



Rochester Hills

Minutes - Draft

City Council Regular Meeting

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*David J. Blair, Susan M. Bowyer Ph.D., Ryan Deel, Dale A. Hetrick, Carol Morlan,
Theresa Mungoli 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, July 25, 2022

7:00 PM

1000 Rochester Hills Drive

CALL TO ORDER

President Deel called the Regular Rochester Hills City Council Meeting to order at 7:01 p.m. Michigan Time.

ROLL CALL

Present 6 - David Blair, Susan M. Bowyer, Ryan Deel, Dale Hetrick, Theresa Mungoli and David Walker

Absent 1 - Carol Morlan

Others Present:

*Bryan Barnett, Mayor
Michelle Carley, Economic Development Specialist
Chelsea Ditz, Human Resource Director
Ann Echols, Captain / Assistant Fire Marshall
Ken Elwert, Parks and Natural Resources Director
Cathy Fitzpatrick, Museum Program Coordinator
Doreen Groth, GIS Manager
Lisa Knudsen, Admin Services Supervisor II
Chitra Neelakantan, Building Software Specialist
Sara Roediger, Planning and Economic Development Director
Leanne Scott, City Clerk
Joe Snyder, Chief Financial Officer
John Staran, City Attorney
Mike Viazanko, Building / Ordinance / Facilities Director
Jodi Welch, Manager of Ordinance Services
Maria Williet, Chief of Staff*

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

A motion was made by Hetrick, seconded by Mungoli, that the Agenda be Approved as Amended, to move Legislative File 2022-0230 Request for a "New from Quota" Class C Liquor License from Baldwin's Brasserie to be located at 3874 S. Rochester Road from New Business to Planning and Economic Development, immediately following Legislative File 2022-0270; and to move Legislative File 2022-0319 Request for a "New from Quota" Class C Liquor License from SKR Golf, LLC dba Tee Times, to be located at 2612 S. Rochester Road from New Business to Planning and Economic Development, immediately following Legislative File 2022-0269. The motion CARRIED by the following vote:

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

Absent 1 - Morlan

COUNCIL AND YOUTH COMMITTEE REPORTS

Rochester Hills Government Youth Council (RHGYC):

President Deel introduced RHGYC Representative **Yitian Zhang**.

Ms. Zhang stated that she had graduated from the International Academy this year and that this was her third and final year serving on the RHGYC. She added that the 2021-2022 RHGYC term will end in August. She shared that the RHGYC was able to participate in the Play Ball event hosted by the partnership between Rochester/Avon Recreation Authority (RARA) and the City. She stated that selections for the 2022 - 2023 RHGYC representatives were made and that the Swearing-In Ceremony will take place on August 15, 2022. She also noted that the RHGYC will assist at the State of City event on August 17, 2022.

Trailways Commission:

Mr. Walker explained that the 15th Annual Paint Creek Trail Labor Day Bridge Walk and Run will take place on September 5, 2022. He added that the event will start at 9:00 a.m. at the Rochester Municipal Park Kiwanis Pavilion and all proceeds will be used to support the bridge.

RECOGNITIONS

2022-0315 Proclamation in Recognition of Madhuri Agarwal, Ms. Senior Michigan 2022

Attachments: [072522 Agenda Summary.pdf](#)
[Proclamation.pdf](#)
[Resolution \(Draft\).pdf](#)

Mayor Barnett shared that Madhuri Agarwal, Ms. Senior Michigan, is an impressive woman. He stated the Ms. Senior Michigan Pageant is the first and

foremost pageant to emphasize and give honor to women that have reached the age of elegance. He explained that the 2022 Ms. Senior Michigan Pageant took place in April at the Rochester Older Persons' Commission (OPC) and each contestant was judged based on her interview talent, philosophy, and poise. He presented Rochester Hills resident, Ms. Agarwal with a proclamation on behalf of the Mayor, City Council and the City of Rochester Hills.

Ms. Agarwal thanked Mayor Barnett and City Council for the proclamation and stated that she is excited to compete in the National Ms. Senior Pageant later this year.

Presented.

Whereas, the Ms. Senior Michigan Pageant is a search for the gracious lady who best exemplifies the dignity, maturity and inner beauty of all Michigan senior citizens; and

Whereas, the Ms. Senior Michigan Pageant is Michigan's first and foremost pageant to emphasize and give honor to women who have reached the "Age of Elegance"; and

Whereas, the Ms. Senior Michigan Pageant is based upon the belief that seniors are the foundation of America, our most valuable treasure, and it is upon their knowledge, experience and resources that the younger generation has the opportunity to build a better society; and

Whereas, the 2022 Ms. Senior Michigan Pageant took place on April 13, 2022 at the Rochester Older Persons' Commission and each contestant was judged based upon her interview, talent, philosophy of life and poise; and

Whereas, the very talented and ever gracious Rochester Hills resident, Madhuri Agarwal, was awarded the title Ms. Senior Michigan 2022 and will beautifully represent Michigan at senior community events throughout Michigan, at the Ms. Senior American Pageant in September, and throughout life wherever she goes.

Now, Therefore, Be It Resolved, that the Mayor and City Council of the City of Rochester Hills hereby congratulate Madhuri Agarwal on being crowned Ms. Senior Michigan 2022 and offer their best wishes for her happiness and success in all her future endeavors.

2022-0316 Recognition of the 2022 Rochester Hills Leadership Graduates

Attachments: [072522 Agenda Summary.pdf](#)
[Awards.pdf](#)

Mayor Barnett explained that the most important thing every organization has are people. He added that amazing people is what separates Rochester Hills from other communities. He stated that under the leadership of Maria Willett, Chief of Staff, a program called Leadership RH was developed this year. He explained that the goal of Leadership RH was to identify talent throughout the organization across all the departments at Rochester Hills. He stated that students were selected by leadership to participate in this program that met once a month for several months, pairing up with a mentor, and learning more about each department at the City and how it operates. He recognized the graduates of Leadership RH 2021 that were present:

- Amber Beauchamp, Administrative Coordinator City Council, Clerks Office
- Michelle Carley, Economic Development Specialist, Planning and Economic Development
- Ann Echols, Captain/Assistant Fire Marshall, Fire Department
- Cathy Fitzpatrick, Museum Program Coordinator, Rochester Hills Museum at Van Hoosen Farm
- Doreen Groth, GIS Manager, MIS Department
- Chitra Neelakantan, Building Software Specialist, Building Department
- Jodi Welch, Manager of Ordinance Services, Building Department

Presented.

PRESENTATIONS

2022-0317 Presentation by the Avondale Youth Assistance; Michael Kazyak, Chairman, presenter

Attachments: [072522 Agenda Summary.pdf](#)
[Presentation.pdf](#)

Michael Kazyak, Chairperson, Avondale Youth Assistance (AYA), shared that AYA is a community-based program that assists in strengthening youth and families. He added that the Oakland County Circuit Court - Family Division and local municipalities (Troy, Rochester Hills, Auburn Hills and Bloomfield Township), and school districts all sponsor and support AYA.

He explained that AYA had 138 students between the ages of five and 16 years old seek assistance within the last few years. He added that Anna Torres is AYA's Caseworker and she had met with all of these youth and their families.

He discussed the following programs hosted by AYA:

- Back-To-School Backpack Event that gives students a backpack, personal care items and a school outfit for the start of the new school year.
- Kids Academic Mentoring Program (KAMP) assisted 46 children after school by providing academic support and assistance through KAMP.
- Blessings in a Backpack assisted families with backpacks full of personal care items and food.
- Annual Pumpkin Painting Event in Auburn Hills had over 400 families participate.
- Shop with a Hero had 64 youth participants shop with local police officers for the Holidays.
- Student Recognition Awards had 5 students honored in a ceremony and were recognized for their hard work and positive contributions to the community.

He added that with COVID behind us, he is hopeful more programs will continue to benefit the youth through AYA. He stated that AYA is always looking for volunteers and to call 248-537-6626 for more information about AYA.

Presented.

2022-0298 Presentation of Seven-Year Financial Forecast - Fiscal Years 2023-2029; Joe Snyder, CFO, presenter

Attachments: [072522 Agenda Summary.pdf](#)
[7-Year Financial Forecast \(2023-2029\).pdf](#)
[Presentation.pdf](#)

Joe Snyder, Chief Financial Officer, presented the City's Seven-Year Financial Forecast for 2023-2029. He explained this plan is developed for the City to be better prepared for the future and to plan ahead. He noted that this is a presentation, not a budget or policy recommendation. He added that this is a financial forecast that is intended to be a projection of the City's Revenues, Expenditures, and Fund Balances based upon an updated set of assumptions. He stated that the goal of the Seven-Year Financial Forecast is to provide City Council with the City's financial projection so they are able to make educated budget decisions. He discussed the following Revenues and stressed that the City continues to estimate conservatively:

- The taxable value is moving in the right direction. Last year the taxable value revenue was projecting a 2.5 percent increase for 2023. He added that there will be a 5.6 percent taxable value increase projected for next year.
- State-Shared Revenue has rebounded nicely from COVID. Last year State-Shared Revenue was up 16 percent from 2020. He added that consumer spending has been more robust the last few years and inflation has played a role in the increase. He noted that part of the State-Shared Revenue is based on the City's population and that the population increased by 7.5 percent from the 2010 Census to the 2020 Census. He explained that the City will get a greater proportion of the state-shared revenue due to the increase in population. The increase is estimated at \$350,000 per year for the next seven years.
- Act 51 Revenue is revenue received for major roads and local streets. Act 51 Revenue was up 13 percent in 2021 compared to 2020. The City has seen an increase of over 10 percent in revenue from Act 51 this year. He noted that conservatively, they anticipate no increase in the Act 51 Revenue forecast.
- Interest rates have been increasing and help the City invest in a safe way. He estimated another one million dollars per year of interest rate revenue. He thanked City Council for approving the financial policy that will allow the City to invest longer term, if needed.

He provided the following information regarding Expenditures:

- He stated that in the forecast four full-time employees are being proposed. He noted that the salary wage change is not as substantial as three of the four proposed employees are already part-time employees. He added that health care increases are projected at 7 percent.
- There are several multi-year contracts in place that help with the current inflation.
- The Oakland County Sheriff's Office (OCSO) Contract renewal was approved for 2022 - 2024, the City projected a 3 percent increase each year and the increase was less than estimated.
- There is no projected increase to the City's millage rate. He noted that the Police Millage 1 and Police Millage 2 will need to be renewed by 2025. He added that the two police millages are planned to consolidate into one millage.

- In 2025, the Drain Debt Fund Millage will be completely paid off. This millage can be re-purposed or can fall off the overall millage rate.
- The Pathway Millage, RARA Millage and OPC Transportation Millage are set to renew in 2026.

Mr. Snyder continued with the 2023 - 2029 Fund Forecasts:

- The General Fund Revenue is well balanced with Property Tax consisting of 37 percent, State-Shared Revenue consisting of 30 percent and All Other Revenue consisting of 33 percent. He noted that the Building and Parks Department Revenue has been very strong.
- The General Fund Expenditures consists of Personnel Services at 48 percent, Transfers-Out at 26 percent and Other Expenditures at 26 percent. He added that per the Fund Balance Policy, 70-80 percent is the target fund balance to be maintained in the General Fund. Any fund above this percent is transferred out to the Capital Improvement Fund.
- The Capital Improvement Fund can direct funds citywide to any Capital Projects. Since 2019 the Capital Improvement Fund has provided a vital funding source for several City projects. This year, the Capital Fund is supporting the Auburn Road Corridor for a new parking lot, a new cemetery columbarium, the Clerk's vault and City Hall Auditorium and Borden Park parking lot upgrades. In 2023, the Capital Improvement Fund will support projects such as the Bloomer Park parking lot, DPS Garage energy management system, HVAC system and roof replacements for buildings at the parks.
- The Capital Improvement Plan assists in deciding which projects are prioritized and which projects can wait for available funds. Each year the Capital Improvement Plan is reevaluated and projects are added or removed as needed. There are several Capital Improvement Projects over the next several years; therefore, being able to plan and budget for these projects is important. The Parks Facilities Millage funds millions of dollars of park facilities improvements that the Capital Improvement Fund would normally fund.
- The Major Road Fund Revenue consists of Act 51 at 66 percent and All Other Revenue at 34 percent. The American Rescue Plan Act (ARPA) is projected to fund the Drexelgate Reconstruction Project in 2023.
- The Major Road Expenditures are determined by the level of Major Road Capital Projects scheduled for each year. Future Capital Outlay costs include major road projects that are included in the Capital Improvement Plan. He mentioned the following significant Major Road Projects completed over the last two years:

2021 Projects

- Auburn Road Corridor
- Harding Avenue
- John R from Avon to Bloomer
- Hamlin Road from Adams to Crooks
- Butler Road
- Avon and Dequindre / 23 Mile Road

2022 Projects

- Auburn Road from Rochester to Culbertson
- Old Perch Reconstruction

- *Waterview Reconstruction*

2023 Projected Projects

- *Drexelgate Reconstruction*
- *Barclay Circle Rehabilitation*
- *Avon Industrial Drive Rehabilitation*

In 2024 and 2025, there are currently no proposed new road projects.

2026 Projected Projects

- *Adams Road widening from Hamlin to Walton*

- *The Major Road Construction Projects in 2022 are anticipated to reduce the fund balance to 4.5 million dollars by the end of the year. The construction projects are planned to ensure the funds are available for the projects. The Capital Improvement Fund can provide additional funds, if needed.*

- *The Local Street Fund Revenue consists of Taxes at 48 percent, Transfers-In at 18 percent and Act 51 at 34 percent.*

- *The Local Street Fund Expenditures are split between Capital Outlay at 52 percent and Operating Expenditures at 48 percent. Starting this year, this fund is anticipated to increase by five percent each year to offset inflation. The Local Street Fund Balance is set to maintain 25 percent target balance.*

- *The Fire Operating Fund Revenue consists mostly of Taxes at 85 percent and All Other Revenues at 20 percent. The level of overall Fire funding has been consistent from year-to-year.*

- *The Fire Operating Fund Expenditures consists of Personnel at 67 percent, Other Expenditures at 26 percent and Transfers-Out at seven percent. Any funds above the target balance is transferred out to the Fire Capital Funds for capital needs.*

- *The Fire Capital Fund is projected to have a large year in 2024 that will consist replacement of all air masks for firefighters as well as replacement of the HVAC and roof replacement at Fire Station 1. In 2028, five ambulances as well as the 75-foot ladder truck are proposed to be replaced.*

- *The Special Police Fund Revenue consists mostly of Taxes at 91 percent and Other Revenue at nine percent.*

- *The Special Police Fund Expenditures consists mostly of OCSO Contract at 97 percent and All Other Expenditures at three percent. The Police expenditures are very consistent from year to year. One additional OCSO Deputy is being proposed in the upcoming budget and this forecast includes that new position.*

Mr. Snyder explained the City's plan for the use of the ARPA funds. The City has received just under 6.2 million dollars and the funds must be expended by December 31, 2024. He stated that the following is the City's proposed use for the ARPA funds:

- *CDBG Supplement - \$150,000*
- *Economic Development - \$225,000*
- *Not-for-Profit Assistance - \$300,000*
- *Drexelgate Parkway and Pathway - \$2,103,800*
- *Ambulances - \$990,000*
- *Innovation Hills: Restroom - \$575,000*

- Bloomer Park: Stone Shelter Upgrades - \$600,000
- City Hall: HVAC Replacement - \$1,012,000
- Citywide: LED Lighting Upgrades - \$239,180

Mr. Snyder concluded that the Local Street Fund, Fire Operating Fund and Special Police Fund all maintain 20-25 percent annual expenditures and the General Fund maintains 70-80 percent of annual operational expenditures. He explained that all of the operating funds are in good shape and operate with a structural surplus. He noted as new data comes forward, the City will adjust its forecast accordingly.

President Deel thanked Mr. Snyder for the forecast and added that this is a critical report every year. He stated that he loves the conservative approach that the City takes financially.

Mr. Hetrick commented that the data presented is important information for Council and the residents to know where the City is financially for the next seven years. He added that this report had helped him feel confident that the City is prepared for the future.

Ms. Mungoli questioned how the ARPA projects were determined. She mentioned that the Drexelgate Reconstruction is in the budget and inquired if the ARPA dollars designated to this project is in addition to what is budgeted or in place of what is budgeted.

Mr. Snyder stated that there were several internal discussions over the last year. He responded that the high priority projects were looked at and were determined to be applied to the ARPA fund. He added that the ARPA fund dollars have to be designated by 2024 per their policy. He stated that the Drexelgate Reconstruction project would be funded by the ARPA fund.

Mr. Blair stated that he is impressed with the City's stewardship with taxpayer dollars. He inquired about the Act 51 Revenue and that there is no projection to receive revenue, questioning if this revenue is anticipated to continue to decline year after year. He mentioned that it is concerning to him to lose this revenue because it is a vital source for local road repair.

Mr. Snyder responded there is a movement towards electric vehicles and that Rochester Hills is not the only city where Act 51 Revenue is a vital revenue source. He added as electric vehicles gain more momentum, the Act 51 Revenue will decrease. He noted that there will be discussions at the State level and that there will have to be replacement funds to repair the roads.

Vice President Bowyer thanked Mr. Snyder and stated that she is happy to see an additional OCSO Deputy being added to the City.

Mayor Barnett explained that public safety is the number one priority of City Council and the second most important priority is how the City's dollars are managed. He noted that Rochester Hills is in the best financial position of any community in the State. He added that this forecast allows the City to plan appropriately and designate funds to things that are important to residents, such as local roads.

Presented.

PUBLIC HEARINGS

2022-0297 FY 2022 2nd Quarter Budget Amendment

Attachments: [072522 Agenda Summary.pdf](#)
[2nd Qtr BA Overview.pdf](#)
[2nd Qtr BA Detail.pdf](#)
[Public Hearing Notice.pdf](#)
[Resolution \(Draft\).pdf](#)

Joe Snyder, Chief Financial Officer, presented the 2nd Quarter 2022 Budget Amendment explaining that the amendments presented propose to increase total revenues by \$12.6 million and to increase total expenditures by \$8.5 million, resulting in a net impact on the fund balances of a positive \$4.1 million.

He discussed that the \$12.6 million consisted of the following revenue additions:

- \$3.8 million are from improved revenue projections, this included \$1.9 million from state-shared revenue. \$580,000 of the \$1.9 million includes a one-time true-up of 2020-2021 Census adjustment that was not received until 2022.
- \$1 million in revenue received from Act 51 Tax Revenue.
- \$400,000 received from investment income.
- \$500,000 received from City services such as building permits, reimbursements and charges for services.
- \$8.8 million from transfers-in.

He discussed that the \$8.5 million in expenditures consisted of the following:

- \$660,000 in operating expenditures.
- \$310,000 in fuel increases.
- \$350,000 purchases such as metal, oil and natural gas.
- A reduction of \$940,000 in Capital Improvement Projects.
- \$8.8 million in transfers-out.

He noted that all proposed amendments were included in the Seven-Year Forecast that was just presented.

President Deel Opened the Public Hearing at 8:26 p.m. Seeing No Public Comment, President Deel Closed the Public Hearing at 8:27 p.m.

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, Bowyer, Deel, Hetrick, Munglioli and Walker

Absent 1 - Morlan

Enactment No: RES0182-2022

Whereas, in accordance with the provisions of Public Act 2 of 1968, the Uniform Budgeting and Accounting Act, and the Charter for the City of Rochester Hills, Chapter III Section 3.7, the City Council may amend the budget during the fiscal year, either on its own initiative or upon recommendation of the Mayor; and

Whereas, the Public Hearing for the proposed FY 2022 2nd Quarter Budget Amendments was noticed on July 7, 2022; and

Whereas, the proposed FY 2022 2nd Quarter Budget Amendments were available for public viewing beginning on July 15, 2022; and

Whereas, at its July 25, 2022 meeting City Council held a Public Hearing on the proposed FY 2022 2nd Quarter Budget Amendments.

Now, Therefore, Be It Resolved that the Rochester Hills City Council hereby approves the following FY 2022 fund totals as amended:

TOTAL BUDGET SUMMARY	Current Budget	Change	Amended Budget
101 - General Fund	\$ 27,130,840	\$ 3,133,700	\$ 30,264,540
202 - Major Road Fund	\$ 15,357,000	\$ 2,291,980	\$ 17,648,980
203 - Local Street Fund	\$ 10,313,510	\$ 278,170	\$ 10,591,680
206 - Fire Department Fund	\$ 13,171,120	\$ 442,990	\$ 13,614,110
207 - Special Police Fund	\$ 10,347,760	\$ 5,000	\$ 10,352,760
208 - Parks Millage Fund	\$ 300,000	\$ -	\$ 300,000
213 - RARA Millage Fund	\$ 727,850	\$ 3,790	\$ 731,640
214 - Pathway Maintenance Fund	\$ 701,800	\$ 56,530	\$ 758,330
232 - Tree Fund	\$ 164,000	\$ -	\$ 164,000
244 - Drain Maintenance Fund	\$ 823,180	\$ 32,800	\$ 855,980
265 - OPC Millage Fund	\$ 1,624,690	\$ 8,290	\$ 1,632,980
285 - ARPA Fund	\$ 75,000	\$ 1,140,000	\$ 1,215,000
299 - Green Space Fund	\$ 530,070	\$ -	\$ 530,070
331 - Drain Debt Fund	\$ 216,220	\$ -	\$ 216,220
402 - Fire Capital Fund	\$ 2,015,940	\$ (483,580)	\$ 1,532,360
403 - Pathway Construction Fund	\$ 1,105,700	\$ -	\$ 1,105,700
420 - Capital Improvement Fund	\$ 7,025,470	\$ 3,635,160	\$ 10,660,630
510 - Sewer Department	\$ 16,421,110	\$ 392,690	\$ 16,813,800
530 - Water Department	\$ 21,845,200	\$ 455,160	\$ 22,300,360
593 - Water & Sewer Capital Fund	\$ 24,064,130	\$ (3,692,060)	\$ 20,372,070
595 - Water & Sewer Debt Fund	\$ 1,319,450	\$ -	\$ 1,319,450
596 - Solid Waste Fund	\$ 673,800	\$ -	\$ 673,800
631 - Facilities Fund	\$ 20,238,850	\$ 345,080	\$ 20,583,930
636 - MIS Fund	\$ 3,317,760	\$ (66,440)	\$ 3,251,320
661 - Fleet Fund	\$ 6,333,930	\$ 240,410	\$ 6,574,340
677 - Insurance Fund	\$ 432,500	\$ -	\$ 432,500
736 - Retiree Healthcare Trust Fund	\$ 220,880	\$ -	\$ 220,880
752 - Cemetery Perpetual Care Trust Fund	\$ 5,000	\$ -	\$ 5,000
761 - Green Space Perpetual Care Trust Fund	\$ 336,340	\$ (10,900)	\$ 325,440
840 - Brownfield Revolving Fund	\$ -	\$ -	\$ -
844 - Brownfield Redevelopment Fund (Legacy)	\$ 209,170	\$ -	\$ 209,170
848 - LDFA Fund	\$ 3,271,480	\$ 367,000	\$ 3,638,480
870 - RH Museum Foundation Fund	\$ 100	\$ -	\$ 100
GRAND TOTAL - ALL FUNDS	\$ 190,319,850	\$ 8,575,770	\$ 198,895,620

2022-0299 FY 2022 Rochester Avon Recreation Authority's (RARA) proposed 2nd Quarter Budget Amendments

Attachments: [072522 Agenda Summary.pdf](#)
[2nd Qtr. Overview.pdf](#)
[Public Hearing Notice.pdf](#)
[Resolution \(Draft\).pdf](#)

Joe Snyder, Chief Financial Officer and **Dave Word**, Executive Recreation Director for Rochester Avon Recreation Authority (RARA), were present.

Mr. Snyder explained that in total, RARA's second quarter budget amendments propose to increase total revenue by \$2.24 million and to increase total expenditures by \$2.23 million, this results in a net impact on fund balances of a positive \$11,450.

He stated that regarding the \$2.24 million in revenue, there was a \$3 million increase in revenues that included the sale of the 480 2nd Street property. He added that enrollment to RARA's youth sports and summer camps had made a positive impact to revenues.

He explained that the \$2.23 million expenditures consisted of the remaining principle owed on the 480 2nd Street property along with the real estate fees. He added that there was an addition of two positions that were approved by the RARA Board: a recreation coordinator and a customer service manager. He stated that there was an increase in staffing costs due to the large number of participants enrolled in programs. He noted that the replacement of the roof on the administration building and painting of the ceilings and exterior of the administration building also contributed to the expenditures.

He stated that RARA ended 2021 with a fund balance level of \$644,000 which equates to 35 percent fund balance coverage. He added that with these amendments, RARA has budgeted an additional \$38,000 to contribute to fund balance at the end of 2022. He noted that RARA is projected to end 2022 with \$683,000 in its fund balance; however, they are anticipating RARA to end 2022 at a much higher fund balance. He stated that the RARA Board unanimously approved the budget amendments at its July 13, 2022 meeting.

President Deel Opened the Public Hearing at 8:30 p.m. Seeing No Public Comment, President Deel Closed the Public Hearing at 8:31 p.m.

Ms. Mungoli stated that she serves on the RARA Board and expressed her gratitude to Mr. Snyder for assisting RARA financially. She added that she is happy to see a safe place for RARA programs and that the sale of the 420 2nd Street building helped RARA financially.

Mayor Barnett complimented Mr. Word and his team for amazing work. He added that RARA is a valuable organization and explained that RARA is funded by different communities. He noted that he is proud of the Rochester Hills team for assisting RARA with their finances and staffing needs.

President Deel stated that he was on the RARA Board when RARA had a negative fund balance. He added that since then Mr. Snyder has assisted RARA and they are in a much better position today.

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

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

Absent 1 - Morlan

Enactment No: RES0183-2022

Whereas, the Public Hearing for the proposed RARA FY 2022 2nd Quarter Budget Amendments was noticed on July 7, 2022; and

Whereas, the proposed RARA FY 2022 2nd Quarter Budget Amendments were available for public viewing beginning on July 15, 2022; and

Whereas, at its July 25, 2022 meeting City Council held a Public Hearing on the proposed RARA FY 2022 2nd Quarter Budget Amendments.

Now, Therefore, Be It Resolved, that the Rochester Hills City Council hereby approves the RARA FY 2022 fund total as amended in the amount of \$4,532,200.

PLANNING AND ECONOMIC DEVELOPMENT

2022-0270 Request for Conditional Use Approval to allow alcoholic beverage sales for on-premises consumption at Baldwin's Brasserie, 3784 S. Rochester Rd., located between South Blvd. and M-59., zoned B-3 Shopping Center Business District with an FB-3 Flexible Business Overlay, Emily D'Agostini Kunath, Applicant

Attachments: [072522 Agenda Summary.pdf](#)
[Draft Minutes PC 061422.pdf](#)
[Staff Report.pdf](#)
[Floor Plan.pdf](#)
[Elevations.pdf](#)
[Marketing Materials.pdf](#)
[EIS.pdf](#)
[Public Comment.pdf](#)
[Public Hearing Notice.pdf](#)
[Resolution \(Draft\).pdf](#)

Sara Roediger, Planning and Economic Development Director, **Eugene D'Agostini** and **Emily D'Agostini**, Applicant, **Jeff and Rose Baldwin**, Owners of Baldwin's Brasserie were present.

Ms. Roediger explained that the request before Council is for approval for a

conditional use for on-site consumption of liquor. She added that this request went before the Planning Commission in June and they unanimously recommended approval of the conditional use. She stated that the proposed site is the front building of the Gateway Development, located south of M-59, north of South Boulevard on the west side of Rochester Road.

Ms. D'Agostini explained that the proposed restaurant is located on the northwest corner of South Boulevard and Rochester Road. She stated that her family purchased this 10-acre parcel in 1993 and have developed most of the parcel. She added that there is a two-story medical office building, and on the rear of the parcel is a Fairfield Inn Hotel that opened this past spring. She stated that the front site is a 32,000 square foot two-story retail and office building. She explained that Baldwin's Brasserie would operate out of a space in this building. She noted that they have been before the Planning Commission and City Council regarding the 32,000 square foot building and they are excited to finalize this project. She stated that Baldwin's Brasserie would be the first tenant of this building, and are intended to occupy 6,000 square feet of the north anchor of the building. She added that the lease is specifically contingent on the quota Class C Liquor license. She introduced Jeff Baldwin, the founder of the Baldwin Group. She stated that he was the youngest person in history to graduate from the Culinary Institute of America. She added that in his twenties, Mr. Baldwin was selected to cook for the inauguration for President Ronald Reagan. She stated that he was the opening Executive Chef for the Whitney Restaurant in Detroit and became the Executive Chef for Ray Nicholson. She introduced Rosemarie Baldwin, the Marketing Director of the Baldwin Restaurant Group. She added that she has worked for Marshall Fields and has won several awards working with them. She noted that Mr. and Mrs. Baldwin have appeared on the Food Network several times and have received national recognition for their culinary art. She added that together they formed the Baldwin Restaurant Group that consists of J Baldwin's Restaurant that was established in 2004 in Clinton Township. She stated that Testa Barra was the second restaurant added to the Baldwin Restaurant Group and was established in 2017 in Macomb Township. She mentioned that in 2007, 2009, 2011 and 2014 they were rated the Best New American Restaurant by Hour Detroit. She stressed that the Baldwin's Restaurant Group deserve a quota liquor license from Rochester Hills because of their financial strength and commitment to the project. She added that the Planning Commission had asked them when they first developed this property to name it the Gateway Development. She mentioned that the reason for this is because the development is on the southern border of the City, welcoming to the community on the southern border. She stated that they hope to add Baldwin's Brasserie to the Gateway Development to welcome people into the City and to their restaurant. She explained that M-59 is north of this development and will bring many people from all over the Detroit area to Rochester Hills. She noted that there is fine dining in many metro-Detroit cities, but it is lacking in Rochester Hills.

Mrs. Baldwin stated that she is the Chief Financial and Marketing Brand Ambassador for the Baldwin Restaurant Group. She explained that they opened their first restaurant eighteen years ago; J. Baldwin's Restaurant. She stated that they opened their second restaurant, Testa Barra, five years ago. She noted that the retail center Testa Barra operates in only had two stores at

the time. She stated that they worked with the Township and the owners to make Testa Barra successful, and added that Baldwin's Brasserie will bring success to the Gateway Development. She mentioned that they believe residents from Troy, Rochester, Rochester Hills, Shelby Township and Macomb Township will come to Baldwin's Brasserie. She added that many of their customers live in Oakland County and travel to Macomb County to dine at their establishments. She explained that the culture at Baldwin Restaurant Group is like none other, adding that their Director of Beverage has been with them for 15 years and their Chef at J. Baldwin's has been with them for 17 years. She added that they have three second generation family members that also work for the Baldwin Restaurant Group. She noted that their establishment is unique and they are excited to do business in Rochester Hills.

She displayed photos of the proposed Baldwin Brasserie, and stated that the interior design is comfortable and approachable. She explained that they are a family restaurant and want families to feel comfortable dining at this establishment. She noted that there will be a catering room that can host small events. She explained that they have a budget for this development and would like City Council to help them by granting the quota liquor license.

Mr. D'Agostini stated that the ownership of this property has been a long road and that he purchased this land 30 years ago. He mentioned that he has visions and dreams for this property and he would like the Baldwin Restaurant Group to be part of this vision. He noted that the Baldwin's are very talented, conservative people and that it was not easy to get them on board at first. He stated that his persistence worked and he was able to get them on board and added that his company is committed to financing a large portion of this project. He stated that Baldwin's Brasserie will add Rochester Hills as a fine dining destination. He added that the restaurant will enhance the status of the Fairfield Inn and the two businesses will work well together. He mentioned that this is a \$40 million investment and the City will benefit by drawing people from other communities to Rochester Hills.

Mr. Baldwin thanked everyone for their support. He explained that Baldwin's Brasserie will employ approximately 70 people. He noted that the existing liquor licenses that they hold at their other establishments have no violations. He explained financially they need the quota license to get the new establishment operating and need the City's help to obtain the license.

Public Comment:

Lyla Nikollaj, 1114 Silver Creek Court, explained that she is a long time Rochester Hills resident and that she has enjoyed raising her three daughters in Rochester Hills. She mentioned that she believes fine dining establishments are lacking in the City and many Rochester Hills residents travel outside of the City to dine at fine dining restaurants.

Maria Lukosavich, 38700 Van Dyke, Suite 200, Sterling Heights, stated that the south border of Rochester Hills does not have much variety in finer dining restaurants. She explained that Baldwin's Brasserie is exciting and welcoming and would be an excellent addition to this community. She added that she is part

of the D'Agostini family and that there are many tenants of Rochester Hills that are in support of this establishment. She stated that the Baldwin's have a local strong family business that will draw other businesses to the City.

Michael DiNello, 989 E. South Boulevard, explained that he owns a brokerage and investment firm a mile from this site. He stated that he can attest to the level of quality and excellence that the Baldwin's deliver to their establishments. He added that there is a gap in availability to fine dining in Rochester Hills and as a business owner he does a lot of entertaining. He stated that often times they leave the City to find a fine dining restaurant.

Dr. Julie Byrd, M.D., 405 Barclay Circle, stated that she owns Rochester Dermatology Clinic and that it has been in business for many years in the City of Rochester Hills. She mentioned that she has patients that come from all over the State and several of them ask for dining recommendations. She stated there are a lot of chain restaurants near her business, but it would be nice to have a unique and fine dining experience near her business as well.

John Dipzinski, 3051 Willet, explained that he has been a Rochester Hills resident for twenty years and has dined at Testa Barra several times over the last couple of years. He mentioned it would be much nicer to have a Baldwin restaurant in the City of Rochester Hills.

Lorenzo Worde, 579 Flora Valley, shared that he is a new Rochester Hills resident. He stated that he used to live in Macomb Township and has dined at the Baldwin's establishments frequently. He explained that he moved from Macomb Township to Rochester Hills because he wanted better education and quality of life for his daughter. He added that the quality of fine dining restaurants is lacking in Rochester Hills.

Jason Vehar, 37462 Casa Bella, Clinton Township, explained that he could talk for hours about how great the Baldwin's food is and that the Baldwin's have built amazing family restaurants. He added that his kids have grown up frequently dining at the Baldwin's restaurants and still do today. He stated that most restaurants from M-59 to downtown Rochester are chain restaurants and that it would be great to have Baldwin's Brasserie separating downtown from M-59.

Thomas Bennett, 268 Wyngate Drive, Rochester, shared that he has known Ms. Baldwin for a long time and he spoke about her commitment to service and attention to detail. He added that she is very passionate about her work and that is very important. He noted that anyone would be proud to have the Baldwin's as part of their community.

John Messina, 19872 Apache, Clinton Township, explained that he is the owner of Northern Lakes Seafood and Meats, the largest seafood and meat company in Michigan. He stated that he has known Mr. Baldwin for 40 years and the Baldwin's are humble, wholesome people. He added that it is an honor to do business with them.

Annamarie Clark, 3101 Sunbury Court, explained that she has known Ms. Baldwin for over 15 years and she has been to their establishment many times. She added that as a Rochester Hills resident, she would be thrilled to have the Baldwin's open an establishment in the City.

Ms. Mungoli commented that this is a two-part process; the first agenda item is for a conditional use to allow the sale of alcoholic beverages on the premises and the second agenda item is for approval of the liquor license. She is in support of this agenda item.

Mr. Hetrick stated that the public comments speak very highly of the Baldwin's and that is important. He added that the Applicant commenting on working with the Fairfield Inn is vital for a harmonious development.

Vice President Bowyer shared that a high-end dining in Rochester Hills is a definite need. She added that this restaurant will be a huge impact to the City. She stated that the Gateway Plaza is an entryway into the City and the restaurant will enhance that area.

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

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

Absent 1 - Morlan

Enactment No: RES0184-2022

Resolved, that the Rochester Hills City Council hereby approves the Conditional Use to allow sales for on premises alcoholic beverage consumption, located at 3784 S. Rochester Rd., between South Blvd. and M-59, with the following findings:

Findings

1. The proposed use will promote the intent and purpose of the Zoning Ordinance.
2. The building has been designed and is proposed to be operated, maintained, and managed so as to be compatible, harmonious, and appropriate in appearance 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.
4. The proposed development 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 development should not be detrimental, hazardous, or disturbing to existing or future neighboring land uses, persons, property, or the public welfare.

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.

Conditions

1. Public hours of operation for the restaurant will be 3:00 p.m. - 11:00 p.m. Tuesday - Thursday, 3:00 p.m. - 12:00 a.m. Saturday, 11:00 a.m. - 9:00 p.m. Sunday, and closed Mondays.

2022-0320

Request for a "New from Quota" Class C Liquor License from Baldwin's Brasserie to be located at 3874 S. Rochester Road

Attachments: [072522 Agenda Summary.pdf](#)
[Application.pdf](#)
[Memo of Appeal.pdf](#)
[Letters of Support.pdf](#)
[Additional Letters of Support.pdf](#)
[Lease Agreement.pdf](#)
[Resolution \(Draft\).pdf](#)

Leanne Scott, City Clerk, explained that on July 14, 2022 the Liquor License Technical Review Committee (LLTRC) held a meeting where they reviewed the application submitted by Mr. and Mrs. Baldwin. She stated that after careful consideration it was the recommendation of the LLTRC to deny the request for the approval of the quota Class C Liquor License.

Ms. D' Agostini explained that the presentation that was given for the previous agenda item also applies to this agenda item.

Public Comment:

Ralph Roberts, 185 Weston Lane, shared that the Baldwin family is very special to him. He explained that he lost his daughter in a boating accident and in her obituary they mentioned the Baldwin's restaurants and how much she enjoyed dining at them. He added that he lives in Rochester Hills and he plans to frequent the proposed restaurant.

President Deel commented that the City holds four new quota licenses due to the recent 2020 Census. He noted that the quota licenses are different from escrow liquor licenses that are already being utilized or owned and can be transferred into the City. He explained that the next time the City could potentially receive new from quota licenses would be 2030; these licenses are allocated every ten years. He stated that the LLTRC sat down to come up with a matrix scoring system and amended the application process. He noted that the matrix scoring system has a number of factors that are taken into consideration when approving a new from quota license. He discussed the following factors:

- Is the applicant a City resident
- Is the resident or business in good standing as it pertains to all City obligations
- Is this an expansion of a second business and is this a significant financial investment
- Is the business a franchise

- The effect around the economical development of the surrounding area
- The uniqueness of the establishment
- The effect of the proposed facility on the surrounding neighborhood and/or businesses
- The financial strength
- Any past violations

He stated that after the LLTRC scores the application, the scores are calculated and a decision is made. He added that he believes the proposed restaurant will enhance the City; however, that is not the only factor that is looked at when making a determination. He stated that the issuance of a quota license is different than a transfer-in license, although both hold value. He shared that high-end dining is something that Rochester Hills needs. He added that City Council is in support and approved the conditional use for this establishment.

Vice President Bowyer thanked the LLTRC for coming up with a way to score the applicants. She believes that Baldwin's Brasserie would be impactful to the City and that the quota license should be given to businesses that will make an impact on the City. She added that this establishment will not only create new jobs, but will also create more business in the City. She stated that this type of restaurant will elevate the City and draw people from other communities and she is fully in support of giving the Baldwin's a quota license.

Mr. Blair questioned how the liquor licenses were obtained for the other Baldwin establishments. He added that he agreed with President Deel that the cost of a liquor license is small when talking about a multi-million dollar development.

Mr. Baldwin responded the liquor license for J. Baldwin's was a transfer from the establishment that was previously at that location, and the second liquor license for Testa Barra was a quota license from Macomb Township. He added that it is not just the cost, it is timeliness too. He explained to get a liquor license out of escrow could take close to a year and that would delay this development.

Ms. Baldwin stated that the matrix scoring system was never a discussion point until after they met with the LLTRC. She added that applicants should be aware of this scoring system before they go through this process.

Mr. Blair inquired whether the deal would fall apart if they are not granted the quota license.

Ms. D'Agostini responded that the lease is contingent upon receiving the quota license.

Mr. Blair questioned what would happen to the liquor license if the restaurant moves out of the City.

Mr. D'Agostini responded that in order for this project to come together, the D'Agostini family funded the majority of the improvements. He stated that they want the license to stay with the site and stay in the City of Rochester Hills. He added that because he is making a substantial investment into this

development, the license would stay to secure his investment.

Mr. Blair stated that it opens the door for the next tenant if the license were to stay.

Mr. Walker stated that he is a member of the LLTRC and that the matrix scoring system is vital. He explained that the matrix is framework to assist the LLTRC in the application process. He added that they welcome a high-end restaurant into the City. He stated that if the business model exists that Rochester Hills is in need of a high-end restaurant, then a high-end restaurant would be in the City, regardless of the quota license. He explained that the Baldwin's application fell in the middle of the scoring matrix, therefore, this was not a hard yes or a hard no. He added that the Baldwin's came before the LLTRC requesting this license; however, the developer is actually the one that will hold this license if the restaurant does not succeed or moves from this location.

Ms. Mungoli stated that she wanted the license to go with the restaurant because it is an asset, but it is standard that the license would stay with the site. She added that she would be in favor of the license with the exception that the license stays in Rochester Hills. She questioned if the two licenses the Baldwins' have at their other establishments are owned by the Baldwins' or if they stay with the site.

Mr. D'Agostini responded that he wants to be mindful of the City's concerns about the future of the license and that he is positive that the Baldwins' will succeed. However, he stated that he would revert the license back to the City if the Baldwins' did not succeed or move out of the City.

Ms. Baldwin responded that they own the other establishment's liquor licenses.

Ms. Mungoli inquired if there is a certain amount of time that the City has to receive a license back from an applicant.

Mr. Staran responded that when the Michigan Liquor Control Commission (MLCC) issues a license, the license goes to the business not the property. He added that this specific lease states that the Baldwin family would not transfer the license away from the property and if they leave, they waive their right to ownership of the license. He stated that the City cannot add specific conditions to the resolution, the MLCC will not approve a liquor license that has specific conditions attached to the resolution. He noted that the City can enter into an agreement with the license holder that they are agreeing that within the first three years of business, if the business leaves the City, the license will return to the City. He added that the City's standard agreement is three years, therefore, the license cannot be returned to the City after three years.

Mr. D'Agostini stated that his agreement with the Baldwins' keeps the liquor license in the City of Rochester Hills.

President Deel responded that the agreement keeps the license with Mr. D'Agostini and the license could be transferred to any City.

Mr. Hetrick stated that the LLTRC uses a valuable scoring system and the Applicant did not score high enough to get the quota license approval. He added that he believes this restaurant will be successful and that there is opportunity for the Baldwins' to purchase an escrow liquor license.

President Deel expressed that he is very supportive of the Baldwins' and their proposed establishment. He added that when he looked at the Baldwins' application, he was confident that they have the knowledge and experience to make this restaurant succeed in Rochester Hills. He stated that the need for this liquor license is minimal compared to the value that the Baldwins' add. He reiterated that he believes in the Baldwins' and the value that they will bring to the City. He stated that when he read the lease between the Baldwins' and the D'Agostinis' it stated that the license would ultimately belong to the D'Agostinis', not the Baldwins'.

Mayor Barnett explained that this is a tough spot for City Council to be in and added that they all want what is best for the City. He inquired if there is a legal way that the City could receive that license back if the business went out of business after three years and the landlord and business owner are in agreement to give the license back. He stated that if the concern is about what would happen to the license if the business leaves or does not succeed, then eliminating that concern by having an agreement might solve that issue. He noted that since 2000, five quota liquor licenses have been issued by the City and only one of those five licenses is still held by the original owner. He added that he understands why Council is being very cautious on who they issue a quota license to. He shared that if the City could eliminate the risk component, that might make the decision a little easier. He thanked the Baldwins' and the D'Agostinis' for choosing the City of Rochester Hills to do business.

Mr. Staran responded that the City would require a contract with the Baldwins' if this was approved, that they would agree to leave the license behind and the D'Agostinis' could be added to the agreement. He added that once the Council passes a resolution to approve a quota license, the license is no longer the City's. He explained that the State has a process and the license would go into escrow or returned to the State.

Ms. D'Agostini responded that the reversion of the license in the Agreement has caused the discussion to move into a direction that it should not have gone. She stated that Mr. D'Agostini has agreed that if the Baldwins' business leaves or does not succeed the license would revert back to the City. She noted that if the paragraph in the agreement is removed, then the Baldwins' can do whatever they want with the license.

Mr. D'Agostini added that if there is a creative way to allow the City to receive the license back, he is in support of that. He stated that the Baldwins' were never going to open this restaurant because of the financial limitations they had. He added that he committed a large capital investment to make this happen, therefore, this license is vital for the Baldwins'.

President Deel responded that the LLTRC met and scored the Baldwins'

application, the LLTRC had made its recommendation based on the review process. He added that after that meeting, a letter was received appealing the recommendation. He stated that the letter indicated three times that the deal was contingent upon the Baldwins' obtaining the quota license from the City. He added that the lease was reviewed to verify the contingency and upon review it was discovered that the Baldwins' can waive the contingency and purchase and transfer a liquor license if needed to operate their business.

Mr. Hetrick commented that the score for the quota license did not meet the standard for approval. He questioned that if Council denied the request today, and the Applicant wants to negotiate something different, could they come back with a modified request.

Mr. Staran explained that if Council denied this request, that resolution gets forwarded on the MLLC that would complete this application. He added that if Council is looking at a different resolution, the appropriate action would be to postpone this item tonight.

Mr. Hetrick stated that he would be in favor of postponing this item until September 26, 2022.

Mr. D'Agostini requested that the postponement be moved to an earlier date.

Mr. Hetrick responded that the Budget Meetings are in August and that there is not much wiggle room in terms of the postponement.

Mr. Walker reiterated that as a representative of the LLTRC, a scoring matrix was adopted and is the process in place for recommendation of a quota liquor license. He added that there were multiple discussions regarding the scoring matrix and it was agreed that the current matrix is the best tool for scoring who should get a quota license. He stated that the question of what happens to the license based on the lease language is irrelevant, as it does not hinder the scoring matrix and process.

Mr. Blair stated that he also serves on the LLTRC, and added that several things have happened tonight including the tremendous amount of support from people that believe in the Baldwin's business. He shared that the landlord's willingness to work with the City and negotiate the return of the license is worth investigating. He added that he is in support of postponing this item.

Vice President Bowyer added that she fully supports the postponement because this is an impactful and positive restaurant. She explained that the LLTRC came up with the scoring matrix and that City Council was not involved in the development of the matrix. She stated that the LLTRC is making a recommendation to City Council and Council does not always have to agree with the recommendation.

A motion was made by Hetrick, seconded by Bowyer, that this matter be Postponed until the September 26, 2022 City Council Meeting. The motion carried by the following vote:

Aye 4 - Blair, Bowyer, Hetrick and Mungioli

Nay 2 - Deel and Walker

Absent 1 - Morlan

Resolved, that the request from Baldwin's Brasserie for a "New from Quota" Class C Liquor License to be located at 3874 S. Rochester Road, Rochester Hills, Oakland County, Michigan will be postponed until the September 26, 2022 City Council Meeting.

2022-0269 Request for Conditional Use Approval to allow alcoholic beverage sales for on-premises consumption at Tee Times, 2612 S. Rochester Rd., located south of Wabash Rd. in the Hawthorne Plaza, zoned B-2 General Business District with an FB-3 Flexible Business Overlay, Brendon Shaya, Applicant

Attachments: [072522 Agenda Summary.pdf](#)
[Draft Minutes PC 061422.pdf](#)
[Staff Report.pdf](#)
[Floor plan.pdf](#)
[EIS.pdf](#)
[Public Hearing Notice.pdf](#)
[Resolution \(Draft\).pdf](#)

Sara Roediger, Planning and Economic Development Director, **Kelly Allen**, Applicant's Attorney, and **Brandon Shaya**, Applicant, were present.

Ms. Roediger explained that the Applicant is requesting approval of a conditional use to allow the sale and consumption of alcohol at the proposed Tee Times site. She added that a public hearing was held at the Planning Commission meeting and the Planning Commission unanimously recommended approval of the conditional use request.

Mr. Walker thanked the Applicant for making the investment in the City and stated that he sees no reason why City Council would object to this request.

Vice President Bowyer mentioned that this is a unique redevelopment in that shopping plaza. She added that the Planning Commission thought this was a perfect use for that space.

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

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

Absent 1 - Morlan

Enactment No: RES0185-2022

Resolved, that the Rochester Hills City Council hereby approves the Conditional Use to allow sales for on premises alcoholic beverage consumption, located at 2612 S. Rochester Rd., 2022 with the following findings:

Findings

1. The proposed use will promote the intent and purpose of the Zoning Ordinance.
2. The building has been designed and is proposed to be operated, maintained, and managed so as to be compatible, harmonious, and appropriate in appearance 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.
4. The proposed development 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 development should not be detrimental, hazardous, or disturbing to existing or future neighboring land uses, persons, property, or the public welfare.
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.

Conditions

1. Public hours of operation for the restaurant will be between 9:00 a.m. - 11:00 p.m. daily.

2022-0319 Request for a "New from Quota" Class C Liquor License from SKR Golf, LLC dba Tee Times, to be located at 2612 S. Rochester Road

Attachments: [072522 Agenda Summary.pdf](#)
[Application.pdf](#)
[Resolution \(Draft\).pdf](#)

Kelly Allen, Applicant's Attorney, and **Brandon Shaya**, Applicant, were present.

Ms. Allen explained that they appeared before the Liquor License Technical Review Committee (LLTRC) and completed the application review process. She stated that Tee Times will be a desirable and impactful business in the City. She noted that this is a unique business that has technology that cannot be found anywhere else. She noted that the 9,000 square foot building has been vacant for some time and will now be occupied by Tee Times. She added that Mr. Shaya has experience in this business because he has a location in Troy and that he lives in the City of Rochester Hills. She noted that issuing Tee Times the quota liquor license will put this business over the top.

Mr. Shaya shared that he has three kids in RARA and that he has been a resident of Rochester Hills for 11 years. He added that he owns CJ Mahoney's and loves doing business and living in the City. He stated that this is an ambitious project and it was important that he opened this business in the City. He noted that the development will not just have 12 golf simulators but will also serve food. He added that there is a private area for corporate events as well.

President Deel thanked Mr. Shaya for his continued investment in the City. He noted that he serves on the LLTRC and that it is nice to have a unique business

concept like this in Michigan, especially because people cannot golf outside year-round in Michigan.

Mr. Walker added that the scoring matrix is how the LLTRC makes recommendations or denials and that the Applicant scored very well. He added that not only does Mr. Shaya live in the City but he also has an existing business in the City.

Ms. Munglioli thanked the Applicant for investing in the community.

Mr. Blair shared that it feels right approving this quota license. He added that the investment Mr. Shaya has already made in the community is undeniable and the future this new development holds is just as bright.

Vice President Bowyer questioned if Tee Times went out of business would Mr. Shaya be willing to give the quota license back to the City.

Ms. Allen responded that in the State of Michigan, a license cannot be transferred within three years and the lease does not have any clause that states the license has to be given to the landlord. She added that if that was a condition, she would advise Mr. Shaya to agree to returning the license if the business did not succeed.

Mr. Hetrick thanked Mr. Shaya for bringing this new and innovative business to the City of Rochester Hills.

A motion was made by Walker, seconded by Munglioli, that this request be Approved as Adopted by Resolution. The motion carried by the following vote:

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

Absent 1 - Morlan

Enactment No: RES0186-2022

Resolved, that the request from SKR Golf, LLC dba Tee Times, for a "New from Quota" Class C Liquor License to be located at 2612 S. Rochester Road, Rochester Hills, Oakland County, Michigan be considered for approval by the Michigan Liquor Control Commission.

PUBLIC COMMENT for Items not on the Agenda

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.

2022-0308 Request for Purchase Authorization - FACILITIES/OCSO: Blanket Purchase Order/Contract for the replacement of the interview rooms audio and visual recording equipment for the Oakland County Sheriff's Office Substation in the amount of \$74,356.00 with a 5% project contingency in the amount of

for a total not-to-exceed project amount of \$78,073.80; American Video Transfer, Inc., Brighton, MI

Attachments: [072522 Agenda Summary.pdf](#)
[Proposal Summary.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0187-2022

Resolved, that the Rochester Hills City Council hereby authorizes a Blanket purchase order/contract for the replacement of the interview rooms audio and visual recording equipment for the Oakland County Sheriff's Office Substation to American Video Transfer, Inc., Brighton, Michigan in the amount of \$74,356.00 with a 5% project contingency in the amount of \$3,717.80 for a total not-to-exceed project amount of \$78,073.80 and further authorizes the Mayor to execute an agreement on behalf of the City.

Further Resolved, that the City's acceptance of the proposal and approval of the award of a contract shall be contingent and conditioned upon the parties' entry into and execution of a written agreement acceptable to the City.

2022-0128 Request for Purchase Authorization - PARKS: Increase to the blanket purchase order/contract for preliminary engineering services for the design of the Innovation Hills Rope Bridge in the amount of \$7,480.00 for a new not-to-exceed amount of \$84,590.00; Hubbell Roth and Clark, Inc., Bloomfield

Attachments: [072522 Agenda Summary.pdf](#)
[Proposal.pdf](#)
[032122 Agenda Summary.pdf](#)
[Proposal.pdf](#)
[032122 Resolution.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0188-2022

Resolved, that the Rochester Hills City Council hereby authorizes an increase to the blanket purchase order/contract for preliminary engineering services for the design of the Innovation Hills Rope Bridge in the amount of \$7,480.00 for a new not-to-exceed amount of \$84,590.00 to Hubbell Roth and Clark, Inc., Bloomfield Hills, Michigan and further authorizes the Mayor to execute a contract amendment on behalf of the City.

2022-0309 Request for Purchase Authorization - CLERKS: Blanket Purchase Order for the 2022 Election Ballot Printing in the amount not-to-exceed \$30,000.00; Printing Systems, Inc., Taylor, MI

Attachments: [072522 Agenda Summary.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0189-2022

Resolved, that the Rochester Hills City Council hereby authorizes a blanket purchase

order for the 2022 Election Ballot Printing to Printing Systems, Inc., Taylor, Michigan in the amount not-to-exceed \$30,000.00.

- 2022-0328** Request for Approval of Fireworks Display Permit for the State of the City event to be held at the Auburn Road Corridor on Wednesday, August 17, 2022

Attachments: [072522 Agenda Summary.pdf](#)
[Fire Dept. Memo.pdf](#)
[Site Map.pdf](#)
[FOTC Permit Application.pdf](#)
[Pyrotechnic Application.pdf](#)
[American Fireworks BATFE License.pdf](#)
[Insurance Documents.pdf](#)
[SAFETY DATA SHEET.docx.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0190-2022

Whereas, American Fireworks of Hudson, Ohio has been selected through a competitive bid process for their safety record and the size of our show; and

Whereas, American Fireworks has provided the necessary insurance with the City of Rochester Hills named as also insured; and

Whereas, the Rochester Hills Fire Department has no objection to the issuance of a fireworks permit provided their safety procedures are followed;

Therefore, Be It Resolved, that the Rochester Hills City Council does hereby approve a permit for American Fireworks of Hudson, Ohio to provide a fireworks display for the State of the City event at the Auburn Road Corridor on Wednesday, August 17, 2022.

- 2022-0310** Request for Purchase Authorization - CLERKS: Contract/Blanket Purchase Order for the 2022 Logic and Accuracy Testing Services in the amount not-to-exceed \$35,000.00; Election Source, Inc., Grand Rapids, MI

Attachments: [072522 Agenda Summary.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0191-2022

Resolved, that the Rochester Hills City Council hereby authorizes a contract/blanket purchase order for the 2022 Logic and Accuracy Testing Services to Election Source, Inc., Grand Rapids, Michigan in the amount not-to-exceed \$35,000.00 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, Bowyer, Deel, Hetrick, Mungioli and Walker

Absent 1 - Morlan

LEGISLATIVE & ADMINISTRATIVE COMMENTS

Mr. Walker shared that last Thursday he was invited to the American House Village to celebrate Mable Lim's 102nd Birthday. He stated that she has been a Michigan resident for 102 years and he was honored to present her a with a Proclamation on behalf of the City.

Clerk Scott reminded everyone that the Primary Election is Tuesday, August 2, 2022. She announced that the Clerks Office will be open this Saturday from 8:00 a.m. until 4:00 p.m. for residents to apply for an absentee ballot. She added that this Friday is the last day that ballots can be sent in the mail. She encouraged residents to turn their ballots into the Clerks Office as soon as possible.

Mr. Blair stated that door-to-door solicitors in the City are required to have a permit from City Hall. He shared that political, religious and non-profit solicitors are exempt from needing a permit. He stated that the permits are to keep the City safe; he advised that if a solicitor comes to the door and does not have a permit to call the Oakland County Sheriff's Department Non-Emergency Dispatch number at 248-858-4950.

He shared a letter that he received from the American Water Resources of Michigan. He explained that this letter is selling insurance for your water or sewer line. He stated that the City has received some calls from residents about this letter and he advised residents to proceed with caution.

Mayor Barnett provided the following updates:

- Fanuc Robotics celebrated its 40th Anniversary and it was a great recognition of a business in the City.
- The City's second mural was unveiled at Spencer Park.
- The City hosted the Rotarians at Innovation Hills; they have been a tremendous support to Innovation Hills and the park system throughout the years.
- The Play Ball event had about 70 kids participate in baseball and softball.
- Lunch on the Lawn celebrated City employees.
- Election workers are needed for the upcoming elections.

ATTORNEY'S REPORT

City Attorney John Staran had nothing to report.

NEW BUSINESS

- 2022-0314** Request for approval of submission of Special License Application to the State of Michigan Department of Licensing and Regulatory Affairs, Liquor Control Commission for Creekside Promenade fundraising event at the Rochester Hills Museum at Van Hoosen Farm on September 25, 2022

Attachments: [072522 Agenda Summary.pdf](#)
[Application.pdf](#)
[City of Rochester Approval.pdf](#)
[Resolution \(Draft\).pdf](#)

Ken Elwert, Parks & Natural Resources Director, explained that the request is for a special license for a Creekside Promenade event at the Rochester Hills Museum at Van Hoosen Farm hosted by the Museum Young Leaders Circle. He added that the event is September 25, 2022 and the City of Rochester administration and police are in support of this event.

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

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

Absent 1 - Morlan

Enactment No: RES0192-2022

Resolved, that the Rochester Hills City Council hereby approves the submission of a Special License Application to the State of Michigan Department of Licensing and Regulatory Affairs, Liquor Control Commission for Creekside Promenade fundraising event at the Rochester Hills Museum at Van Hoosen Farm on September 25, 2022, and authorizes the Mayor to execute the application on behalf of the City.

Further Resolved, that the Rochester Hills City Council hereby concurs that the application for a Special License to serve alcohol on September 25, 2022 to be located at 1005 Van Hoosen Road, Rochester Hills, Michigan 48306 be recommended for issuance.

The following six (6) Legislative Files are related to 2023 Salary Recommendations

2022-0322 Recommendation for Department Directors' Variable Performance (Discretionary) Pay

Attachments: [072522 Agenda Summary.pdf](#)
[Resolution \(Draft\).pdf](#)

Chelsea Ditz, Human Resources Director, explained that the request before Council is for approval of the 2022 Discretionary Directors' Performance Pay. She added that the Human Resources Technical Review Committee (HRTRC) met and is recommending \$15,000 for the 2022 performance pay.

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

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

Absent 1 - Morlan

Enactment No: RES0193-2022

Whereas, pursuant to Article III, Section 5 of the *City Council Policy for Salaries of Department Directors and Mayor, and Per Diem Fees for City Boards and Commissions* and authorized by resolution number 2017-0279, the Human Resources Technical Review Committee met to discuss recommendations concerning variable performance (discretionary) pay for department directors in fiscal year 2022; and

Whereas, a \$15,000 performance pay budget was authorized to recognize director performance in 2021;

Resolved, that the Rochester Hills City Council hereby concurs with the recommendation of the Human Resources Technical Review Committee to maintain \$15,000 in the budget for variable performance pay for department directors in 2022.

2022-0323 Salary Recommendation for Boards and Commissions - 2023

Attachments: [072522 Agenda Summary.pdf](#)
[Resolution \(Draft\).pdf](#)

Chelsea Ditz, Human Resources Director, shared that the HRTRC is recommending to maintain the same pay rate for Boards and Commissions for 2023. She added the rate is \$100.00 for Chairpersons and \$90.00 for citizen members.

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

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

Absent 1 - Morlan

Enactment No: RES0194-2022

Whereas, pursuant to Article VI, Section 3 of the *City Council Policy for Salaries of Department Directors and Mayor, and Per Diem Fees for City Boards and Commissions* and authorized by resolution number 2017-0279, the Human Resources Technical Review Committee met to discuss recommendations concerning the per diem compensation for members of boards and commissions in Fiscal Year 2023;

Resolved, that the Rochester Hills City Council hereby concurs with the recommendation of the Human Resources Technical Review Committee to maintain the current per diem compensation of one hundred dollars (\$100) for chairpersons and ninety dollars (\$90) for citizen members of boards and commissions per meeting attended in Fiscal Year 2023 for the following boards and commissions:

Construction/Fire Prevention Code Board of Appeals
Planning Commission
Zoning Board of Appeals/Sign Board of Appeals
Historic District Commission

Further Resolved, that the 2023 per diem for Assessment Board of Review will also remain unchanged at \$100.

2022-0324 Salary Recommendation for City Council - 2023

Attachments: [072522 Agenda Summary.pdf](#)
[2023 Council Pay.pdf](#)
[Resolution \(Draft\).pdf](#)

Chelsea Ditz, Human Resources Director, shared that the HRTRC recommended that City Council pay for 2023 be adjusted to \$70 per meeting after ten meetings and the base pay be adjusted by the annual unified salary schedule.

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

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

Absent 1 - Morlan

Enactment No: RES0195-2022

Whereas, pursuant to Article III, Section 5 of the *City Council Policy for Salaries of Department Directors and Mayor, and Per Diem Fees for City Boards and Commissions* and authorized by resolution number 2017-0279, the Human Resources Technical Review Committee met to discuss recommendations concerning the compensation for members of City Council in fiscal year 2023;

Resolved, that the Rochester Hills City Council hereby concurs with the recommendation of the Human Resources Technical Review Committee to adjust meeting pay for City Council in 2023 at \$70 after 10 meetings.

Further Resolved, that City Council concurs with the committee's recommendation to increase the base pay by 2.75% consistent with the unified salary schedule, for Council President at \$8,580.12 per year and base pay for Council Members at \$6,758.31 per year.

2022-0325 Salary Recommendation for Directors' General Adjustment - 2023

Attachments: [072522 Agenda Summary.pdf](#)
[2023 Director Base Salary.pdf](#)
[Resolution \(Draft\).pdf](#)

Chelsea Ditz, Human Resources Director, explained that this request follows the unified salary schedule and that the HRTRC recommended 2.75 percent general adjustment for the 2023 Director Positions.

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

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

Absent 1 - Morlan

Enactment No: RES0196-2022

Whereas, pursuant to Article II, Section 5 of the *City Council Policy for Salaries of Department Directors and Mayor, and Per Diem Fees for City Boards and Commissions* and authorized by resolution number 2017-0279, the HR Technical Review Committee has met to discuss recommendations concerning the general base pay adjustments for department directors in 2023; and

Whereas, the unified salary schedule that was implemented for City employee groups in 2017, includes Department Directors; and

Whereas, a 2.75% base salary general adjustment in 2023 will keep the salaries consistent the City's pay philosophy for City employee groups included in the salary schedule;

Resolved, that 2.75% in the amount of \$35,084 shall be added to the 2023 base salary budget for department directors, bringing the total 2023 base salary budget for department directors to \$1,310,863.

2022-0326 Salary Recommendation for Directors' Equity Adjustment - 2023

Attachments: [072522 Agenda Summary.pdf](#)
[Resolution \(Draft\).pdf](#)

Chelsea Ditz, Human Resources Director, stated that the HRTRC met and saw no reason to make equity adjustments for Directors at this time.

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

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

Absent 1 - Morlan

Enactment No: RES0197-2022

Whereas, pursuant to Article III, Section 5 of the *City Council Policy for Salaries of Department Directors and Mayor, and Per Diem Fees for City Boards and Commissions* and authorized by resolution number 2017-0279, the Human Resources Technical Review Committee met to discuss recommendations concerning individual salary equity adjustments for department directors in fiscal year 2022; and

Whereas, a market survey of comparable communities was conducted in 2017 as part of a comprehensive compensation study, which included department director positions; and

Whereas, the consultant's recommendations included a review and update of the salary schedule every five years;

Whereas, a review and update of the salary schedule is scheduled to complete by the end of 2022 and it is recommended that a further review of equity increases be evaluated based upon the outcome of the salary schedule update;

Resolved, that the Rochester Hills City Council hereby concurs with the recommendation to withhold authorizing a 2023 budget for equity increase for department directors, pending possible further review after the compensation study review and update.

2022-0327 Salary Recommendation for Mayor - 2023

Attachments: [072522 Agenda Summary.pdf](#)
[2023 Mayor Base Salary.pdf](#)
[Resolution \(Draft\).pdf](#)

Chelsea Ditz, Human Resources Director, shared that the HRTRC is recommending the 2.75 percent general adjustment for the Mayor's 2023 salary.

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, Bowyer, Deel, Hetrick, Mungioli and Walker

Absent 1 - Morlan

Enactment No: RES0198-2022

Whereas, pursuant to Article IV, Section 3 of the *City Council Policy for Salaries of*

Department Directors and Mayor, and Per Diem Fees for City Boards and Commissions and authorized by resolution number 2017-0279, the HR Technical Review Committee has met to discuss recommendations concerning the Mayor's salary for 2023; and

Whereas, the positions of Mayor and department directors are included in a unified salary schedule authorized by City Council in 2017; and

Whereas, a 2.75% base salary general adjustment to the salary schedule for 2023 is consistent with the recommendation for directors;

Resolved, that 2.5% in the amount of \$4,307 shall be added to the 2023 salary budget for the position of Mayor, bringing the Mayor's annual base salary to \$160,920.

ANY OTHER BUSINESS

NEXT MEETING DATE - City Council Regular Meeting - August 15, 2022 - 7:00 p.m.

ADJOURNMENT

There being no further business before Council, it was moved by Blair and seconded by Mungoli to adjourn the meeting at 11:27 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*

Approved as presented at the (insert date, or dates) Regular City Council Meeting.