

City of Albion  
Study Session Minutes  
December 14, 2017

I. CALL TO ORDER

Mayor Brown called the meeting to order at 7:00 p.m.

II. ROLL CALL

PRESENT: Council Members Maurice Barnes (1), Lenn Reid (2), Sonya Brown (3), Marcola Lawler (4), Jeanette Spicer (5) and Andrew French (6) and Mayor Brown.

ABSENT: All members were present.

STAFF PRESENT:

Sheryl Mitchell, City Manager; Cullen Harkness, City Attorney; Jill Domingo, City Clerk; Stacey Levin, Assistant City Manager; John Tracy, Director Planning, Building & Code Enforcement and Scott Kipp, Chief Public Safety.

III. PUBLIC COMMENTS (Persons addressing the City Council shall limit their comments to **agenda items only** and to no more than three (3) minutes. Proper decorum is required).

Comments were received from Nidia Wolf, 409 Irwin Avenue; Mary Slater, 517 E. Michigan Avenue; Eric Worley, 420 Allen Place; Nels Christiansen, 915 S. Superior St; Bob Dunklin, 707 Huntington Blvd and Herman McCall, 1206 Maple St.

IV. ITEMS FOR INDIVIDUAL DISCUSSION

A. Economic Development Public/Private Partnerships

1. ARC/EDC Relationship
2. Advancing Albion Action Plan

Amy Deprez, Albion Economic Development Director stated the Albion Economic Development Corporation Job Fair was held today and they received about 95 or 96 people out of the 105 that was expected.

Amy gave the following presentation on ARC and the Advancing Albion Action Plan:

**ARC-Who are we**

- 501(c)(3) Charitable Organization
- Founded in 2015 to receive and administer funds and property to combat community deterioration.

- Mission Statement – To combat community deterioration in the downtown business district and surrounding areas to improve and revitalize the district into an area that is attractive to businesses, employment and entertainment.
- Promote economic growth, employment and development
- Unites all parties interested in redevelopment
- Advocates and solves problems
- Identifies new construction or expansion opportunities
- Seeks grant and other charitable support for the redevelopment of Downtown and surrounding areas
- Uses all effective means to revitalize and sustain Albion
- <https://www.guidestar.org/profile/81-0880143>

#### **ARC Board of Directors**

- President-Dr. William Dobbins
- Vice-President-Dr. Samuel Shaheen
- Secretary-Jeffrey Ott
- Board Member-Michael McFarlen

#### **Advancing Albion Action Plan**

- Community Plan & Investment Strategy
- Call to Action
- Shared Vision
- Focus
  - Real Estate Development
  - Housing
  - Retail / Commercial
  - Culture
  - Arts
- Defines the Ongoing Transformation of Albion

#### **Why was an Action Plan Required?**

- Identifying a Need
- Downtown Structures:
  - 40% are vacant
  - Majority in dire need of investment
  - Very few residential options
  - Declining & Aging Population
  - Infrastructure & Transportation
  - Reduced property tax income felt throughout the City's infrastructure system
  - Lack of a unified economic plan

Albion must reinvent, diversify, and stabilize its post-industrial economy to meet the changing 21st century economic landscape.

#### **Seizing Opportunities - Creating a Plan**

- Opportunities for Albion:
  - Albion College
  - Walk to Work
  - Historic Downtown
  - Location
  - Market Potential
  - Superior Street Commercial Corridor
  - Albion College / Harrington Neighborhood
  - Michigan Avenue Corridor
  
- Forks Associates – \$387,500 early investment to initial planning and acquisition of blighted properties in the downtown
- Downtown Anchor Projects
  - Kids n Stuff Museum
  - Bohm Theatre
  - Albion Food Hub & Albion Farmer's Market
  - The Ludington Center
  - Courtyard by Marriott – opening February 2018
  - Albion Malleable Brewing Company – opening Spring 2018
  - Peabody Block Project – opening summer 2018
  
- Target Market Analysis (2015)
  - New Housing Developments & Redevelopments
    - 82% - Multi-Family Rental Units (apartments, lofts, condos, townhouses)
    - 18% - Single Detached Houses
  - Over the next 5 years
  - 345 households looking to relocate within the City
  - 415 people from Calhoun and surrounding counties
  - 140 people from across the U.S.
  - Strong market for subsidized, rental, market rate and high-end options

### **Creating Partnerships for Sustainability**

- Albion College
- City of Albion
- Calhoun County & Calhoun County Land Bank
- Albion Economic Development Corporation
- Greater Albion Area Chamber of Commerce
- Downtown Development Authority
- Albion Brownfield Redevelopment Authority
- New Albion Impact Group

### **Advancing Albion Action Plan**

- Increasing density and reaching for critical mass in the downtown district
  - Revitalization of connecting neighborhoods
  - Enhancing the appeal of community gateways
  - Social plan & strategy

- Increasing density and reaching for critical mass in the downtown district
  - Redevelop ARC owned properties in the downtown district
  - Big Albion Plan – up to 22 vacant/blighted downtown storefronts rehabbed to white-box commercial space with upper floor living options (~ 55 units)
  - Albion / FireKeepers development – “Albion Fire Hub”
  - Develop retail strategy for Superior Street
    - Diversify the downtown retail mix
    - Extended hours
    - Mix of community grown entrepreneurs and known retailers
  - Business Contest – ARC Tank (~50%)
    - Funding opportunities and “lease subsidy” through NAIG
  
- Revitalization of connecting neighborhoods
  - Harrington Neighborhood – a porch light community
  - Establish Neighborhood Enterprise Zone (NEZ) to spur development
  - Cultivate residential “infill”
  - Long-term community vision for Stoffer Plaza and Riverfront
  - Encourage development projects that reflect the long-term Architectural Plan for Albion College
  - Pedestrian gateway connecting hotel with college
  - Pocket parks connecting downtown with riverfront/parking
  
- Enhancing the appeal of community gateways
  - Encourage streetscape improvements
    - I-94/Eaton Corridor
    - I-94/Michigan Corridor
- Wayfinding signage
- Partner with community leaders to improve the aesthetics and placement of welcoming signage
  
- Social plan & strategy
  - Create a community that will become an attractive place for business, employment and entertainment by offering financial and technical assistance, eliminating blight and attractive investment capital.
  - Enhance quality of life – providing more attainable housing options, creating jobs and updating public infrastructure
    - Change longstanding perceptions – promote successes
    - Community Marketing Committee – shared brand for Albion
    - Engage faith based and other organizations in redevelopment efforts and creation of a long-term shared vision of the community

### **Big Albion Plan – WHY?**

- Window of opportunity is open!
- Momentum building with existing projects underway
  - Successes
  - Current Construction Projects
  - MDOT Superior Street Project - 2017
- Unique opportunity – common ownership
  - 90% of the vacant buildings owned by 3 entities
- Partners involved and at the table
- Michigan Economic Development Corporation is on board and excited to be a part of the BAP
- Maximize leverage – include other state departments
- Once in a lifetime opportunity – here and now!

### **Big Albion Plan – WHAT?**

- 86,700 square feet redeveloped space
- ~22 buildings
- Project costs: \$13-16 million
- Funding Sources:
  - State of Michigan (MEDC) – community development grant equal to 25% of hard costs of the project
  - Historic Tax Credit (HTC) – 20% of non-grant dollars
  - Owner Equity – 25% of total project costs
  - Community bank(s) – traditional financing
- Other potential sources of funds
  - Tax Increment Financing – reimbursement of brownfield activities
  - Property Assessed Clean Energy (PACE) Program

### **Big Albion Plan – WHEN?**

- Today!
- 2017-2019 Planned
  - Pro-Forma Financial Statements
  - Defining the development district
  - Application(s) process and tax increment financing plans
  - Apply to funding sources
  - AEDC/DDA – recruiting potential retail operations & coaching entrepreneurs
- ARC's owner equity – raise funds needed

### **Questions/Comments from Council were as follows:**

- Appreciates and supports the collaboration being made with all the different entities
- Appreciates the Plan but feels it leaves some parts of the City out. Would like to see something for other areas of the City to be included in the redevelopment process. *This Plan is for the Albion Reinvestment Corporation and is for the Downtown area only. There are several other plans being worked out that do include other areas of the City.*

- What is the benefit to having only three owners? *The benefit of having three owners is having the capital and allows for the project to be completed on a larger scale versus one project at a time and also helps with State funding.*
- If someone is looking to locate or relocate to the downtown area, send them to the EDC and they will be happy to assist.
- What is the difference between ARC and the EDC? *ARC is working on redevelopment for the downtown only while the EDC works in all of Albion, Sheridan Township and Albion Township. Also, working with ARC also helps to fuel community type projects such as a grocery store as it creates unities between the two entities. A traditional EDC focuses on manufacturing only. The redevelopment helps pitch the City to potential manufacturers.*
- Where do residents fit into this new vision and what is the plan for jobs to come to Albion? *We need to tap into the disengaged residents. There are jobs available. We need to work on our unemployment as our rate is too high which isn't attractive to potential businesses. We need to present an opportunity to potential manufactures to make it easier for them.*
- We need to reinvent and diversify Albion.
- What do you see for the demographics of the downtown apartments? *Would like to see an overall mix with fifty-five (55) new apartments based on market rate, affordable and size.*
- How can we make sure the Community needs are part of the Big Albion Plan?
- How can community residents that have financial stability be included in the downtown redevelopment? *We would need to identify those interested and work with them.*
- Some of the properties being redeveloped are held in the Calhoun County Land Bank until the Transform Project is complete. *There are currently four entities that have properties in the Land Bank. They are ARC, CCLB, Bishop Acquisitions and Ace Investments.*
- Is it a conflict to be the Executive Director of both ARC and the AEDC? *ARC pays 50% of the Director's wages and should get 50% of her time, however this has not been the case. Beginning in January, she will dedicate more time to ARC. The community actually benefits from this partnership as it will make it easier to work with and attract manufacturers.*
- *The AEDC is currently working on 30 projects that have nothing to do with ARC.*
- Are there additional properties downtown that are not part of the Big Albion Plan? *Yes there are still some remaining blighted buildings in the downtown that are not a part of the plan.*
- *The AmeriCorps Vista are working on a Neighborhood Planning Council.*

Krista Trout-Edwards stated the following information on the Calhoun County Land Bank:

- The Calhoun County Land Bank supports neighborhood revitalization
- The Calhoun County Land Bank entered into the Land Bank agreements for downtown properties beginning in 2013. These agreements were extended in 2014, 2015 and 2016 with the approval of the Calhoun County

Land Bank and the Albion City Council. Currently there are five properties that have these agreements. Two will be taken off in 2018.

Comments were received from Council Members Barnes, Lawler, Spicer, Brown and French and Mayor Brown.

## B. City Manager Salary Negotiations

City Manager Mitchell stated the following:

- In 2014, she began the "New Albion" which focuses on communication and a unified message which is critical to support Plans and begin the transformation.
- Contract ends on September 1, 2018
- She received an overall 4.5 on her evaluation and her contract allows the Council to increase her salary.
- City Employees had not received an increase in pay in previous four (4) years before she began as City Manager. They have received an increase each year she has been the City Manager.
- City Manager has turned down additional compensation a few times while waiting for the City to attain a stronger financial status.
- She has above the required education and 30 years of governmental experience. She has a wealth of training and experience.
- Although not in her job description she also supports and does work for the ABA, DDA, Planning Commission and other Boards & Commissions.
- She has brought a half a million dollars to the City in grant funding which is a value to what she has brought to the City.
- She has been key in initiating and maintaining collaborations the City currently has.
- Equity should be relative to compensation.
- She respectfully requests the original increase of \$12,000 and is open to negotiations.

Questions/Comments from the Council were as follows:

- Would like to see the Council approve the \$12,000 the City Manager is requesting
- Council recognizes all the great things the City Manager has done
- What were the general increases the City Manager did not receive?
  - 2015-1% increase
  - 2016- 2% increase
  - 2017-2% increase
  - 2018-2% increase
- Hourly employees receive between a 2 and 8 % step increase
- What is the current salary of the City Manager
  - \$96,000 currently
  - \$97,920 in 2018 with the 2% increase

- The bonus received by the City Manager is a separate component of the contract
- Would like to see City Manager receive retro pay for the salary increase.
- Council may be interested in changing City Manager contract to a January start date to coincide with the Budget.
- It also had been discussed to extend the City Manager contract, however that portion of the previous resolution was removed. The negotiations will be for City Manager compensation only.
- Would like to see something in writing that addresses the compensation.
- The following offers were discussed:
  - 7% increase of the 2018 City Manager salary
  - \$9,500 or 9.9% salary increase
  - Raise City Manager salary to a flat \$105,000

The consensus of the Council is to raise the City Manager's salary to a flat amount of \$105,000 starting January 1, 2018.

City Manager accepts the increase to \$105,000 and agrees with a start date of January 1, 2018 with no retro pay.

City Attorney Harkness will do an amendment to the City Manager's current contract to increase salary to \$105,000 starting January 1, 2018. This will be added to the December 18<sup>th</sup>, 2017 Council agenda for approval.

Comments were received from Council Members Barnes, Reid, Brown, Lawler, Spicer and French and Mayor Brown.

V. PUBLIC COMMENTS (Persons addressing the City Council shall limit their comments to no more than three (3) minutes. Proper decorum is required).

Comments were received from Lavada Weeks, 917 Luther Dr; Tom Hunsdorfer, 803 S. Superior St; Mayor Brown; Al Smith, 1209 Adams St; Bob Dunklin, 707 Huntington Blvd; Hazel Lias, 12939 29 Mile Rd; Sandra Florence, 1500 E. Michigan Avenue; Joyce Spicer, 27909 Conduit Rd and Sheila Lyons-Sobaski, 1433 E. Michigan Avenue.

VI. ADJOURNMENT

French moved, Brown supported, CARRIED, to ADJOURN Study Session. (7-0, vv).

Mayor Brown adjourned the Study Session at 9:08 p.m.

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Date

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Jill Domingo  
City Clerk