

**PROCEEDINGS
OF
CITY COUNCIL
OF THE
CITY OF LOWELL**

For the Regular Meeting of Monday, **APRIL 2, 2007**.

The Meeting was called to order at 7:30 p.m. by Mayor Myers and City Clerk Betty Morlock called Roll.

Present: Councilmembers Hodges, Pfaller, Shores, Mayor Pro Tem Mathews and Mayor Myers

Absent: None.

Also Present: City Manager David Pasquale, City Clerk Betty Morlock, DPW Director Dan DesJarden, City Treasurer Suzanne Olin and Police Sergeant James Hinton.

IT WAS MOVED BY PFALLER and seconded by HODGES to approve the minutes of the March 19, 2007 regular meeting as corrected.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

IT WAS MOVED BY SHORES and seconded by PFALLER that the bills and accounts payable be allowed and the warrants issued.

YEA: Councilmembers Hodges, Pfaller, Shores, Mayor Pro Tem Mathews and Mayor Myers.

NAY: None. ABSENT: 0. MOTION CARRIED.

Mayor Myers questioned the amount paid to Wittenbach Grand GMC in the amount of \$676.52. He also referred to the Look Fund regarding the amount of \$5,000 to the Lowell Area Historical Museum. Myers noted it appears the floor project at the Water Treatment Plant has begun. City Treasurer Suzanne Olin explained the amount paid to Wittenbach involved repairs to a police vehicle. Police Sergeant James Hinton mentioned the transmission needed repair. This was above and beyond the knowledge of the City Mechanic.

<u>BILLS AND ACCOUNTS PAYABLE (04/02/07)</u>	
GENERAL FUND	\$99,422.01
MAJOR STREET FUND	8,325.99
LOCAL STREET FUND	196.50
DDA FUND	1,360.40
AIRPORT FUND	72.84
WASTEWATER FUND	35,571.66
WATER FUND	17,794.86
DATA PROCESSING FUND	151.68
EQUIPMENT FUND	6,320.34
CURRENT TAX FUND	18,412.37
LOOK FUND	5000.00

Item #1. **APPLICATION FOR CHARITABLE GAMING LICENSE – LOWELL AREA SCHOOLS EDUCATION FOUNDATION.** On behalf of the Education Foundation, Marsha Wilcox explained their desire to raffle off a quilt as a fundraiser for the Alumni Committee. Mayor Myers inquired what the proceeds would be used for. Wilcox responded the proceeds would be used to fund grants to teachers and students within the Lowell Area Schools.

IT WAS MOVED BY PFALLER and seconded by SHORES to support the application for Charitable Gaming License – Lowell Area Schools Education Foundation.

YEA: Councilmember Hodges, Pfaller, Shores, Mayor Pro Tem Mathews and Mayor

Myers. NAY: None. ABSENT: None. MOTION CARRIED.

Item #2. **APPLICATION FOR TEMPORARY AUTHORIZATION TO THE LIQUOR CONTROL COMMISSION – FLAT RIVER GRILL SUMMER CONCERT SERIES.** Stacy Fishtorm of Flat River Grill requested a temporary liquor license to serve alcoholic beverages during the upcoming Thursday Summer Concert Series. She assured the Council proper identification would be requested from patrons as well as individuals not exiting the boat with an alcoholic beverage.

IT WAS MOVED BY HODGES and seconded by MATHEWS to approve the application for Flat River Grill to have a temporary liquor license during the 2007 Summer Concert Series.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

Item #3. **ORDINANCE REGARDING NON-CONFORMING LOTS – PUBLIC HEARING AND CONSIDERATION OF ADOPTION.** The ordinance has been studied by the Planning Commission over the past few months and addresses issues where there are residential lots which do not meet the present standard for setbacks. The ordinance does allow for lots of record which meet 80% of required lot area, width and side yard setbacks of that district in order to construct any building. Further, if two or more lots are combined along and street frontage under single ownership which do not meet lot width, area or setback requirements, no split is allowed, which diminishes compliance.

At its February 26, 2007 meeting the Planning Commission held a public hearing and unanimously recommended the ordinance as proposed.

After conducting a public hearing, the Council received no comments regarding the ordinance.

Councilmember Shores stated there was much discussion during the Planning Commission meeting. She agreed with the recommendation.

IT WAS MOVED BY SHORES and seconded by PFALLER to adopt the ordinance regarding non-conforming lots.

YEA: Councilmembers Hodges, Pfaller, Shores, Mayor Pro Tem Mathews and Mayor Myers.

NAY: None. ABSENT: None. MOTION CARRIED.

Item #4. **ORDINANCE TO REQUIRE COMPLETION OF EXTERIOR FEATURES OF STRUCTURE – RECOMMENDATION FROM THE PLANNING COMMISSION – ADOPT OR SET PUBLIC HEARING**. The proposed ordinance requires completion of exterior features of structures within 12 months of building permit issuance for residential buildings and 18 months for commercial and industrial. Extensions may be granted by the Building Inspector.

IT WAS MOVED BY SHORES and seconded by HODGES to establish a public hearing for May 7, 2007 regarding an ordinance to require completion of exterior features of structure.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

Item #5. **REZONING – 211-225 AND 303 S. WASHINGTON – FROM R-3 (MULTIPLE FAMILY RESIDENTIAL) TO LI (LIGHT INDUSTRIAL) – RECOMMENDATION FROM THE PLANNING COMMISSION - ADOPT OR HOLD PUBLIC HEARING**. Greg Canfield of 403 N. Washington has proposed to rezone his property on South Washington to Light Industrial so a commercial warehouse/garage can be constructed. Approximately 10 years ago, the property was rezoned from Industrial to R3 Residential at the request of Mike Hinckley, who was purchasing the property on a land contract in order to build apartments. He defaulted on the land contract, at which time Canfield purchased the property.

Canfield did not believe R3 zoning was appropriate based on the surroundings. He wishes to erect a building to store the company's vehicles. One possibility involves moving the old Lowell Light and Power storage building and placing it on the lot. This would also allow the area to be cleaned up. Canfield noted once it is rezoned, he would provide a site plan review to the Planning Commission.

Canfield stated all adjoining property owners have been contacted and support from all was received.

Councilmember Pfaller was curious as to why Canfield chose Light Industrial. Canfield responded the property was previously zoned Industrial. The property across the street is also zoned Industrial. There is property zoned R3 Residential behind to the north as well as to the east. Because of the surrounding R3 Residential zoning, the Planning Commission believed Light Industrial would provide a buffer between the industrial and residential properties. Pfaller stated he was not opposed to the rezoning. However, he questioned if a special use permit should be considered as opposed to rezoning. Rezoning stays with the property. He commented on what

Light Industrial allows. Canfield explained the residential area actually appears as if it were industrial type properties. He noted at one point there was a rail spur on the property.

City Manager Pasquale stated the rezoning issue was advertised. The Planning Commission received no comments and unanimously recommended the rezoning to Light Industrial.

IT WAS MOVED BY PFALLER and seconded by HODGES to set a public hearing for May 7, 2007 regarding the rezoning of 211 – 225 and 303 S. Washington from R-3 (Multiple Family Residential) to LI (Light Industrial).

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

Item #6. **ESTABLISH CITY COUNCIL – LIGHT AND POWER BOARD WORKSESSION DATES.** At its joint session held on March 20, 2007, the City Council and Light and Power Board decided to hold quarterly worksession meetings. The following proposed are: June 14, September 13 and December 13, 2007.

Councilmember Shores believed it was important to meet periodically with one another.

IT WAS MOVED BY SHORES and seconded by PFALLER to approve the worksession dates as presented.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

Item #7. **CONSIDERATION OF RESOLUTION SUPPORTING LOWELL AREA COMMUNITY FUND GRANT FOR A COMMUNITY WIDE PARKS AND RECREATION MASTER PLAN AND SELECTION OF COMMITTEE REPRESENTATIVES.** On Thursday, March 29, representatives from the City, Lowell and Vergennes townships, YMCA, Lowell Area Schools, Chamber of Commerce, Lowell Area Recreation Authority and Lowell Area Community Fund met to further discuss the Wege land donation enhancing community wide recreation needs.

As discussed during the first meeting, it was generally agreed upon the first item which needs to be discussed involves pursuing a community wide Parks and Recreation Master Plan. School Superintendent Greg Pratt provided initial investigations and found such a document to cost approximately \$35,000 to produce. It was recommended an application be submitted to the Lowell Area Community Fund for this cost.

A resolution of support has been provided which could be adopted by the City Council. By consensus, it was determined there would be two individuals from each entity appointed to serve on the committee and provide continuity.

By general consensus, it was decided to table appointing representatives to the committee at this time.

IT WAS MOVED BY PFALLER and seconded by MATHEWS to adopt the resolution to support the citizen committee to request the \$35,000 from the Lowell Area Community Fund for the community wide Parks and Recreation Master Plan study.

Councilmember Shores asked if all the entities mentioned are willing to work on and for the project. Pfaller stated there are too many unanswered questions. The easy part is to obtain the Capital Funds because of the great asset in the Community Fund and many generous business owners. The issue is developing a facility and maintaining it down the road.

YEA: Councilmembers Hodges, Pfaller, Shores, Mayor Pro Tem Mathews and Mayor

Myers. NAY: None. ABSENT: None. MOTION CARRIED.

Item #8. **REVIEW OF THE PRELIMINARY 2007 – 2008 GENERAL FUND BUDGET.** City Manager Pasquale provided an over view of the General Fund. Any input provided by Council will be extremely important over the next two month period of time. A completed draft for initial review will be provided in May and adoption in June.

Currently, the revenues from property taxes increased approximately 2.8 percent. Thus, the City continues to show some improvement in property tax revenues. Real and personal estate property taxes will amount to \$1,481,403.30 for the new fiscal year growing 3.2%. A mill is valued at \$93,582 in comparison to \$91,057 from last year. Again, this is an improvement. The Downtown Development Authority continues its strong growth. The total value is \$110,243,408 with \$16,661,393 being captured by the DDA.

At this point, a \$21,063.39 fund balance is shown based on the following:

- Operating millage at 15.83 with the added 0.25 mills for the Lowell Area Historical Museum
- Providing a 1% salary increase for City employees with no planned merit increases
- Assumes further cuts in State Revenue Sharing currently at \$397,855 (projected for 2007 – 2008)
- Request allocations from the Downtown Development Authority (\$128,147), Look Memorial Fund (\$15,000) and the Lee Fund for parks maintenance (\$5,000).

The budget is not a finished product. These are issues to consider:

- Revenue Sharing with the State is still up in the air. Over ten years ago, the City collected over \$505,000 in revenue sharing. Of the \$397,855 projected, a total of \$275,027 is constitutionally protected. The remaining \$122,828 is under statutory discretion.
- Bids will be solicited for liability insurance. It is hoped significant savings will come. The General Fund pays \$70,000 in liability insurance premiums.
- As of this date, 258 passport applications have been processed providing the City \$7,740 in revenue this fiscal year.
- New co-pays were added to employees' medical insurance.

- An administrative fee of 1% to property tax bills is being reviewed. This could add nearly \$55,000 in revenue offsetting the cost incurred in assessing property values, collecting tax levies and in the review and appeal process.

The following Kent County cities utilize the fee: Cedar Springs, Grand Rapids, Grandville, Kentwood, Walker and Wyoming. Also, 15 townships have this fee.

The General Fund Revenues for the year 2005 – 2006 was \$2.3 million dollars, while there were 2.291 million dollars for 2006 – 2007. The coming year's prediction is 2.3 million dollars. The General Fund Expenditures for 2004 – 2005 show a total of general fund expenditures of 2.676 million dollars and has decreased to 2.4 million. Currently, there is 2.5 million dollars in expenditures. State Revenue Sharing has decreased and approximately \$414,000 dollars is shown for the 2006 - 2007. This has been a steady progression. Approximately, \$100,000 in Revenue Sharing per year has been lost as well as loss of \$100,000 per year in personnel property tax with the closing of Attwood.

Pasquale noted the City has managed the budget extremely tight the last few years.

Pasquale reviewed the history of the building permits. In 2001 there were 108 building permits while in 2006 there were 54 building permits. It is a much more strained economy.

The taxable value has increased in the City. This also includes the DDA.

Mayor Myers commented on the presentation of the General Fund expenditures and comparing 2006 with 2007. There are more reductions than there are increases on the list. He suggested a third and fourth column be added pertaining the difference and whether it is plus or minus amount and then the percentage of the difference. This would be helpful in a quick assessment.

Pasquale presented a pie chart of the funds showing where the General Fund monies are spent. The largest percentage of expenditures is for Police and the next highest is for General Government.

Myers questioned the category of Treasurer. It appeared the areas where there are increases involve the primarily labor intensive areas including General Office. City Treasurer Suzanne Olin explained change involved employees going on and off the medical insurance. All salaries are allocated amongst different departments.

Pfaller was surprised the fire department, being mainly volunteer, has a larger budget than the Department of Public Works (DPW). Pasquale wanted the Council to remember there are several personnel within the DPW which are assigned to utilities, such as water and sewer.

Pfaller questioned the Lowell Area Historical Museum. There is an expenditure of \$11,000. Olin stated this is for maintaining the building. The City pays the utilities and the maintenance on the building. Olin noted the department gives back \$1,200 for utilities.

Myers questioned the transferred out item. Olin stated \$10,000 was transferred to the Local Street Fund and the amount of \$326,550 is the City Hall bond payment for next year. This is paid out of a separate fund called the City Hall Fund. Pasquale added the fund is also considered the Construction Fund. Myers suggested the fund be labeled something different with regard to bonds or construction.

Mayor Pro Tem Mathews commented on spending \$75,000 a year for trash. Pasquale explained when City residents buy trash bags the entire amount for the trash collection is recovered. However, the City does cover the amount it costs to recycle. Olin noted there is also revenue of approximately \$2,000 a month.

Pfaller questioned which townships are collecting the 1% percent property tax administrative fee. He would not be in favor of this charge. Myers also was not in favor.

Mathews inquired if it has been explained regarding the amount of money the City has to budget each year for the maintenance of parks. In turn the City is only charging \$5 per user. Pfaller responded this has been verbally explained. There will be approximately 2,000 children using the park system which will amount to approximately \$10,000 in revenue for the City.

Item #9. **CITIZEN COMMENTS**. No comments were received.

Item #10. **COUNCIL COMMENTS**. Mayor Pro Tem Mathews was happy to see Balls Ice Cream open.

Councilmember Pfaller referred to the article in the Grand Rapids Press. A municipality to the west of the City of Lowell is dealing with an issue on portable storage containers. He requested the Planning Commission review such a situation and provide an ordinance before it becomes an issue.

Item #11. **MANAGER'S REPORT**. City Manager Pasquale reported on the following:

1. The following boards and commissions meetings minutes were provided:
 - Planning Commission meeting of February 26, 2007
 - Grand Valley Metro Council – Transportation Policy Committee meeting of February 21, 2007
2. In observance of Good Friday, City offices will be closed on April 6, 2007.

Item #12. **APPOINTMENTS**. One vacancy remains on the Airport Board. A City resident is desired.

A letter was received from Dave Austin regarding his resignation from the Lowell Light and Power Board. As a replacement Mayor Myers recommended Greg Canfield be appointed. By general consensus, the Council agreed.

IT WAS MOVED BY PFALLER to adjourn at 8:34 p.m.

DATE:

APPROVED:

Charles R. Myers, Mayor

Betty R. Morlock, Clerk