



CITY OF IONIA
CITY COUNCIL
REGULAR MEETING MINUTES
7:00 PM, April 13, 2021
CITY HALL COUNCIL CHAMBERS

CALL TO ORDER

Mayor Daniel Balice called the regular meeting of City Council to order at 7:00 PM and led with the Pledge of Allegiance.

ROLL CALL

Roll call revealed Councilmembers John Milewski, Jeff Winters, Tim Lee, Richard Starr, Tom Millard, Janice Gustafson and Mayor Balice. Councilmember Troy Waterman was excused. Councilmember Gordon Kelley joined the meeting at 7:19 PM.

PUBLIC COMMENT

None

APPROVAL OF MINUTES

It was moved by Councilmember Winters, seconded by Councilmember Lee to approve the March 2, 2021 regular meeting minutes.

Roll Call Vote: Ayes: Milewski, Winters, Lee, Starr, Millard, Gustafson and Mayor Balice
 Nays: None
 MOTION CARRIED

NEW BUSINESS

Accept – 2021 Library Board Annual Report

Council received the written Annual Report, which is customary consistent with the spirit of the Ionia District Library Agreement.

It was moved by Councilmember Millard, seconded by Councilmember Starr to receive and place on file the 2021 Annual Report of the Ionia District Library.

Roll Call Vote: Ayes: Milewski, Winters, Lee, Starr, Millard, Gustafson and Mayor Balice
 Nays: None
 MOTION CARRIED

Accept- 2020 Housing Commission Annual Report

Katie Bennett, Executive Director of the City's Housing Commission, presented the Annual Report. The Annual Report is required by Section 278.06 of the City Code.

It was moved by Councilmember Milewski, seconded by Councilmember Gustafson to receive and place on file the 2020 Housing Commission Annual Report.

Roll Call Vote: Ayes: Winters, Lee, Starr, Millard, Gustafson, Milewski and Mayor Balice
 Nays: None

MOTION CARRIED

Accept- 2021 Downtown Development Annual Report

Linda Curtis, Director of the Downtown Development Authority, presented to Council the DDA's Annual Report. The Annual Report is required by the DDA's Rules of Procedure.

It was moved by Councilmember Millard, seconded by Councilmember Lee to receive and place on file the 2021 Annual Report of the Downtown Development Authority.

Roll Call Vote: Ayes: Lee, Starr, Millard, Gustafson, Milewski, Winters and Mayor Balice.
 Nays: None
MOTION CARRIED

Schedule Special Meeting to Review Proposed Budget

Per City Manager Precia Garland, as has been past practice, it was requested Council schedule a special meeting for the purpose of reviewing the proposed FY22 City budget. It has been customary to schedule this meeting prior to the regular May meeting. The City Manager proposed that Council again take this approach and meet at 5:30 PM, Tuesday, May 4, 2021 with the regular meeting to follow at 7:00 PM.

It was moved by Councilmember Starr, seconded by Councilmember Milewski to schedule a Special City Council Meeting for 5:30 PM, Tuesday, May 4, 2021 for the purpose of reviewing the proposed FY22 budget.

Roll Call Vote: Ayes: Starr, Millard, Gustafson, Milewski, Winters, Lee and Mayor Balice
 Nays: None
MOTION CARRIED

IFT District # 2021-01 - Schedule Public Hearing

As stated by the City Manager, in order to grant an Industrial Facilities Tax (IFT) Exemption Certificate, it is first necessary to create an IFT district. While IFT districts were created previously to encompass a few parcels now developed within the Orchard View Industrial Park, a district has never been established that encompasses the entire industrial park (Lots 1-13). Given interest currently being expressed in the possible acquisition and development of industrial park land, it makes sense for the

city to consider establishing such a district. Once the district is in place, an eligible manufacturer may apply for an IFT exemption certificate within six months of commencing project activities. An IFT provides an abatement of 50% of real and personal property taxes for up to 12 years. To initiate the process of establishing an IFT district, the Ionia City Council must first schedule a public hearing to receive comments on the proposed district.

It was moved by Councilmember Winters, seconded by Councilmember Milewski to approve the following resolution, which would schedule a public hearing for Tuesday, May 4, 2021 at 7:00 PM for the purpose of establishing IFT District # 2021- 01.

Roll Call Vote Ayes: Millard, Gustafson, Milewski, Winters, Lee, Starr and Mayor Balice
 Nays: None
 MOTION CARRIED



RESOLUTION SETTING A TIME TO ESTABLISH AN INDUSTRIAL
DEVELOPMENT DISTRICT UNDER ACT 198 OF P.A. 1974.

Minutes of a Regular Meeting of the City Council held in the Council Chambers, Ionia City Hall, 114 North Kidd Street, Ionia, Michigan, on April 13, 2021, at 7:00 p.m.

PRESENT: Councilmember Milewski, Councilmember Winters, Councilmember Lee, Councilmember Starr, Councilmember Millard, Councilmember Gustafson and Mayor Balice

ABSENT: Councilmember Waterman and Councilmember Kelley

The following Preamble and Resolution were offered by Council Member Winters and supported by Council Member Milewski.

That a public hearing be held on the 4th day of May, 2021 at 7:00 p.m., in the Council Chambers, Ionia City Hall, 114 North Kidd Street, Ionia, Michigan, on the request of the City of Ionia, for establishment of an Industrial Development District under Michigan Act 198 of Public Acts of 1974, and

That written notice by certified mail of said hearing be sent to the owners of all real property within the proposed district described in the Notice below at least ten (10) days prior to said hearing, as follows: NOTICE OF HEARING ON THE ESTABLISHMENT OF AN INDUSTRIAL DEVELOPMENT DISTRICT UNDER ACT 198 OF P.A. 1974.

PLEASE TAKE NOTICE that on the 4th day of May, 2021 at 7:00 p.m., a public hearing will be held in the Council Chambers, Ionia City Hall, 114 Kidd Street, Ionia, Michigan, on the request of the City of Ionia,

for establishment of an Industrial Development District under Michigan Act 198, of P.A. 1974, which allows for a partial exemption from ad valorem property taxes for a period of twelve (12) years.

PLEASE TAKE FURTHER NOTICE that said District is described as follows:

COMMENCING AT THE N 1/4 CORNER SEC 18, T7N, R6W, IONIA TWP, IONIA CO. MI; THEN N 799 FT M OR L ALONG C/L M-66 TO THE N ROW LINE OF APPLE TREE DRIVE, THEN E 2178.31 FT ALONG APPLE TREE DRIVE ROW TO POB. THEN N 540 FT M OR L, W 250 FT M OR L, S 540 FT M OR L, THEN EAST ALONG APPLE TREE DRIVE ROW 250 FT M OR L TO POB, CONTAINING 3 ACRES MORE OR LESS. BEING LOT 1 OF ORCHARD VIEW INDUSTRIAL PARK. ALSO, COMMENCING AT THE W 1/4 CORNER SEC 18, T7N, R6W, IONIA TWP, IONIA CO. MICH; THEN N 799 FT M OR L ALONG C/L M-66 TO THE NORTH ROW LINE OF APPLE TREE DRIVE, THEN E 1928.31 FT ALONG APPLE TREE DRIVE ROW TO POB. THEN N 540 FT M OR L, W 250 M OR L, S 540 FT M OR L, THEN EAST ALONG APPLE TREE DRIVE ROW 250 FT M OR L TO POB CONTAINING 3 ACRES MORE OR LESS, BEING LOT 2 OF ORCHARD VIEW INDUSTRIAL PARK. ALSO, COMMENCING AT THE W 1/4 CORNER SEC. 18, T7N, R6W, IONIA TWP, IONIA, CO., MI; THEN N 799 FT M OR L ALONG C/L M-66 TO THE N ROW LINE OF APPLE TREE DR, THEN E 1678.31 FT ALONG APPLE TREE DR ROW TO POB. THEN N 540 FT M OR L, W 250 FT M OR L, S 540 FT M OR L, THEN E ALONG APPLE TREE DR ROW 250 FT M OR L, TO POB. CONTAINING 3 ACRES M OR L BEING LOT 3 OF ORCHARD VIEW INDUSTRIAL PARK. ALSO, COMMENCING AT THE W 1/4 CORNER SEC18, T7N, R6W, IONIA TWP, IONIA CO.MI; THEN N 799 FT M OR L ALONG C/L M-66 TO THE NORTH ROW LINE OF APPLE TREE DR, THEN E 1178.31 FT ALONG APPLE TREE DR ROW TO POB. THEN 540 FT M OR L, W 250 FT M OR L, S 540 FT M OR L, THEN E ALONG APPLE TREE DR ROW 250 FT M OR L, TO POB CONTAINING 3 ACRES M OR L BEING LOT 5 OF ORCHARD VIEW INDUSTRIAL PARK. ALSO, COMMENCING AT THE W 1/4 CORNER SEC 18, T7N, R6W, IONIA TWP, IONIA CO, MI; THEN N 799 FT M OR L ALONG C/L M-66 TO THE N ROW LINE OF APPLE TREE DR, THEN E 668.31 FT ALONG APPLE TREE DR ROW TO POB. THEN N 540 FT M OR L, W 240 M OR L, S 540 FT M OR L, THEN E ALONG APPLE TREE DR ROW 240 FT M OR L, TO POB, CONTAINING 3 ACRES M OR L, BEING LOT 7 OF ORCHARD VIEW INDUSTRIAL PARK. ALSO, P/O NW 1/4 OF SEC 18, TR7N,R6W, CITY OF IONIA, MICHIGAN, COM AT W 1/4 COR SEC 18; N 00D 07' 00" E 710.53 FT ALONG W SEC LINE; S 89D 53' 00" E 918 FT TO POB; S 89D 53' 00" E 155 FT; S 00D 01' 44" W 544.16 FT; N 89D 51' 00" W 513 FT; N 00D 01' 44" E 323.86 FT; S 89D 53' 00" E 358 FT; N 00D 01' 44" E 220 FT TO POB. 4.6 ACRES DESC CORRECTED FROM DEED 11\24\99. ALSO, COMMENCING AT THE W 1/4 CORNER SEC. 18, T7N, R6W, IONIA TWP, IONIA CO. MI; THEN N 699 FT M OR L ALONG C/L M-66 TO THE S ROW LINE OF APPLE TREE DR, THEN E 2115 FT M OR L ALONG APPLE TREE DR ROW TO POB. THEN S 540 FT M OR L, W 276 FT M OR L N 540 FT M OR L, THEN E ALONG APPLE TREE DR ROW 276 FT M OR L, TO POB, CONTAINING 3 ACRES M OR L BEING LOT 13 OF ORCHARD VIEW INDUSTRIAL PARK.

Approve- 2021 Independence Holiday Fireworks Permit

The DDA will be sponsoring the annual Independence Holiday fireworks display on Thursday, July 1, 2021 (with Friday, July 2 as the rain date). The DDA has again retained the services of Melrose Pyrotechnics, Kingsbury, Indiana, to provide and launch the display. As in the past the fireworks will be launched from the in-field area at the fairgrounds. This firm has handled the annual display for many years and we have not had any problems with the practices utilized by the firm in launching the fireworks or the quality of the display. Melrose has provided the necessary insurance endorsements with the City, DDA and Free Fair Association all named as additional insured.

Public Act 358 of 1968, as amended, requires a local governmental unit to grant a permit so that the fireworks may be launched.

It was moved by Councilmember Starr, seconded by Councilmember Gustafson to approve the Permit for Fireworks Display to Melrose Pyrotechnics, Kingsbury, Indiana for the launching of fireworks on Thursday, July 1, 2021 in the in-field of the Ionia Free Fair Grounds.

Roll Call Vote Ayes: Gustafson, Milewski, Winters, Kelley, Lee, Starr, Millard and Mayor Balice
Nays: None
MOTION CARRIED

Approve- Farmland Lease Agreement

Per the City Manager, at least since 2015, the City of Ionia has leased 98 acres of farmland located on West Main Street (40 acres) and Riverside Drive (58 acres) to Ryan Huhn. The current lease is scheduled to expire April 30, 2021. Mr. Huhn has expressed interest in continuing this lease for another three-year term. The attached lease document has been updated to reflect the proposed new lease term, from May 1, 2021 to April 30, 2024 at the rate of \$150 per leased acre per year, which is \$14.81 more per leased acre per year than the prior lease.

It was moved by Councilmember Millard, seconded by Councilmember Winters to approve the following lease for 98 acres of farmland to Ryan Huhn for \$150 per leased acre per year, from May 1, 2021 – April 30, 2024.

Roll Call Vote: Ayes: Milewski, Winters, Kelley, Lee, Starr, Millard, Gustafson and Mayor Balice
Nays: None
MOTION CARRIED

Approve- Bid award for M-21 Watermain Project

On March 30, 2021 bids were opened for the M-21 Watermain Project (from M-66 State Street to Baldie Street). Only one bid was received as follows:

Montgomery Excavating LLC, Ionia MI	\$1,399,830
-------------------------------------	-------------

It was moved by Councilmember Milewski, seconded by Councilmember Kelley to approve the bid of Montgomery Excavating LLC of Ionia MI in the amount of \$1,399,830 for the M-21 Watermain Project. Funds are available for this purchase in 591-560.000-980.000.

Roll Call Vote: Ayes: Winters, Kelley, Lee, Starr, Millard, Gustafson, Milewski and Mayor Balice
Nays: None
MOTION CARRIED

Approve- Purchase of new patrol vehicle

For the past nine years, the City of Ionia has purchased Ford Explorers as its preferred patrol vehicle. One new vehicle is typically budgeted and purchased annually to replace the oldest vehicle in the fleet. The oldest vehicle currently scheduled for replacement is a 2014 Ford Explorer with 117,806 miles. Public Safety Officers are required to carry a significant amount of equipment in their vehicles to respond to police, fire, and medical calls, and those who serve on special teams, such as tactical or K-9 are required to carry additional equipment. To accommodate room for the growing amount of cargo, the Chevrolet Tahoe was evaluated. Comparative cargo space between the Explorer and Tahoe is as follows:

Cargo Location	Ford Explorer	Chevrolet Tahoe
Behind front seat	90.3 cu.ft.	125.9 cu.ft.
Behind second seat	52 cu. ft.	70.3 cu.ft.

Both vehicles are available through the state bidding system, MiDEAL. Pricing is as follows:

Tahoe (2021 4WD Commercial/Police Package)	\$39,792
Explorer (2021 Utility Police Interceptor)	<u>\$36,139</u>
	\$ 3,653 difference

It was moved by Councilmember Millard, seconded by Councilmember Milewski to approve the purchase of a Chevrolet Tahoe at the MiDEAL negotiated price of \$39,792 from Berger Chevrolet of Grand Rapids. Funds are available for this purchase in 101-345.000-989.000.

Roll Call Vote: Ayes: Kelley, Lee, Starr, Millard, Gustafson, Milewski, Winters and Mayor Balice
Nays: None
MOTION CARRIED

Approve- Consider resolution establishing authorized signatories for MERS contracts and service credit purchase approvals and consider approval of specific request for service credit purchase

As stated by the City Manager, the city of Ionia utilizes the Michigan Employees’ Retirement System (MERS) to provide defined benefit (DB) and hybrid retirement programs to its employees. There are times when MERS adoption agreements, resolutions, participation agreements, administrative service agreements, withdrawal agreements and any other contracts between MERS and the City with respect to Employer’s participation in any MERS-administered product and any amendments and addendums, plus MERS DB service credit purchases require signature by authorized individual(s). Such signatures on behalf of the City are subject to decision and actions of the City Council. The following resolution would designate the City Manager and Finance Director as “authorized officials” to sign documents as noted above on behalf of the City.

Secondly, an employee from the Public Safety Department, Randy Dankenbring, has requested permission to purchase MERS service credit in accordance with the attached estimate. The requested

service credit purchase is 60 months at a cost to the employee of \$125,683. As detailed on the second page of the estimate, assumptions used by MERS in preparing this estimate include 1) assuming the employee will retire at the earliest date for unreduced retirement benefits and 2) an investment return rate of 6.35%. For all other retirement calculations, some provision is made to assume not all employees will retire at their earliest eligible date and an investment return rate of 7.35% is assumed. Thus, the assumptions used in calculating service credit purchase are favorable to the city of Ionia.

It was moved by Councilmember Kelley, seconded by Councilmember Starr to approve the following:

1. Approve the attached resolution authorizing the City Manager and Finance Director as signatories on behalf of the City, and
2. Approve the request from Randy Dankenbring to purchase 60 months of MERS Service Credit for \$125,683 at his expense.

Roll Call Vote: Ayes: Lee, Starr, Millard, Gustafson, Milewski, Winters, Kelley and Mayor Balice
 Nays: None
 MOTION CARRIED

Approve- Special Land Use Permit Extension – Leoni Wellness, 416 Brown Blvd.

According to the City Manager, Leoni Wellness previously applied for and was approved the following permit/site plan/variances from the city of Ionia Zoning Code:

APPLICANT	STATUS	DATE
Leoni Wellness 416 Brown Blvd Provisioning Center	Special Land Use Permit – Approved by Planning Commission	6/12/19
	Site Plan Denied	6/12/19
	Site Plan Conditional Approval by Planning Commission	8/14/19
	Variances approved by ZBA	10/15/19
	Current Status – site plan still requires final approval; just submitted to city on 3/2/21; prior city manager indicated clock does not start on site plan approval expiration until city manager signs off on final site plan. Applicant has held off until now, planning to submit site plan concurrently with adult use application.	

The way in which the ordinance is currently written allows interpretation of the deadlines for a special land use permit and a site plan approval to run independent of one another, which is the interpretation applied in this case. Thus, while the special land use permit has expired, the site plan has not yet received final approval from the city manager/zoning administrator, which means the clock had not even started yet.

Since 2019, the city subsequently passed a resolution dated April 14, 2020 (attached) designating 11 city parks for purposes of the 500 foot buffer required by the medical marihuana ordinance. This designation occurred nearly one year AFTER the initial cohort of medical marihuana applicants were reviewed/approved special land use permits. Thus, in essence, it could be argued that all medical marihuana applicants in the initial cohort were “grandfathered” from this buffering requirement, in concept. (An official grandfathered use does not occur until after the use actually occurs). The significance of this situation appears to create a wrinkle only with regard to two parks that currently exist in concept and name only, but have yet to be developed. They are:

1. **Steele Park** – fronts on Steele Street, north and south of the Fred Meijer Grand River Valley Rail Trail); Parcels 34-201-040-000-076-00; 34-201-110-000-005-01; and 34-201-110-000-010-00.
2. **Wetland Park** – located between Dexter St and Steele St, north of Brown Blvd; Parcel 34-201-040-000-640-00 and an adjoining parcel just over 0.33 acres, yet to be assigned a parcel number, donated to the city by Leoni Wellness.

Given the fact that this initial cohort of businesses was grandfathered from the undeveloped parkland due to timing issues and the exact same buffering requirement has been included in the adult recreational marihuana ordinance, it seems reasonable to potentially “grandfather” any first cohort (2019 medical marihuana applicant) business who also applies for an adult use license. No other applicants would fall into this situation, as they would be making application following the first official designation of city parks for the purpose of determining marihuana business buffering.

Leoni Wellness is also unique in that in 2019, the owner donated approximately 1/3 acre of his lot to the city that abuts the wetland area, plus an easement 15 feet in width to provide access from Brown Boulevard. An evaluation of the area shows that if Wetland Park is removed from the park buffer zone list, it opens up only one additional parcel not currently eligible for use as a marihuana provisioning or retail location, which is the Matcor building, located at 401 S. Steele Street, on the west side of Steele and at the corner of Brown Boulevard.

Following this series of events and recognizing the unique impact of Wetland Park on Leoni Wellness at 416 Brown Boulevard, the Ionia Planning Commission voted at its March 10, 2021 meeting to extend the special land use permit for one year, **contingent upon** reapproval of the variances previously approved by the ZBA and also contingent upon the Ionia City Council removing Wetland Park from the buffer zone list.

In comparing Wetland Park to Steele Park, both of which currently exist only according to planning documents, Steele Park is also included in the city’s capital improvement program, whereas Wetland Park is not. A grant was applied for regarding Wetland Park in early 2020, but was not funded and therefore, development of Wetland Park is not anticipated for at least five or more years at this time. Designation of Wetland Park causes harm to Leoni Wellness at 416 Brown Boulevard that is not otherwise caused by any other buffering rule or situation. For these reasons, it appears Leoni Wellness is uniquely impacted by this designation as compared to all other 2019 marihuana business applicants.

It was moved by Councilmember Milewski, seconded by Councilmember Starr to delist Wetland Park from the approved list of city parks (originally adopted via City Council Resolution on April 14, 2020)

for the reasons provided above while also clarifying the approved list applies to both Ordinances 539 and 549 pertaining to adult-use marihuana and provisioning.

Roll Call Vote: Ayes: Starr, Millard, Gustafson, Milewski, Winters, Kelley, Lee and Mayor
Balice
Nays: None
MOTION CARRIED

MAYOR AND COUNCILMEMBER COMMENT:

Balice: Commented that it's beneficial to hold council meetings in person. Reminded people that mask-wearing pertaining to COVID-19 is an issue of public safety and compassion rather than politics.

Millard: Inquired with Chris Hyzer as to why the city does not yet have an electronic filing system for taxes.

Milewski: Gave kudos to IDPS for their quick and thorough response to an emergency call placed on February 9, 2021.

ADJOURNMENT

It was moved by Councilmember Lee, seconded by Councilmember Winters to adjourn the regular meeting at 8:27 PM

By Voice Vote: MOTION CARRIED

Respectfully Submitted:
Ally H. Cook, Clerk