Cr Rehab Map.pdf](#)
[Barlay Cr Plan.pdf](#)
[Entrance Study.pdf](#)
[TCO.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0139-2023

Whereas, Traffic Control Order No. TM-10.2 issued by the City Traffic Engineer under provisions of the Rochester Hills Code of Ordinances, Chapter 7-09: and

Whereas, said Traffic Control Orders covers:

TM-10.2 Restricting turning movements on to Barclay Circle at Kohl's Driveway

Whereas, the Advisory Traffic and Safety Board has considered the issues pertaining to the Traffic Control Order and recommends that the Order be rescinded; and

Resolved, that the Rochester Hills City Council hereby rescinds Traffic Control Order TM-10.2.

Now, Therefore, Be It Resolved, that a certified copy of this Resolution is filed together with the Traffic Control Order, with the City Clerk of Rochester Hills, Oakland County, Michigan.

Be it Further Resolved, that the existing signage and traffic control devices be removed.

2023-0245 Request for Purchase Authorization - DPS/ENG: Purchase Authorization for installation of one (1) municipal street light on a pole of Sanctuary Blvd on behalf of Sanctuary in the Hills Condo Association in the amount of \$3,815.17; DTE Energy, Belleville, MI

Attachments: [052223 Agenda Summary.pdf](#)
[DTE Sanctuary Blvd Agreement.pdf](#)
[Sanctuary Light GIS Map.pdf](#)
[Sanctuary Light GIS Map 2.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0140-2023

Resolved, that the Rochester Hills City Council hereby authorizes payment for the installation of one (1) municipal streetlight on a pole at the crosswalk near the northern terminus of Sanctuary Boulevard on behalf of the Sanctuary in the Hills Condo Association to DTE Energy, Belleville, Michigan in the amount of \$3,815.17.

2023-0231 Request for Purchase Authorization - FACILITIES/COMMUNICATIONS: Contract/Blanket Purchase Order for security system services in the not-to-exceed amount of \$40,000.00 through May 31, 2024; Security Designs, Inc., Livonia, MI

Attachments: [052223 Agenda Summary.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0141-2023

Resolved, that the Rochester Hills City Council hereby authorizes a contract/blanket purchase order for security system services to Security Designs, Inc., Livonia, Michigan in the not-to-exceed amount of \$40,000.00 through May 31, 2024 and further authorizes the Mayor to execute an agreement on behalf of the City.

Passed the Consent Agenda

A motion was made by Mungioli, seconded by Walker, including all the preceding items marked as having been adopted on the Consent Agenda. The motion carried by the following vote:

Aye 6 - Blair, Deel, Hetrick, Morlan, Mungioli and Walker

Absent 1 - Bowyer

LEGISLATIVE & ADMINISTRATIVE COMMENTS

President Deel stated that the City's Planning and Economic Development Director, Sara Roediger, lost her husband Corey Roediger suddenly last week. He shared that Corey was well loved and well known throughout the community and he made a tremendous impact. He stated that he has several fond memories of Corey and expressed his condolences to the Roediger family. He requested a moment of silence in honor of Corey Roediger.

Maria Willett provided the following City updates on behalf of Mayor Barnett:
- The Outdoor Adventure Kickoff (O.A.K.) in the Hills event was a huge success. She thanked the Parks and Natural Resources Department for all of their hard work with the event and added that they received positive feedback

from residents that attended.

- The second workshop was held for the Adams Road Visioning Project and she noted the next workshop will take place on September 20, 2023. She stated that the Department of Public Services (DPS) shared the following summary of engagement information:

- 165 first public workshop attendees
- 11 stakeholder meetings
- 36 stakeholder participants
- 60 idea wall comments
- 159 interactive map comments
- 747 online survey responses

- It is National Public Services Week and the City is very grateful for all the work the DPS does.

- Three schools are still in need of Recyclebank points for the Green Schools Program: Delta Kelly, Hart Middle School and Stoney Creek High School. She explained that anyone interested can donate their points at greenschoolsprogram.com.

- One of the City's newest employees, Andy Aldorfer, reached out to the City for employment. She added that Andy is a Dutton Farmer and explained that Dutton Farms does a lot to address workforce development specifically with adults with mental and physical disabilities. She shared that he works two days a week at Innovation Hills.

ATTORNEY'S REPORT

City Attorney John Staran had nothing to report.

NOMINATIONS/APPOINTMENTS

2023-0235 Request to Confirm the Mayor's Appointment of Peter Arbour to the Local Development Finance Authority for the remainder of a four-year term to expire March 31, 2026

Attachments: [052223 Agenda Summary.pdf](#)
[Linda Williams Resignation.pdf](#)
[Arbour CQ.pdf](#)
[Resolution \(Draft\).pdf](#)

A motion was made by Blair, seconded by Mungioli, that this matter be Adopted by Resolution. The motion carried by the following vote:

Aye 6 - Blair, Deel, Hetrick, Morlan, Mungioli and Walker

Absent 1 - Bowyer

Enactment No: RES0142-2023

Resolved, that the Rochester Hills City Council hereby confirms the Mayor's Appointment of Peter Arbour to the Local Development Finance Authority for the remainder of four-year term to expire March 31, 2026.

NEW BUSINESS

2023-0246 Request for Authorization of SAD Assessment - DPS/ENG: Approval of a special assessment district billing for Rochester Industrial Park Subdivision Home Owners Association for basin correction in the amount of \$62,590.00

Attachments: [052223 Agenda Summary.pdf](#)
[Superior Excavating Quote.pdf](#)
[Erosion Map.pdf](#)
[Location Map.pdf](#)
[Agreement.pdf](#)
[Resolution \(Draft\).pdf](#)

Bill Fritz, Public Services Director, stated that there is a detention basin located in Rochester Industrial Park Subdivision off of Rochester Industrial Park Drive that has been failing for some time due to erosion and lack of maintenance. He noted that the DPS staff had been working with the Homeowners Association (HOA) to get the problem corrected and after several calls, emails and site visits, the HOA communicated that they would prefer that the City correct the inefficiencies.

A motion was made by Mungioli, seconded by Blair, that this matter be Adopted by Resolution. The motion carried by the following vote:

Aye 6 - Blair, Deel, Hetrick, Morlan, Mungioli and Walker

Absent 1 - Bowyer

Enactment No: RES0143-2023

Resolved, that the Rochester Hills City Council hereby authorizes and approves the Department of Public Services proceeding with the correction of the basin in Rochester Industrial Park Subdivision in the amount of \$62,590.00 utilizing the City's current on-call underground utility repair company, Superior Excavating, Auburn Hills, Michigan and further authorizes the City to be reimbursed for the correction through the Special Assessment District and assessed to the Subdivisions Home Owners Association.

2023-0230 Request for Approval of the pre-payment of the City of Rochester Hills assessment for the Oakland-Macomb Interceptor Drain 2020B Project

Attachments: [052223 Agenda Summary.pdf](#)
[Community Letter.pdf](#)
[Drain Assessment.pdf](#)
[Special Assessment Roll.pdf](#)
[Resolution \(Draft\).pdf](#)

Joe Snyder, Chief Financial Officer, stated that presented before Council is an option to choose the prepayment option for a Special Assessment Charge to the City of Rochester Hills related to an upcoming Oakland/Macomb Sanitary Sewer Interceptor Drain Project. He noted that on April 19, 2022 the Oakland/Macomb Drainage Board approved the Special Assessment Roll in the amount of 15.6 million dollars to finance this project. He added that the City's share of the Special Assessment is 1.2 million dollars or approximately eight percent of the total project cost. He explained that the City has two options related to the upcoming Special Assessment Charge:

A. The City takes no action and defaults into a participatory share of the bond

issue with an interest rate of 4 percent which would make the annual debt service estimated at 93,000 dollars per year over the next twenty years totaling 1.8 million dollars. He noted that this amount would equate to an increase of four cents per unit of sanitary sewer rates over the next twenty years.

B. Adopt a resolution to prepay the Special Assessment in the amount of 1.2 million dollars. He added that the City would provide a certified resolution to the Oakland/Macomb Drain Board, the City will receive an invoice for the 1.2 million dollar Special Assessment and the City pays the invoice.

He added that funding is included in the adopted 2023 City Budget to pay the Special Assessment and the Assessment is under budget.

President Deel questioned whether the two options for the Special Assessment were discussed during the 2023 budget presentation.

Mr. Snyder stated that it was included in the 2023 Budget Workshop and was discussed at the Water System Advisory Council Meeting. He noted that he did not incorporate the four cent increase because the City has the funding in the Water and Sewer Capital Fund to pay in full.

A motion was made by Munglioli, seconded by Blair, that this matter be Adopted by Resolution. The motion carried by the following vote:

Aye 6 - Blair, Deel, Hetrick, Morlan, Munglioli and Walker

Absent 1 - Bowyer

Enactment No: RES0144-2023

Whereas, pursuant to the petitions received by the Charter Township of Waterford, Oakland County, and the City of Sterling Heights, Macomb County (collectively, the "Petitions") requesting the Maintenance, Extension and Improvement of the Oakland-Macomb Interceptor Drain (the "Drain") pursuant to Section 535 of Michigan Public Act 40 of the Public Acts of 1956 ("Drain Code" or Act 40), as amended, MCL §280.535 and filed with the Director of the Michigan Department of Agriculture, proceedings have been carried out by the Augmented Drainage Board and Drainage Board for the Oakland-Macomb Interceptor Drain Drainage District (the "Drainage District") to acquire, finance, construct, improve, and replace certain wastewater facilities (the "Project") as set forth in Attachment A, and said Project having been determined to be necessary for the public health; and,

Whereas, on August 21, 2019, the Drainage Board for the Drainage District confirmed and adopted a Final Order of Apportionment and cost of the Project has been apportioned against the following public corporations in the counties of Oakland and Macomb as follows: (in Oakland County) City of Auburn Hills (4.9705%), Independence Township (includes City of Clarkston) (2.4213%), City of Lake Angelus (0.0185%), City of Rochester (1.9526%), City of Rochester Hills (8.1106%), Oakland Township (1.0393%), Orion Township (3.1494%), Oxford Township (1.2468%), Village of Lake Orion (0.3409%), Village of Oxford (0.5928%), Waterford Township (7.6159%), West Bloomfield Township (1.6414%); (in Macomb County) Chesterfield Township (4.7983%), City of Fraser (2.7237%), City of Sterling Heights (20.8080%), City of Utica (1.1036%), Clinton Township (14.1538%), Harrison Township (4.1556%), Lenox Township (0.6353%), Macomb Township (9.4344%), Shelby Township (6.6490%), Village of New Haven (0.5475%), and Washington Township (1.8907%) (the "Public Corporations"); and,

Whereas, on April 19, 2023, the Drainage Board approved and adopted Special Assessment No. 1 Relating to Drain Bonds, Series 2020B (2023 Issue) with respect to the costs of the second segment of the Project not to exceed \$15,600,000, for the improvements to the Northeast Sewage Pumping Station and North Interceptor East-Arm in accordance with the Final Order of Apportionment; and,

Whereas, pursuant to the authorization provided in Section 528 of Chapter 21 of the Drain Code (MCL §280.528), the Drainage Board of the Drainage District expects to provide for the issuance of one or more series of bonds to finance the costs of the Project, and the costs of issuance of such bonds, in anticipation of the collection of assessments to be made pursuant to the Drain Code, and to pledge the full faith and credit of the Drainage District for the prompt payment of the principal thereof and the interest thereon; and

Whereas, such bonds will be payable from the collection of special assessments against the Public Corporations, said special assessments to be duly confirmed as provided in the Drain Code; and

Whereas, prior to the issuance of said bonds for the first segment, the Drainage Board has notified the City of Rochester Hills, to permit, should the City of Rochester Hills determine expedient, to prepay the assessment and avoid interest and finance charges associated with the anticipated Series 2020B (2023 Issue) Bond issue for this Project segment; and,

Whereas, the Drainage Board has requested that the City of Rochester Hills adopt a resolution and affirming its intention to prepay its Series 2020B (2023 Issue) drain special assessment for this Project segment, and forward same by May 26, 2023, and make full payment of the assessment by June 27, 2023.

Now, Therefore, Be It Resolved, that the City of Rochester Hills hereby confirms that it will pay in full, its drain assessment in the amount of \$1,244,249, pursuant to the Special Assessment No. 1 Relating to Drain Bonds, Series 2020B (2023 Issue).

Be It Further Resolved, that the City Chief Financial Officer is directed to notify the Drainage Board for the Oakland-Macomb Interceptor Drain Drainage District by May 26, 2023 and of its intention to submit payment to the no later than June 27, 2023.

Be It Further Resolved, that all resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

2023-0238 Request of Approval of the Other Post Employment Benefit (OPEB) Trust Funding Policy Update

Attachments: [052223 Agenda Summary.pdf](#)
[Policy Update.pdf](#)
[Retiree Healthcare Trust Board Resolution.pdf](#)
[Resolution \(Draft\).pdf](#)

Joe Snyder, Chief Financial Officer, stated that the request is for the Rochester Hills City Council to formally adopt and update the City's Other Post Employment Benefit (OPEB) Trust Funding Policy. He explained that the City's OPEB liability relates to the City's Supplemental Retiree Health Care Benefit Program that is a closed benefit program. He stated that a closed benefit program means that the program is only available to the employees who had a minimum of 10 years of service with the City as of March 12, 2001.

He noted that the number of participants will never grow and will only decrease as the benefits are paid out and/or as participants and their spouses pass away. He stated that in 2018, the City's Actuary Service Contract came due and through the RFIP process the City selected a new actuarial firm named Lauderback and Amen. He added that upon Lauderback and Amen reviewing the City's OPEB liability data, they noticed that the City had over 100 participants in the plan which requires a full actuarial analysis of the City's OPEB plan. He noted that the prior auditing firm used a modified actuarial analysis and the results showed that the City was always at or near 100 percent funding. He stated that upon the full actuarial analysis, the City learned that it was only 78 percent funded in its OPEB liability as of December, 31, 2018 and that a formal OPEB funding policy did not exist. He added that in 2019, with the assistance of Lauderback and Amen and the City's Retiree Health Care Trust Board, the City Council formally adopted the OPEB Trust Funding Policy that is currently in place. He stated that the existing OPEB Trust Fund Policy was designed to aggressively reduce the City's OPEB liability over a five-year period. He added that the OPEB Trust Fund went from 78 percent funded at the end of 2018 to 118 percent over funded at the end of 2021. He noted that even with the market decrease in 2022, the OPEB Trust Fund is still 94 percent funded. He stated that as the City's Supplemental Retiree Health Care Benefit Program is a closed plan, it will end at some point. He added that Lauderback and Amen commended the City on its OPEB liability progress and they recommended that the City consider a long-term conservative maintenance policy verses the aggressive catch up policy that is currently in place. He explained that the updated OPEB Funding Policy sets an OPEB liability corridor to be maintained between 80 percent to 120 percent funding and any underfunding amount will be amortized over 15 years verses five years today. He added that any over funding over 100 percent will be amortized over 25 years. He shared that the updated Policy is designed to produce a consistent and lower level of funding on an annual basis from the City and into the OPEB Trust Fund. He stated that the Retiree Health Care Trust Board met on May 8, 2023 and unanimously recommended approval of the updated Policy.

A motion was made by Munglioli, seconded by Morlan, that this matter be Adopted by Resolution. The motion carried by the following vote:

Aye 6 - Blair, Deel, Hetrick, Morlan, Munglioli and Walker

Absent 1 - Bowyer

Enactment No: RES0145-2023

Whereas, sound financial management policies and practices are of vital importance in maintaining and strengthening the long-term financial future of the City of Rochester Hills,

Whereas, the updated Other Postemployment Benefits (OPEB) Funding Policy Statement sets forth the procedures that the City of Rochester Hills, Michigan shall adopt to make funding contributions to the City of Rochester Hills OPEB Trust, and

Whereas, the updated Policy identifies goals and objectives of the City relating to OPEB funding, sets out the decision-making process for handling various aspects of OPEB funding, and defines the ongoing items to be reviewed in assessing the effectiveness of this Policy.

Resolved, that the Rochester Hills City Council hereby recommends the updated Other Postemployment Benefits (OPEB) Funding Policy Statement for adoption.

ANY OTHER BUSINESS

NEXT MEETING DATE - Regular Meeting - Monday, June 5, 2023 - 7:00 p.m.

ADJOURNMENT

There being no further business before Council, it was moved by Mungioli and seconded by Walker to adjourn the meeting at 11:15 p.m.

*RYAN DEEL, President
Rochester Hills City Council*

*LEANNE SCOTT, MMC, Clerk
City of Rochester Hills*

*AMBER BEAUCHAMP
Administrative Coordinator
City Clerk's Office*