

**MINUTES
ST. CLAIR SHORES CITY COUNCIL WORKSHOP MEETING
FEBRUARY 27, 2023**

City Council Workshop Meeting was held in the Council Chambers, located at 27600 Jefferson Avenue., St. Clair Shores, Michigan.

Present: Mayor Kip C. Walby, Council Members Peter Accica, John Caron, Ron Frederick, David Rubello, Candice Rusie, and Chris Vitale

Also Present: City Manager Dustin Lent, Assistant City Manager Michael Greene, City Clerk Abrial Barrett, Directors Denise Pike, Laura Stowell, Henry Bowman, Bryan Babcock, City Planner Liz Koto, Deputy Director of Parks & Recreation Rob Spinazzola, Fire Chief James Piper, Kenny Blankenship, Jason Harms, Brandon Abel, and City Attorney Robert Ihrle

1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE

Mayor Walby called the meeting to order at 6:01 p.m. Ms. Barrett, City Clerk, called the roll, and a quorum was present.

2. AUDIENCE PARTICIPATION ON AGENDA ITEMS (2 MINUTE TIME LIMIT) – None

3. CDBG PROGRAM

a. Housing Rehab Program

Ms. Koto said we have had the housing rehabilitation program for over 30 years. The problem is when people, typically seniors, do not want to put a lien against their house and burden a family member when the house is sold. We also have a large number of people that do not want to get repairs done because there is a requirement for lead based paint remediation. Due to the cost and HUD's specifications, people do not want the additional cost above and beyond what their repairs would have been for.

Ms. Koto said they are looking to make changes to the program so that the person would be responsible for the repairs to the home and the city would pay for the lead paint remediation. An option is an emergency repair grant of up to \$5,000 for true life and safety issues. Any other type of repair that is not an emergency will be a loan that is forgivable after ten years. The forgiveness will begin at year six at 20% per year. There would still be a lien on the house and if you sell within the ten years it would be repaid out of the proceeds from the sale.

Ms. Koto said that the program income will not come in all at once because we are forgiving these liens over time, but there will be people who will sell within that ten-year period. We have over \$1,000,000 in loans sitting out there on homes that people have been staying in this whole time.

Mayor Walby asked if that money that is sitting there is going to help fund the Senior Center parking lot and ADA Projects if we were to move forward.

Ms. Koto said yes, as of now we have about \$500,000 available in our bank.

Mr. Vitale asked if we will cover emergency tree removals.

Mr. Blankenship said no, we would have to do a repair on the primary structure of the house and then we could include the tree as a package.

Mr. Vitale asked if the lead remediation is a requirement of the CDBG funds.

Mr. Blankenship said yes, if we are touching paint, we have to fix the lead paint hazards and work within the regulations.

Mr. Vitale asked if the \$5,000 is a HUD guideline.

Ms. Koto said no, the \$5,000 is what we offer and we would allow for a 20% contingency up to \$7,500. We can change this number if we need to.

Mr. Caron said we could define this by what type of emergency repairs there are and what the running rate is.

Item #3a Continued

Ms. Rusie asked if someone does not think they will be in their home until the loan is forgiven, do you think this will still entice people to do this program if they do not want a lien on the home.

Ms. Koto said this can be changed, it is not a HUD guideline. This was a policy change on our end.

Ms. Rusie said if we decide to approve this and issues are discovered after, then we can change the process.

Mr. Lent said if people use this program to fix the issues, they will get the value of the home if they choose to sell. The idea of the program is that we want to keep people in their homes and benefit from the repairs. He said we still have loans from twenty years ago out there and any work we did at that time is already depreciating.

Ms. Rusie said she would like to see a defined list of the essential deficiencies for emergency and non-emergency repairs. She said having these details would be helpful when talking with residents to explain the program.

Mr. Accica asked as an example, if a senior goes into the program and passes away in the third year, would the family be responsible for the loan.

Ms. Koto said if the family who inherits the home qualifies for the program, the lien stays on the property. They will not need to pay it back, but if their income level is higher than the HUD guidelines, it would need to be paid back.

Mr. Frederick asked if the sidewalk program is part of the program.

Ms. Koto indicated they tried this before as a grant, but you have to bid out the entire sidewalk program for HUD guidelines in order for this to qualify as an eligible expense.

Mr. Caron asked if those guidelines can be included in the individual bid for the property. Then we can include this with other repairs that need to be done on the primary structure.

Ms. Koto said yes, as long as there were repairs needed on the primary structure. We would have to subcontract this through HUD's bidding process.

Mr. Lent said we are determining what is an emergency or non-emergency with the \$5,000 grant. The grant is our process to help people that need repairs but still stay within the HUD guidelines of the primary structure.

Ms. Rusie asked if there is a maximum for the forgivable loan.

Mr. Blankenship said ideally \$25,000 or less.

Ms. Rusie said since this will be a forgivable loan, she does not want to see people taking advantage of the program.

Ms. Koto said there have been situations where the repairs cost almost as much as the house is worth and we may not be able to fix everything at once or at all.

Mr. Rubello asked if a homeowner can apply more than once.

Ms. Koto said yes, we have liens where the work was done ten years ago and now, they need additional repairs. Or the original work that was done needs to be replaced again.

Mayor Walby said Council had a lot of positive feedback.

Mr. Caron asked when will the policy be fully developed and when will we start advertising.

Ms. Koto said we will move forward and this will be part of the budget meeting for approval under the block grant for the next fiscal year.

b. Senior Center Parking Lot / ADA Projects Ice Arena

Mr. Lent said as mentioned we have \$500,000 in income. We also did not assign a street project through the CDBG program and we have about \$700,000 allocated we can utilize. We will get a finding from HUD if we hold onto too much money. He showed preliminary designs of what the Senior Center could look like and noted the parking needs to be

Item #3b Continued

separate from the Civic Center due to HUD. He mentioned we need to have a bus drop off location by the front door and he discussed the other proposed changes. We need ADA accessibility in at least one of the bathrooms at the ice arena.

Ms. Koto said we have to make sure that the parking lot only serves the Senior Center. We need to provide a covered drop off area and the new drop off configuration would allow buses to swing in easier. She will confirm if a coach bus can make this turn.

Mr. Caron said it is disappointing that we need the parking separate due to the rules. He said logistically buses will have to pull around now and we will need to look at how snow will be removed. He thinks using the CDBG money is a good idea but we need to make sure the design will work properly. He asked if we will create other fields when we do the parking lot.

Mr. Lent said the yellow area on the design will turn into green space for the fields.

Mayor Walby asked if we would still need the back west parking lot.

Mr. Spinazzola said the main lot should be enough. We could turn the west lot into green space if we needed to.

Mr. Frederick asked if we can put the soccer parking in the yellow space.

Ms. Koto said that the future plans for the green and yellow spaces can be talked about at a later date. This contract would only be putting this back to a simple green landscaped area for now.

Mr. Frederick asked about handicap parking. He also asked about having walkways from the parking lots to the fields and to the centers. He noted installing charging stations for the future.

Ms. Koto said it is required by federal law on average that one parking space has to be a handicapped spot for twenty-five spaces. We will probably do more at the Senior Center.

Ms. Rusie said she is ok moving the soccer field because residents may be upset if we took this away and turned it into a parking lot. She is interested in seeing more refined designs and being a part of the process.

Mr. Vitale said he would like to see what the peak time is for parking and the number of users. He would be in favor of a smaller parking lot. He suggested a lollipop cul-de-sac turn around for the front of the Senior Center. He prefers to use a permanent structure for durability instead of fabric for the canopy.

Mr. Spinazzola said we discussed doing a survey during busy times to see how many people are using the parking lot.

Mr. Rubello agrees that the parking lot needs to be fixed and there is a need for a canopy. He asked about a walking path around the fields.

Mayor Walby asked if we are able to do this work plus the bathrooms.

Ms. Koto said we could try to pay for it all in one program year which will eat up most of the grant. Or we could split it up over a couple of years.

Mayor Walby asked how much the street was budgeted for since we did not do it last year.

Ms. Koto said we are anticipating on getting \$250,000 that we would be budgeting towards this project. We have about \$400,000 in the program plus \$250,000 to \$300,000 from the entitlement funding.

Mr. Lent said we have about \$700,000 total for this program. He said we have a street project due this year and have money in our street fund. We could take that allocation and use the money so we have enough to do everything at one time. We would have to take the street money out of a different fund.

Mr. Vitale said he does not like taking the money from another fund for the street.

Mr. Caron said the amount of money we have in the CDBG fund does not buy us that much of a road anymore. He said maybe for the next couple of years we could reprogram some of the money for needed improvements.

Mayor Walby said Council had good ideas and direction for this project.

4. CODE ENFORCEMENT SUPERVISOR POSITION

Mr. Lent said we needed a CBDG coordinator and we were not getting many qualified applications. They had negotiated the position from AFSCME and moved it to the PEA union as a supervisor position. There was a letter of understanding and it was also in the contract but it was not specifically spelled out. Mr. Blankenship applied and received the job so it left the Code Enforcement Supervisor position vacant. We had one internal candidate apply but she decided to keep her current position. After looking at the budget we realized this was not in there and Mr. Caron pointed out in an email that we only budgeted for one of these positions. Mr. Lent said we need this position filled quickly as Ms. Pike has been handling the work and we are going into spring which is a really busy time. He is asking if it is ok to do a budget adjustment.

Ms. Rusie said she looked back at the contracts and agenda items from June 2022. She said when we usually get a contract for the unions, we get a red lined copy indicating what was changed from the previous contract. The Code Enforcement position was listed under 2.2 article 2 recognition but was crossed off and moved up to 2.1. She thinks the red line was from a previous contract so they thought it just moved up. It was also in appendix A listed as a new position.

Mr. Caron said he has no problem doing a budget amendment to get the Code Enforcement Supervisor position filled. He asked if going forward that we need to know of any personnel changes before the budget is completed. He also asked if there is a need or an idea for a new position or changes that it is talked about first before it shows up in a document.

Mayor Walby and Council agree with Mr. Caron.

5. POOL UPDATE

a. Updated Pump House Budget

Mr. Lent discussed the pumphouse breakdown. He said the reason the water and sewer budgets are listed separately is due to EGLE had required our pump station that was directly connected to the lake to actually connect to our sanitary line. We were in the process of doing that when the pump station went out. Since we were going to be renovating, we did not want to spend the money so EGLE extended our permit.

Mr. Harms said they ran the line to the sanitary sewer which is up towards the marina and the line comes down to the grass field by the double gate. They realized after that they were going to need extensive work at the pump house and stopped the work. We did not want them to take up the concrete only to reverse it if we were going to proceed with this project.

Mr. Lent discussed the Phase 2 estimated totals. He noted in concept 2 of the rendering they were trying to make it look like the Blossom Heath boat house. This will include front entrance fencing, not the fencing around the pool. He said this building is 1496 square feet and the required amount by state code is 1330 square feet. We can store the chemicals in the extra square footage.

Mr. Vitale asked why is there a flat membrane roof that will eventually need to be replaced. He also said if we use a pitched roof then we will not need to worry about drains.

Mr. Harms said this is typical for this type of project. He said we do not need to use a membrane roof, and he has seen people using aluminum roofs. He thinks this is possible.

Ms. Rusie said she does not think the design for the pump house needs to look like Blossom Heath. She said we could save costs by making it look more functional than decorative.

Mr. Frederick agrees with Mr. Vitale. He also thinks we need a non-corrosive pool storage area.

Mayor Walby said we have some direction. He asked how everything is going at the pool.

Mr. Harms said it is going well and the nice weather has helped to move things along. The footings were installed and the surface of the bottom of the pool has been removed. As of now, we are on schedule to be completed on time. He mentioned instead of having two circulation pumps, we are doing what we do now by keeping a spare motor and pump on hand due to cost.

Mr. Lent noted that all of the permits must go through the state and the pool facilities have to be up to code as well.

6. ICE ARENA REPAIRS

Item #6 Continued

a. Compressor

Mr. Lent said there was a leak in one of the major drains and in the heat exchanger. He said the pipe was fixed and the heat exchanger was ordered last week but has a 16-week lead time. The exchanger is currently working but is leaking R-22. The R-22 is contained in this area and EPA is aware. The issue is that we are still using R-22 refrigerant which is now a banned substance by the EPA. The only way to use R-22 is to have it recycled which costs about \$7,000 per bottle and in order to buy R-22 you have to have a license. We are looking to switch the process over to an ammonia system. He said everything that has been done including the new exchanger will work with the ammonia system. The only part we need to see is if it will be compatible with the coolant tower.

Mr. Vitale asked if anyone has an R-22 license. He asked if we can sell the R-22 and put that money toward the new system.

Mr. Abel said no one has a license anymore. He said when we do the conversion, we can sell the R-22 back. Since we are almost done with R-22 it is not worth getting a license.

Mr. Vitale asked who would buy the R-22 from us.

Mr. Abel said whoever does the project would facilitate the buyback and we will get some money back.

Mr. Accica asked what would happen if the ammonia leaked.

Mr. Abel said there is a monitoring system that will shut it down if it leaks. They do not make the equipment anymore to monitor or shutdown the R-22.

b. Sewer Drain

Mr. Lent said the sewer drain runs underneath the concession stand area. The sewer drain has collapsed and the concession stand provider has to use a shop vac for the backed-up water. The restrooms that are attached to the workout facility have been shut down. This has been an issue since 2018 and there has been some work done. They were hoping to fix this when the new parking lot was completed but that was put on hold. He said Mr. Liebert is working to get price quotes so we have an idea of the cost.

Mr. Caron said he reached out to Mr. Liebert to see if Fishbeck can do this type of work.

Ms. Pike said Mr. Liebert is checking with Fishbeck.

Mr. Frederick asked if we sent a camera down the pipes.

Mr. Abel said yes. They had to open it up more which gave them a better look. They are trying to find the least destructive way to run the line.

7. PARKS & RECREATION DNR GRANTS

Mr. Lent said this year with the land and water fund all of the grants require a 50% match. We currently received a grant to replace all of the lights at Kyte Monroe and with the 50% match, it is about \$300,000. We applied for this grant a while ago so the money was not put into the budget. We can apply for a DNR recreation passport grant to go towards the refrigeration of the Wells arena. The grant is for a maximum of \$150,000 with a 25% match.

Mr. Caron asked if we can move forward with the project and start expensing some items.

Ms. Koto said no, we have to wait. She said you can do all of the repairs but we have to hold off on the conversion. If we move forward, we could possibly get started in January 2024 but it probably would not be installed until 2025.

Mr. Caron said he does not think our current R-22 system will hold up.

Mr. Lent said we could start the engineering work and the preliminary designs.

Ms. Koto said we cannot purchase, order, advertise to bid the project, or hire contractors. When we know that we are awarded the grant we can prepare the draft resolution, boundary map, and start the engineering plans.

Item #7 Continued

Mr. Caron said he is concerned about the timing and the fact that we may not even receive the grant.

Mr. Vitale said since this is not in the budget and we are not changing the system now, he thinks we should apply for the grant.

Mr. Lent said they are trying to get an idea of the cost. He mentioned the pool bath house will need to be brought up to code soon.

Mayor Walby does not think the timing will work.

Ms. Rusie said she is concerned with the timing. If this system stops working it will shut down the arena or may cause additional damage. She said maybe we can use this grant for something else at the arena like making it ADA accessible or update the bathrooms.

Mr. Caron agrees with Ms. Rusie. He said if the west entrance starts to get used it will need accessible doors and will need to be ADA compliant.

Ms. Koto said with the universal design part of this grant we could use this towards the entrance and the bathrooms to make it ADA accessible and easy for everyone to use.

Mr. Lent noted that the bleachers in the Garden arena also need to be updated and ADA compliant.

Mayor Walby agrees that the bathrooms need to be updated.

Mr. Lent said there is a public hearing at the March 6, 2023, Council meeting for the grant, so we will put it towards the bathrooms.

8. COVID AGREEMENTS (CRANKS)

Mr. Lent said there is approximately a \$50,000 deficit from Cranks. At the time Council created an amendment to their 2020 payment due to Covid. Cranks never signed the agreement as they thought it was waived. They are looking for rent forgiveness for 2020. He said they have been up to date since 2020.

Mr. Rubello said he is ok forgiving the 2020 money.

Mr. Vitale and Mr. Accica agree with Mr. Rubello.

Mr. Lent said if Council agrees he will put this on the March 20, 2023, Council meeting under the consent agenda.

Mr. Caron said when Cranks took on the contract, his intention was to be a full year restaurant. He is limiting himself by not going back to a full-service restaurant.

Mr. Spinazzola said he seems to be happy with the golf side of the business. They were advertising and trying to get people in but it was not working.

Ms. Rusie said other similar types of businesses took initiative to get through Covid. She will review the information further before making a decision.

Mr. Frederick said there are still a lot of places that are having personnel issues.

Mr. Rubello asked how many more years Cranks has on their contract.

Mr. Spinazzola said he thinks it is about six years.

9. JEFFERSON PROPERTY LOI

Mr. Lent said we have been in contact with Chris Monsour who is the buyer's agent. We did receive a letter of intent to purchase.

Item #9 Continued

Mr. Ihrie said the original letter of intent needed some work and after talking with Mr. Monsour the letter has improved. At this time, he is not detailing the name of the purchaser or the price. The amount the City was looking for has been agreed upon. The earnest money that was originally offered has been substantially increased. It will remain non-refundable unless the City turns down its development plan. The letter still needs some minor tweaks but he recommends that we bring something in final form to Council for approval.

10. ADVERTISEMENT OF AGENDA

Mr. Lent said we are currently advertising in the Macomb Daily. He said approximately only 8% of our residents are receiving this paper. The estimated cost we spend per year is about \$12,000 - \$14,000. He said most of the surrounding communities do not publish their agenda in the local newspapers. He is recommending using the C & G newspaper which goes out to all of our residents. We can list our meeting's time, dates, and where to locate the agenda packet on our website. The newspapers charge per word so this will be a yearly cost savings.

Ms. Rusie said since we do not publish the meetings at all in the Sentinel, we are not losing anything by not publishing the whole agenda, but now it will go to all of our residents. She asked if we still need to use the Macomb Daily for legally required notices since the Sentinel is not published enough.

Mr. Lent said we could post notices in the Sentinel but it is harder to get the information quickly enough to give proper notice.

Mr. Vitale said we could take out items like the City Managers report and just list the major topics. This will cut the agenda down but still get the information out to residents.

Mayor Walby said in order to make the deadline we hope the items on the agenda are good but at times we have to add or delete items.

Mr. Lent said he thinks more people are using social media so we want to publicize it on our website and the paper so residents know where to go for the agenda information.

Mr. Caron asked if IT can create a shorter link to find the agenda on our website.

Ms. Rusie agrees with Mr. Caron on the link and possibly create a QR code.

11. AUDIENCE PARTICIPATION - None

12. ADJOURNMENT

Moved by Council Member Frederick, supported by Council Member Caron to adjourn at 8:42 p.m.

Ayes: All-7

KIP C. WALBY, MAYOR

ABRIAL J. BARRETT, CITY CLERK

(THE PRECEDING MINUTES ARE A SYNOPSIS OF A CITY COUNCIL MEETING AND DO NOT REPRESENT A VERBATIM RECORD).