



# The City of Ferndale

## Agenda

**VIRTUAL Monthly Meeting of the Downtown Development Authority (DDA)**

**Board of Directors Downtown Development Authority Meeting**

**THURSDAY, APRIL 9, 2020 @ 8:00 AM**

**JOIN ZOOM MEETING**

**ONLINE: [HTTPS://ZOOM.US/J/766956112](https://zoom.us/j/766956112)**

**PHONE: 877 853 5247 (TOLL FREE)**

**MEETING ID: 766 956 112**

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### **1.Call to Order**

### **2.Approval of Agenda**

### **3.Emergency Meeting Procedures**

3.a. [Update from Executive Director regarding virtual meeting structure and protocol](#)

### **4.Community Reports**

### **5.Presentations**

5.a. [COVID-19 Business Response Team Update](#)

5.b. [Downtown Maintenance Update](#)

5.c. [Downtown Waste Management Presentation](#)

### **6.Consent Agenda**

6.a. [Approval of Minutes](#)

### **7.Action Items**

7.a. [Payment in Lieu of Parking Request Approval for 22757 Woodward Avenue](#)

7.b. [Update on COVID-19 Budget Impacts to DDA](#)

7.c. [HR Services Agreement for Local Businesses with Everything HR](#)

### **8.Call to Committee Chairs, Board Members & Staff (note more than 3 minutes)**

**9.Call to Audience**

**10.Adjournment**

**CITY OF FERNDAL  
REQUEST FOR COUNCIL ACTION**

**FROM:** Lena Stevens

**SUBJECT:** Update from Executive Director regarding virtual meeting structure and protocol

**INTRODUCTION**

Executive Director Stevens will provide guidance on protocols for electronic meetings and public comments with guidance received from City Attorney Dan Christ.

**SUMMARY & BACKGROUND**

Governor’s Executive Order 2020-15 provided temporary authorization of remote, electronic meetings for public bodies. On March 25, 2020 the Ferndale City Council made a motion to authorize electronic meetings for the City Council and all other public bodies.

**BUDGETARY CONTEXT**

N/A

**CIP#**

N/A

**ATTACHMENTS**

[EO\\_2020-15\\_Emergency\\_order\\_-\\_OMA\\_\\_final\\_signedl\\_.pdf](#)

[3-23-20\\_electronic\\_meeting\\_summary\\_and\\_request\\_for\\_action\\_\\_3-20-20\\_.pdf](#)

**STRATEGIC PLANNING CONTEXT**

Safe, Protected, Engaged Community

**RECOMMENDED ACTION**

DDA Board Chair acknowledges that the DDA Board of Directors will be proceeding with an “electronic” meeting consistent with the Governor’s Emergency Order 2020-15 and the Ferndale City Council’s motion from March 25, 2020 authorizing electronic meetings for all City of Ferndale public bodies until such time as Executive Order 2020-15 expires.



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
OFFICE OF THE GOVERNOR  
LANSING

GARLIN GILCHRIST II  
LT. GOVERNOR

## EXECUTIVE ORDER

No. 2020-15

### **Temporary authorization of remote participation in public meetings and hearings and temporary relief from monthly meeting requirements for school boards**

The novel coronavirus (COVID-19) is a respiratory disease that can result in serious illness or death. It is caused by a new strain of coronavirus not previously identified in humans and easily spread from person to person. There is currently no approved vaccine or antiviral treatment for this disease.

On March 10, 2020, the Michigan Department of Health and Human Services identified the first two presumptive-positive cases of COVID-19 in Michigan. On that same day, I issued Executive Order 2020-4. This order declared a state of emergency across the state of Michigan under section 1 of article 5 of the Michigan Constitution of 1963, the Emergency Management Act, 1976 PA 390, as amended, MCL 30.401-.421, and the Emergency Powers of the Governor Act of 1945, 1945 PA 302, as amended, MCL 10.31-.33.

The Emergency Management Act vests the governor with broad powers and duties to “cop[e] with dangers to this state or the people of this state presented by a disaster or emergency,” which the governor may implement through “executive orders, proclamations, and directives having the force and effect of law.” MCL 30.403(1)-(2). Similarly, the Emergency Powers of the Governor Act of 1945, provides that, after declaring a state of emergency, “the governor may promulgate reasonable orders, rules, and regulations as he or she considers necessary to protect life and property or to bring the emergency situation within the affected area under control.” MCL 10.31(1).

To mitigate the spread of COVID-19, protect the public health, and provide essential protections to vulnerable Michiganders, it is crucial that all Michiganders take steps to limit in-person contact. These critical mitigation measures include social distancing and limiting the number of people interacting at public gatherings.

To that end, it is reasonable and necessary to temporarily suspend rules and procedures relating to physical presence at meetings and hearings of public bodies and other governmental entities in Michigan. These public bodies and entities must continue to



conduct public business during this emergency, including actions to respond to COVID-19, and the general public must be able to continue to participate in government decision-making without unduly compromising public health, safety, and welfare.

Acting under the Michigan Constitution of 1963 and Michigan law, I order the following:

1. Effective immediately and continuing until April 15, 2020 at 11:59 pm, to the extent that the Open Meetings Act, 1976 PA 267, as amended, MCL 15.261 to 15.272 (“OMA”) requires that a meeting of a public body be held in a physical place available to the general public or requires the physical presence of one or more members of a public body, strict compliance with section 3 of the OMA, MCL 15.263, is temporarily suspended in order to alleviate any such physical-place or physical-presence requirements, as follows:
  - (a) A meeting of a public body may be held electronically, including by telephonic conferencing or video conferencing, in a manner in which both the general public and the members of the public body may participate by electronic means.
  - (b) A meeting of a public body held electronically must be conducted in a manner that permits two-way communication so that members of the public body can hear and be heard by other members of the public body and so that general public participants can hear members of the public body and can be heard by members of the public body and other participants during a public comment period. The public body also may use technology to facilitate typed public comments that may be read to or shared with members of the public body and other participants.
  - (c) Members of a public body and of the general public participating electronically will be considered present and in attendance at the meeting and may participate in the meeting as if physically present at the meeting.
  - (d) All persons must be permitted to participate in any meeting of a public body held electronically, except as otherwise provided in the OMA.
  - (e) If a public body directly or indirectly maintains an official internet presence, the public body must, consistent with and in addition to any other applicable notice requirements under the OMA, post advance notice of a meeting held electronically on a portion of the public body’s website that is fully accessible to the public. The public notice on the website must be included on either the homepage or on a separate webpage dedicated to public notices for non-regularly scheduled public meetings or electronic meetings and accessible through a prominent and conspicuous link on the website’s homepage that clearly describes its purpose for public notification of those non-regularly scheduled or electronic public meetings. Notice of a meeting of a public body that will be held electronically must include all of the following:
    - (i) An explanation of the reason why the public body is meeting electronically.

- (ii) Detailed procedures by which the public may participate in the meeting electronically, including a telephone number, internet address, or both.
  - (iii) Procedures by which persons may contact members of the public body to provide input or ask questions on any business that will come before the public body at the meeting.
  - (iv) Procedures by which persons with disabilities may participate in the meeting.
- (f) The right of a person to participate in a meeting of a public body held electronically includes the right to tape-record, to videotape, to broadcast live on radio, and to telecast live on television the proceedings of the public body at a public meeting. The exercise of this right does not depend on the prior approval of the public body. However, a public body may establish reasonable rules and regulations to minimize the possibility of disrupting the meeting.
- (g) A public body may not require a person as a condition of participating in a meeting of the public body held electronically to register or otherwise provide his or her name or other information or otherwise to fulfill a condition precedent to attendance, other than mechanisms necessary to permit the person to participate in a public comment period of the meeting.
- (h) A person must be permitted to address a meeting of a public body held electronically under rules established and recorded by the public body. A person must not be excluded from a meeting held electronically otherwise open to the public except for a breach of the peace actually committed during the meeting.
- (i) During a meeting of a public body held electronically, members of the public body are urged to take all votes by roll call to avoid any questions about how each member of the public body votes.
- (j) If a public body holding a meeting electronically directly or indirectly maintains an official internet presence, the public body is encouraged to make available to the general public through the public body's website homepage an agenda and other materials relating to the meeting.
- (k) Members of the general public otherwise participating in a meeting of a public body held electronically may be excluded from participation in a closed session of the public body held electronically during that meeting if the closed session is convened and held in compliance with the requirements of the OMA applicable to a closed session.
2. A public body holding a meeting electronically as provided under this order is encouraged to do so in a manner that effectuates as fully as possible the purposes of the OMA, which include promoting government accountability and fostering openness in government to enhance responsible decision-making. Discussions or deliberations at an open meeting that cannot at a minimum be heard by the general

public participating in the meeting are contrary to these purposes. Accordingly, members of a public body must avoid using email, texting, instant messaging, and other such electronic forms of communication to make a decision or deliberate toward a decision, and must avoid “round-the-horn” decision-making in a manner not accessible to the public at an open meeting.

3. If a decision or other action of a public body is in compliance with the requirements of this order and the other requirements of the OMA, it is in compliance with the OMA.
4. Effective immediately and continuing until April 15, 2020 at 11:59 pm, if a statute or rule other than the OMA requires that public comments be permitted or a public hearing be held, including in conjunction with the issuance of a permit or a hearing required under the Uniform Budgeting and Accounting Act, 1968 PA 2, as amended, MCL 141.421 to 141.440a, a public body or department or agency may provide a means for remote public comment or participation through the use of any technology that would facilitate a member of the general public’s ability to participate remotely to the same extent as if the member of the general public appeared in person. If not expressly authorized by statute or rule, written comment, including by electronic means, also is permitted.
5. Effective immediately and continuing until April 15, 2020 at 11:59 pm, strict compliance with subsection 6 of section 11a, subsection 7 of section 384, and subsection 1 of section 418a of the Revised School Code, 1976 PA 451, as amended, MCL 380.11a(6), MCL 380.384(7), and MCL 380.418a(1), is temporarily suspended so as not to require school district boards to hold meetings at least once each month.
6. Nothing in this order permits a public body to limit or restrict the rights of the press or other news media. Members of public bodies are encouraged to facilitate access by members of the press and other news media both to meetings held electronically and to members of public bodies.
7. As used in this order, the terms “decision,” “meeting,” and “public body” mean those terms as defined under section 2 of the OMA, MCL 15.262, except this order does not apply to state legislative bodies.
8. A provision of this order will prevail over any conflicting provision of a local charter, ordinance, or rule.
9. This order supersedes sections 2 and 3 of Executive Directive 2020-2.

Given under my hand and the Great Seal of the State of Michigan.

Date: March 18, 2020

Time: 4:46 pm



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GRETCHEN WHITMER  
GOVERNOR

By the Governor:

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SECRETARY OF STATE

**CITY OF FERNDALE  
REQUEST FOR COUNCIL ACTION**

**SUBJECT:** Governor's Executive Order 2020-15/Temporary authorization of remote, electronic meetings of Ferndale Council and other public bodies

**ATTACHMENTS:** Executive Order 2020-15

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<b>COUNCIL AGENDA DATE:</b>	March 23, 2020
<b>CITY ATTORNEY:</b>	P. Daniel Christ, Esq.
<b>DIRECTOR REVIEW:</b>	Joe Gacioch, City Manager

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**SUMMARY & BACKGROUND:**

On March 18, 2020 the Governor signed Executive Order No. 2020-15. This Executive Order temporarily suspends the Michigan Open Meetings Act (OMA) requirements to the extent it required meetings of a public body to be held at a physical place and required a physical presence at the meeting. This Order, under the Michigan Constitution of 1963 and Michigan law, was issued to mitigate the spread of COVID-19 and to protect the public health while providing for the general public to continue to be able to participate in government decision-making. Under the Order a meeting of a public body can be held electronically provided the following conditions are met:

- (1) A meeting may be held electronically, including by telephonic conferencing or video conferencing, in a manner in which both the general public and members of the public body may participate by electronic means.
- (2) A meeting must permit two-way communication so that (i) members of the public body can hear and be heard by other members of the public body, and (ii) members of the general public can hear members of the public body and can be heard by members of the public body and other participants during a public comment period.
- (3) Members of the public body and members of the public participating electronically will be considered present at the meeting and may participate as if physically present at the meeting. Voting should be done by roll call to avoid any question over how members of the public body may vote.
- (4) Electronic meetings may be recorded or broadcast by anyone without needing the public body's approval.

(5) All persons wanting to participate in an electronic meeting must be permitted to participate, except as otherwise provided in the OMA. Time limits and other rules of procedure for public comment may still be enforced. A participant shall not be required to register or to otherwise identify themselves as a condition of participation in the meeting. A person may not be excluded from a meeting held electronically except for a breach of the peace actually committed during the meeting.

(6) In addition to the meeting notice requirements of the OMA, the public body must post advance notice of an electronic meeting on the home page of its website. The Notice must include (i) an explanation of why the meeting is being held electronically, (ii) detailed procedures on how the public may participate electronically, including a telephone number, internet address or both, (iii) Procedures by which persons may contact members of the public body to provide input or ask questions about any business that will come before the public body at the meeting, and (iv) Procedures by which persons with disabilities may participate.

(7) Members of the public body must avoid emailing, texting, instant messaging, and other electronic forms of communication not accessible to the public at a meeting.

(8) The Executive Order 2020-15 is effective immediately and continues until April 15, 2020 at 11:59 pm.

**RECOMMENDED ACTION:**

Moved by \_\_\_\_\_, seconded by \_\_\_\_\_, consistent with the Governor's Emergency Order 2020-15, to authorize electronic meetings for all City of Ferndale public bodies until Executive Order 2020-15 expires and further to provide that all public comment shall be permitted during a public comment period determined by the Chair of the public meeting. If the Chair of the public meeting, in consultation with the City Manager, determines the City's technology would allow for typed public comments to be read to or shared with members of the public body and other participants, the Chair may allow for such typed public comments to be read or shared during the public comment period of the meeting.

**CITY OF FERNDALE  
REQUEST FOR COUNCIL ACTION**

**FROM:** Lena Stevens

**SUBJECT:** COVID-19 Business Response Team Update

**INTRODUCTION**

Executive Director will provide on update on the collaborative efforts of the City of Ferndale, DDA, and Ferndale Area Chamber of Commerce to respond to the needs of the business community during the COVID-19 pandemic.

**SUMMARY & BACKGROUND**

Update will include:

- brief overview of business innovations seen to date
- update from Police Chief regarding process for complaints
- marketing/promotions efforts
- DDA/City operational changes
- highlights of financial/unemployment resources available

**BUDGETARY CONTEXT**

N/A

**CIP#**

N/A

**ATTACHMENTS**

**STRATEGIC PLANNING CONTEXT**

Economic Prosperity

**RECOMMENDED ACTION**

N/A

**CITY OF FERNDAL  
REQUEST FOR COUNCIL ACTION**

**FROM:** Lena Stevens

**SUBJECT:** Downtown Maintenance Update

**INTRODUCTION**

Updates provided by the Department of Public Works Regarding Downtown Maintenance

**SUMMARY & BACKGROUND**

N/A

**BUDGETARY CONTEXT**

Downtown Maintenance is budgeted under general ledger code 248-000-931.000: Facilities Maintenance. The DDA is in the second year of a two-year contact with DPW for this service, with an original budget of \$180,000 per fiscal year. The proposed budget from the Executive Director reduced that to \$165,000 based on projections from DPW. The current spend for Fiscal Year 19-20 has not yet been updated for March 2020.

**CIP#**

**ATTACHMENTS**

**STRATEGIC PLANNING CONTEXT**

Supported Infrastructure

**RECOMMENDED ACTION**

Review and discuss update



**CITY OF FERNDALE  
REQUEST FOR COUNCIL ACTION**

**FROM:** Lena Stevens

**SUBJECT:** Downtown Waste Management Presentation

**INTRODUCTION**

Resource Recycling Systems (RRS) was selected through a competitive bid process to provide downtown waste management assistance to improve level of service and provide a master plan for the downtown. The project scope included the following deliverables:

- Waste characterization
- Regional facilities analysis
- Emerging technologies and management practices
- Projected waste streams
- Gap analysis and recommendations
- Final report master plan

This presentation is an overview of the work to date provided by RRS.

**SUMMARY & BACKGROUND**

The purpose of this presentation is to provide an overview of the work to date through the RRS downtown waste management project. The RRS team has been working with the City for the last few months to develop a downtown waste management master plan which includes a variety of recommendations to improve the level of service. The final report is expected to be completed shortly.

**BUDGETARY CONTEXT**

N/A

**CIP#**

**ATTACHMENTS**

[RSS Ferndale Recommendations DDA\\_04092020.pdf](#)

**STRATEGIC PLANNING CONTEXT**

Supported Infrastructure

**RECOMMENDED ACTION**

Review and discuss presentation

# FERNDALE CBD SUSTAINABLE MATERIALS MANAGEMENT PLAN

Gap Analysis, Opportunities, and Recommendations – April 9, 2020

Matthew Naud, Associate Senior Consultant – RRS



# AGENDA

- Introduction
- Project Purpose
- Current Conditions
- Challenges and Opportunities
- Recommendations
- Discussion and Questions



# INTRODUCTION

- **Project Scope** – Waste Characterization, Regional Facilities Analysis, Emerging Technologies and Management practices, Projected Waste Streams, Gap Analysis and Recommendations, and Final Report Master Plan
- **Resource Recycling Systems (RRS)** selected through competitive RFP to provide downtown waste management assistance

# BUSINESS INTERVIEWS

- Waste services have improved
- Support city doing hauling and maintenance
- Looking for more education and organics service
- Mention that summer odor and cleanliness is sometimes an issue
- See innovation happening

“Waste service is as good as it's ever been”

“DPW is great at power washing and quick complaint response”



# CHALLENGES AND OPPORTUNITIES

- No Metrics/Goals
- Limited Data
- Funding
  - Market is upside down
    - Recycling credit is \$1500 against a \$2,000,000 bill
  - Headlee reduced millage - 3 → 1.92
- Lack of Education and Incentives
- Need Dedicated Staff
- Need Agreements with any Private Containers in Public ROW
- Ongoing Maintenance, Cleanliness, and Operations concerns
- Need Updated Policies and Ordinances



# RECOMMENDATIONS

- Set Metrics for Success
- Infrastructure Investments
  - Four Enclosed Collection Areas
  - New Landfill Compactors – with Sensors
  - New Combined Single-Stream Recycling Compactors
  - Public Containers with Recycling
- Dedicated Staff Person
  - Education and Green Business Recognition Program
- New Policies & Ordinances
  - Organics Waste Pilot with SOCRRA/Other Partner
- New Funding & Incentives





# VESTER



# E TROY





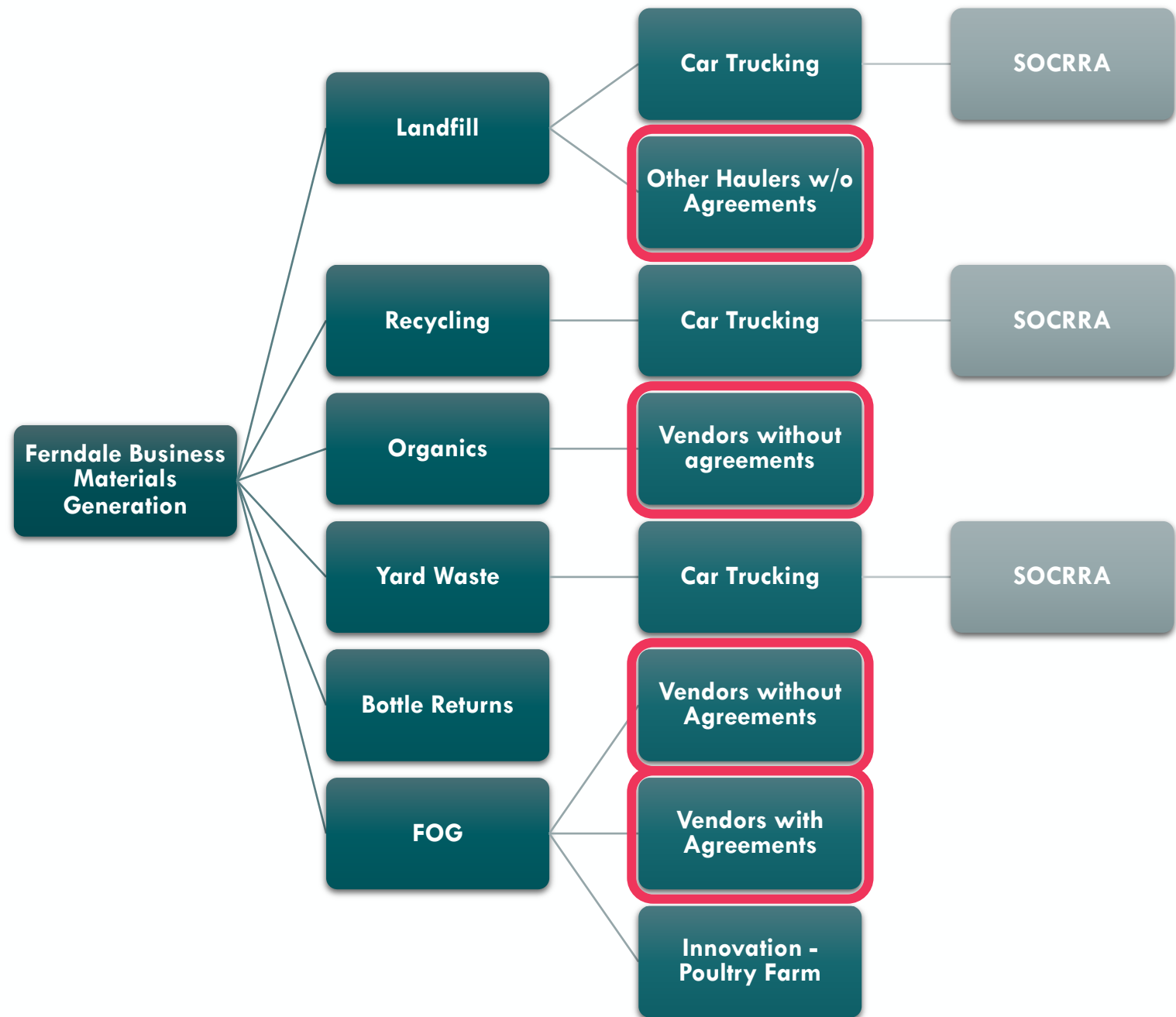
# W TROY



# WITHINGTON



# CURRENT MATERIAL STREAMS

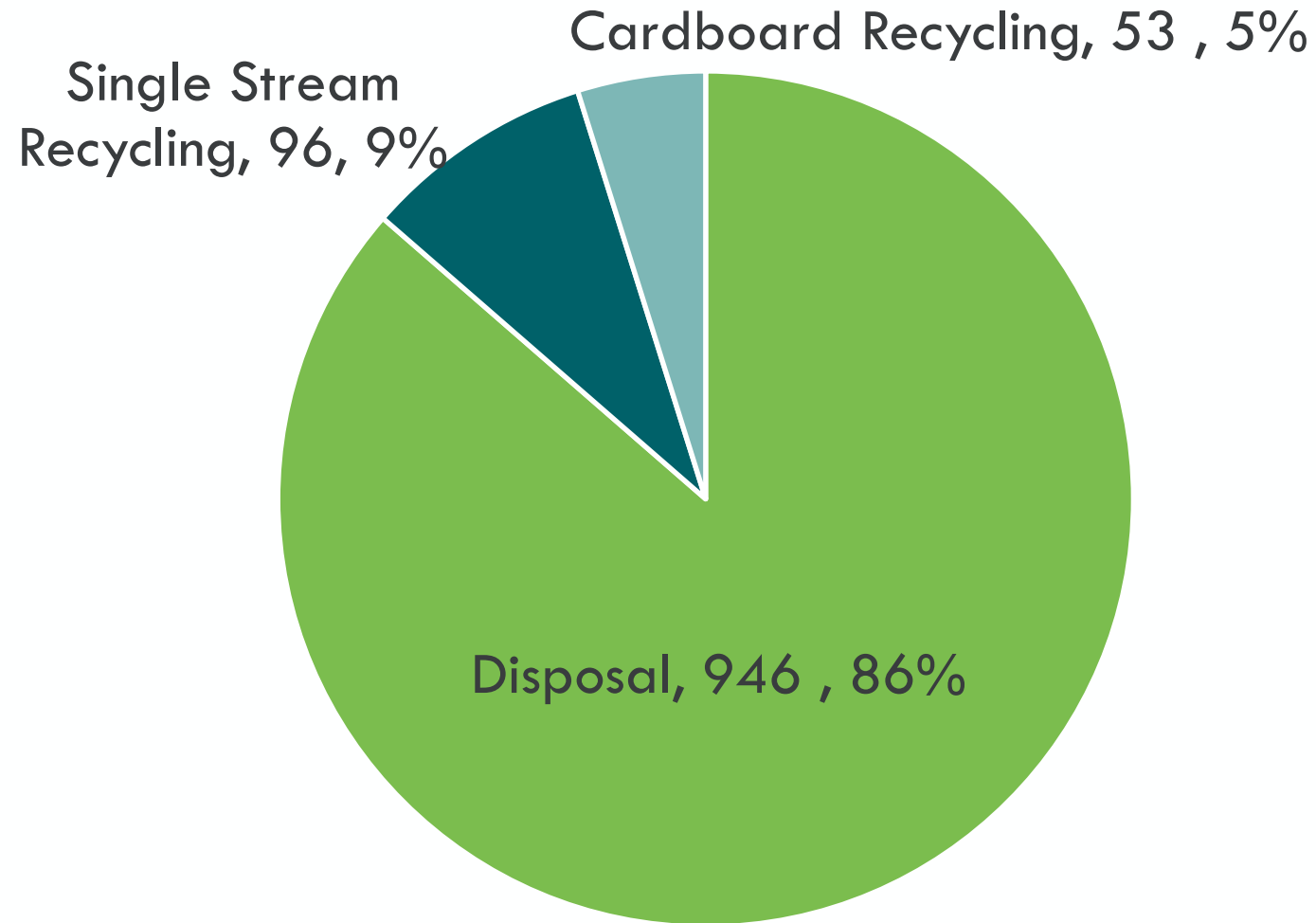




# MULTIPLE VENDORS



# CURRENT CBD WASTE STREAM (TONS) – 14% DIVERSION





# FUNDING FY18

- Annual Budget - \$3,000,000 (estimated)
- Sanitation Millage - \$1,169,102 (40%)
  - State law allows for 3 mils
  - 1.9222 in FY20
- Special Assessments - \$1,762,221 (60%)
  - 9,933 parcels
  - 479 commercial
  - 19 businesses use another hauler - do not pay assessments
  - No schools, churches, city property





# ANNUAL SANITATION COSTS

- \$2,085,147 to SOCRRA paid in FY 18-19
- \$1,000,000 in staff, contract, equipment costs (e.g., leaf collection, parks)
- \$4-5,000/month Ferndale pays to SOCRRA for Special charges for Downtown Waste Collection
- DDA funds DPW for Public Receptacle management



# RECOMMENDATIONS

- Set Metrics for Success
- Infrastructure Investments
  - Four Enclosed Collection Areas
  - New Landfill Compactors – with Sensors
  - New Combined Single-Stream Recycling Compactors
  - Public Containers with Recycling
- Dedicated Staff Person
  - Education and Green Business Recognition Program
- New Policies & Ordinances
  - Organics Waste Pilot with SOCRRA
- New Funding & Incentives

# ENCLOSED COLLECTION AREAS AND NEW COMPACTORS

- Enclose all four collection areas
  - Cover enclosures with green roof or solar to protect equipment and reduce tossing opportunities
  - Art opportunity
- Sensor technology to monitor use by specific businesses and capacity of recycling and waste compactors
- Combined cardboard and single-stream compactor pilot



# SEALED SHARED COMPACTORS — ROANOKE, VA





# GRAND HAVEN GREEN ROOFS



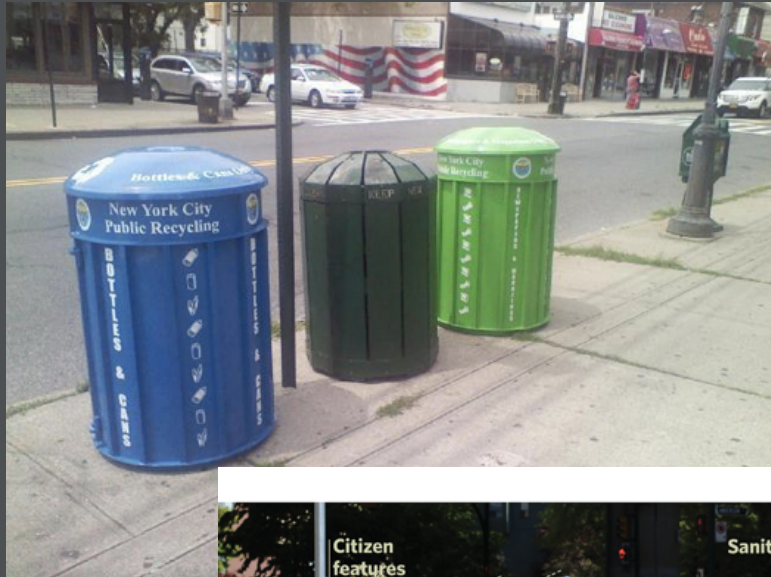


# DUMPSTER ENCLOSURE MURAL CONTEST





# PUBLIC SPACE COLLECTION BINS





# DEDICATED STAFF PERSON

- Collection space monitoring
- Concern tracking – See Click Fix
- Educate and train business and employees
- Green Business Certification program
- Maintain contact with businesses
- Zero Waste Event Assistance - Concierge
- Data tracking and performance monitoring
- Liaison with DDA and SOCRRA
- Site Plan Review
- New Program Development
- Cross training (and potential co-funding) with stormwater, energy, emergency management



# EDUCATION

- Education
  - Proper use of shared waste management
  - Recycling and organics management
- Green Business Program
  - Recognition and incentives

Green Business



is Good Business

[Additional Info](#) [Click Here](#)



Communication  
& Outreach



Resource  
Management



Water



Energy



Healthy Work  
Environment



Transportation



Community  
Stewardship

## Green Business is Good Business — especially in Austin!

Currently, the program has 247 members from 10 different categories of businesses, representing over 42,000 employees and over 19 million square feet of green office space!



### TYPES OF BUSINESSES

45.5%	OFFICE
18%	MANUFACTURING/LIGHT INDUSTRY/WAREHOUSE
17%	HOME BUSINESS
7%	GROCERY/MARKET/RESTAURANT
6%	RETAIL STORE
1%	BANK/FINANCIAL INSTITUTION
1.5%	EDUCATIONAL INSTITUTION
2%	HOTEL/MOTEL
1%	HOUSE OF WORSHIP
1%	THEATRE & BAR



# POLICIES & ORDINANCES

- New Development On-site Materials Management
- FOG Regulation
- FOG Franchise
- Mandatory Recycling
- Organics Management
- Construction and Demolition
- Zero Waste Events
- King County Post-Construction Soil Standard

# ORGANIC WASTE MANAGEMENT

- Franchised pre-consumer food waste hauler
  - SOCRRA Composting
  - New Carts and Frequent Collection costs
  - Education and Training costs
  - Reduced Trash Compactor expenses

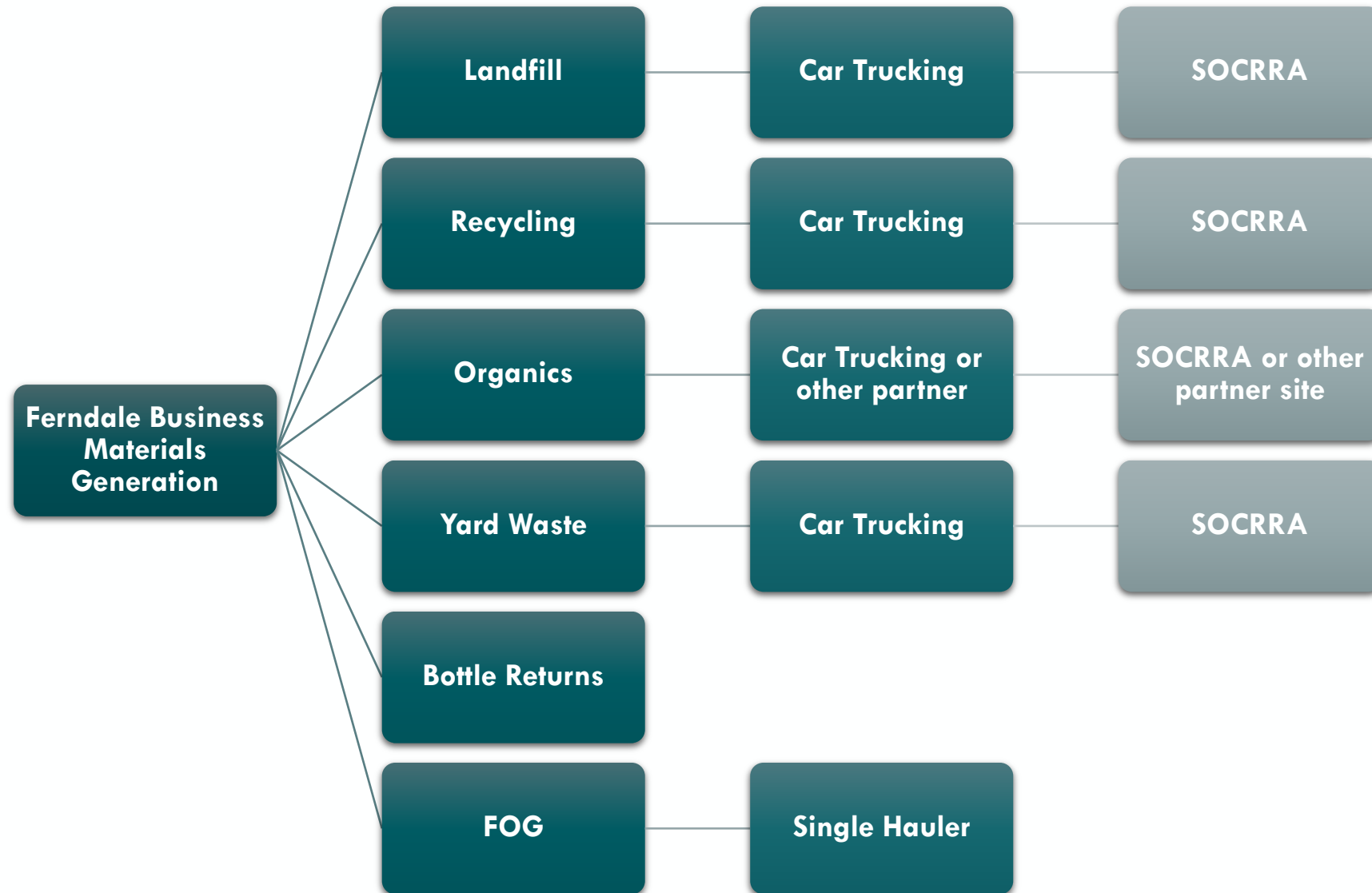




# NEW FUNDING & INCENTIVES

- Reduce Expenses
  - Reduce Special Charges from compactor waste pickups
- Increase Revenue
  - Tiered Approach
  - Explore special assessment based on business waste generation – incentive to reduce waste
  - Explore increasing Sanitation millage
  - Explore opportunities to leverage DDA operating millage (1.3072)
  - Explore Business Improvement Zone
- Leverage Partnerships
  - Explore DDA support for CBD infrastructure improvements
  - Opportunity: DDA TIF captures \$30,000 from Sanitation millage
    - Collection Area improvements
    - Compactor Equipment, street containers
  - SOCRRA/EGLE grant partnerships

# FUTURE MATERIAL STREAMS WITH NEW POLICY AND ORDINANCES



# IMPLEMENTATION MATRIX

	Near-term Year 1	Mid-term Year 2	Long-term Year 3-5
High Priority	<b>Funding-Staffing-Education</b> Metrics, Goals, and Baselines Enclosures and Compactors FOG Franchise New Ordinance Development Alley Captains	<b>Funding-Staffing-Education</b> Pilot Organics Mandatory Recycling Mandatory Organics Public Space Receptacles Green Business Program	<b>Funding-Staffing-Education</b> C&D Ordinance and Diversion Program Review
Medium Priority	Pilot Organics Green Business Program	Zero Waste Events C&D Ordinance and Diversion Waste Sort	
Low Priority	Public Space Receptacles		



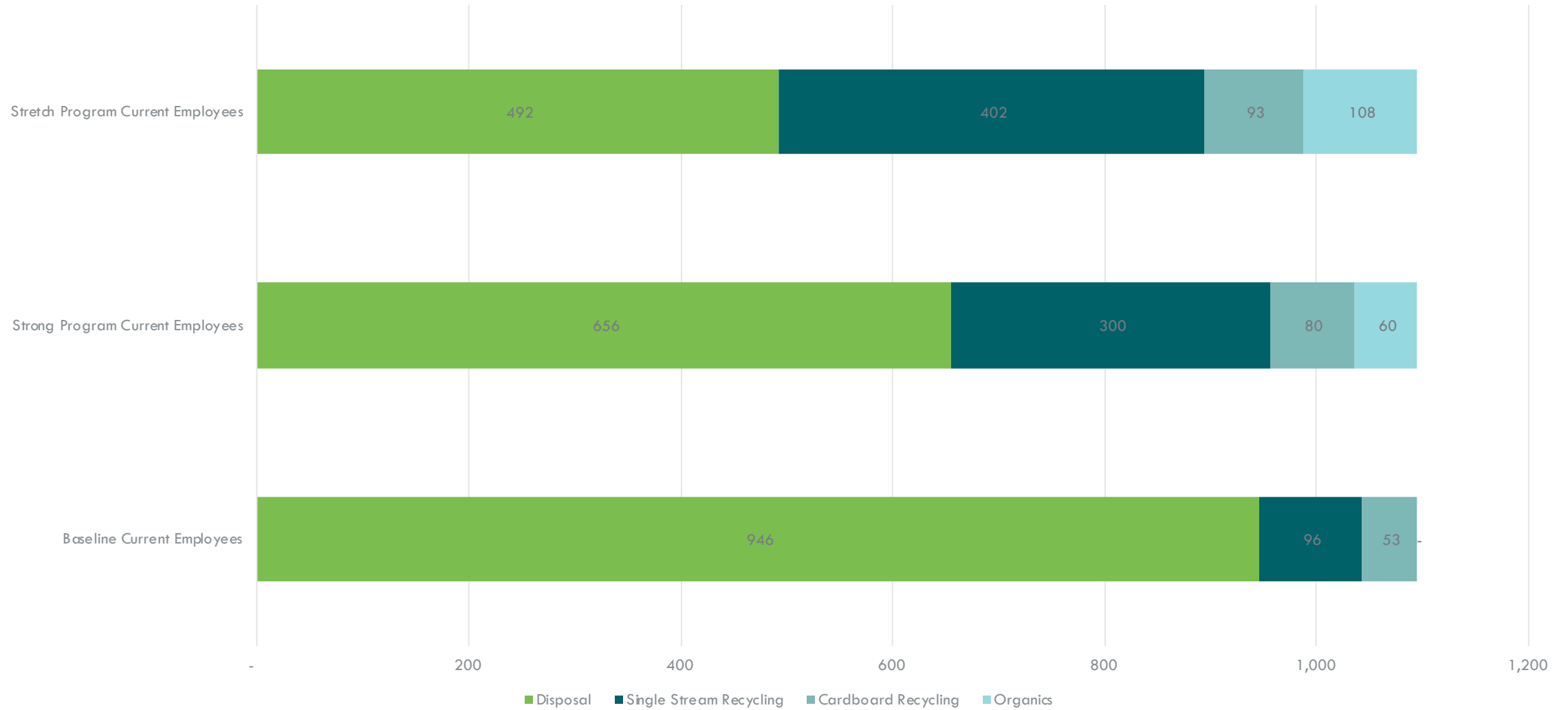
# DISCUSSION & QUESTIONS

# FUTURE WASTE PROJECTIONS



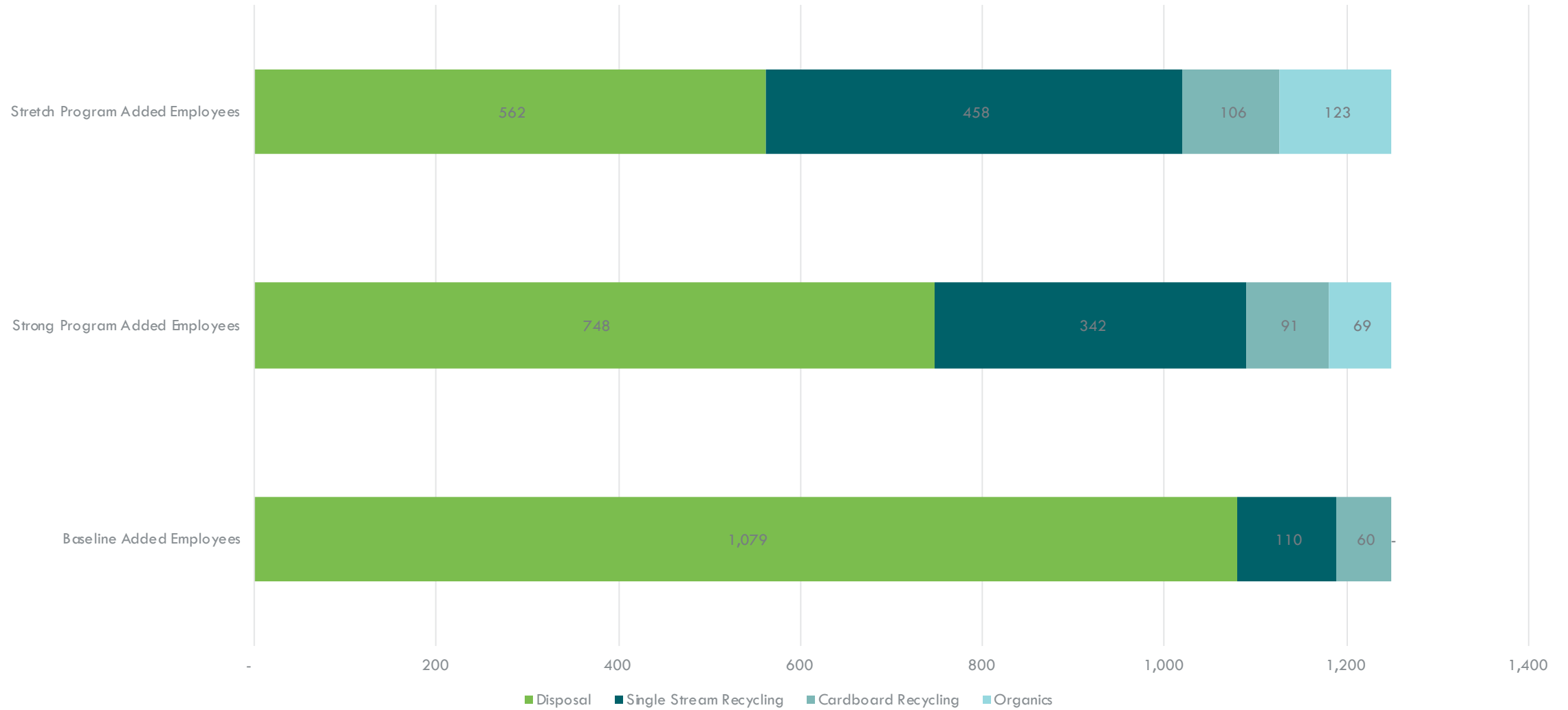
# Waste Stream Tons CBD

1,051 Existing Employees

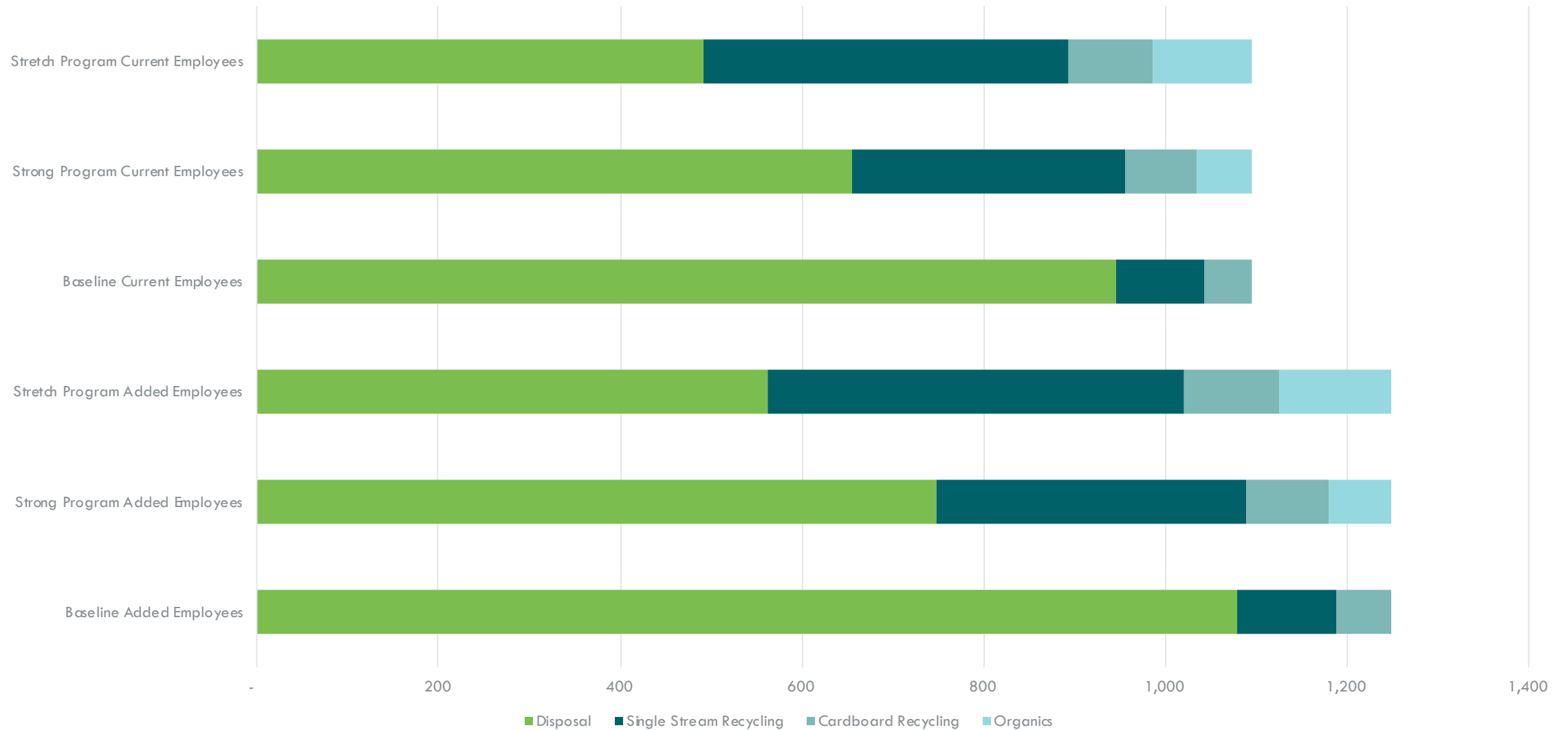


# Waste Stream Tons CBD

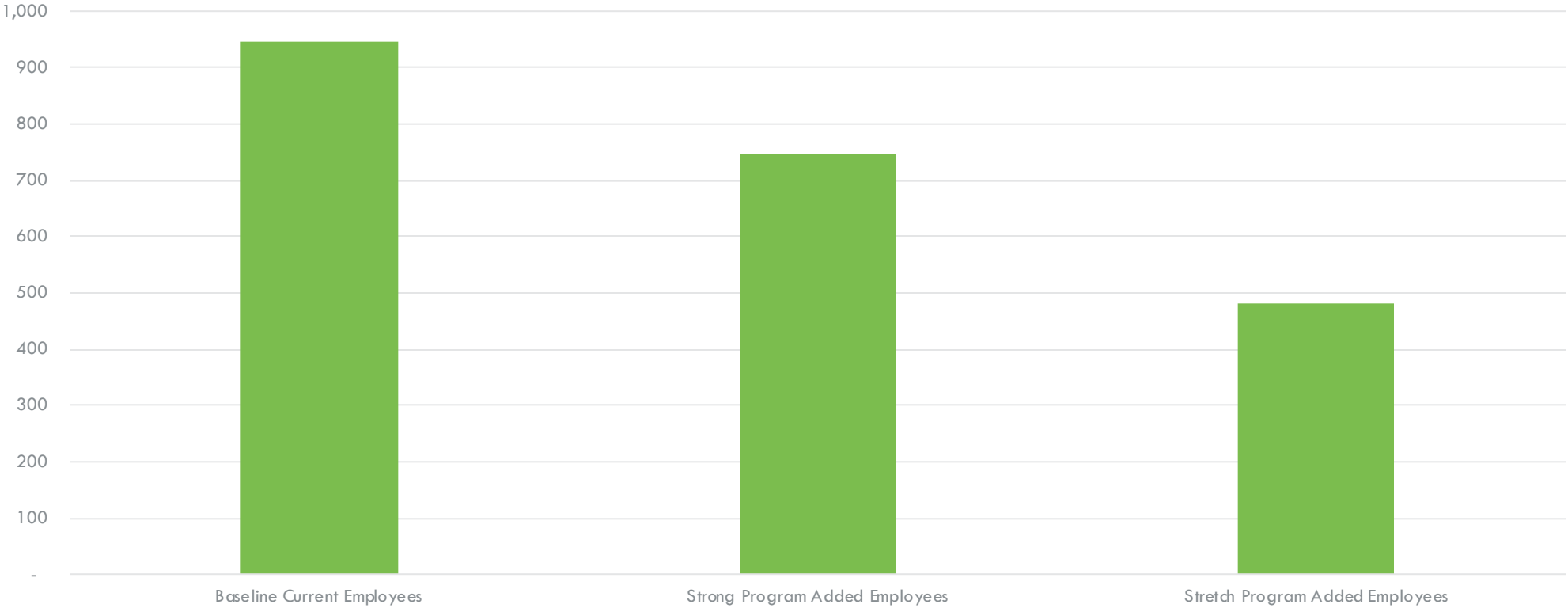
1,051 Existing Employees Plus 150 New Employees



Baseline and 150 Employee with Strong and Stretch programs



Landfill tons



**CITY OF FERNDALE  
REQUEST FOR COUNCIL ACTION**

**FROM:** Lena Stevens  
**SUBJECT:** Approval of Minutes

**INTRODUCTION**

N/A

**SUMMARY & BACKGROUND**

N/A

**BUDGETARY CONTEXT**

N/A

**CIP#**

N/A

**ATTACHMENTS**

[DDA Minutes March 2020.pdf](#)

**STRATEGIC PLANNING CONTEXT**

Organizational and Financial Excellence

**RECOMMENDED ACTION**

Approval of minutes from the DDA Board of Directors meeting held on 3.12.20.



**Ferndale Downtown Development Authority  
Board of Directors Meeting**

Thursday, March 12, 2020

8:00 A.M.

Ferndale City Hall  
300 E. 9 Mile  
Ferndale, Mi 48220

**Minutes**

**1. ROLL CALL**

**CALL TO ORDER:** 8:07 am

**MEMBERS PRESENT:** Blake Scheer, Jacki Smith, Sarah Brown, PJ Jacokes, Mayor Piana, Nathan Martin

**MEMBERS ABSENT:** Jerome Raska, Chris Johnson, Janice Semma

**STAFF PRESENT:** Lena Stevens, Executive Director; Sommer Realy, Engagement Manager

**GUESTS PRESENTERS:**

- Jenny Mar, Ferndale Area District Library Director
- Jack Pesha, City of Ferndale Fire Chief
- Dan Antosik, DPW Manager
- Jordan Twardy, Community and Economic Development (CED) Director
- LaReina Wheeler, Ferndale Parks and Recreation Director
- Steve Dumont, owner of Grasshopper and DesignStruct
- John McCann, owner of Grasshopper and DesignStruct
- Scott Galloway, Galloway and Collens legal representative for Grasshopper and DesignStruct

**2. APPROVAL OF AGENDA**

*Motion by member PJ Jacokes seconded by member Blake Scheer to approve the agenda.  
All ayes, motion carries.*

**3. COMMUNITY REPORTS**

**Jenny Mar, Ferndale Area District Library Director**

Provided a COVID-19 virus update. Library is taking recommended precautions. No events have been cancelled at this time. Area library directors are communicating over approach.

Upcoming events like guitar peddle on March 22 may be pushed to May. Battle of Books will take place again this year, adults and kids are assigned 6 books and can sign up as a team or be assigned to one is scheduled for March 29th. Director Mar mentioned that they will have commemorative mugs in November celebrating the library's 90<sup>th</sup> anniversary on 9 Mile. They would also like to dig up the time capsule in courtyard this summer. On March 6 about 125 people attended the 90<sup>th</sup> Anniversary Dance Party where Detroit Marching Band provided music. Video programming is an option and public can watch from home, virtual story time. Library will adapt as things change. Member Blake Scheer requested a copy of the library events calendar, Director Mar mentioned that they are listed online and Facebook is most up to date. Member Blake Scheer mentioned Level One Bank staff appreciated the printed calendar that used to be provided.

**Executive Director Stevens**

Provided update on behalf of the the Ferndale Area Chamber of Commerce. The Ferndale Area Chamber of Commerce in partnership with the South Oakland County Kiwanis is hosting a unicorn derby. Businesses have an opportunity to sponsor a unicorn, decorate it and participate in a derby that takes place on April 24 at Incubizo. Event includes a race, raffle, awards for most spirited jockey, potential for lots of fun. The DDA is assisting with the poster and graphic design. Member Blake Scheer mentioned that the Royal Oak Chamber will be attending the Business after 5, at the end of month taking place at Urbanrest in Ferndale.

**4. CALL TO AUDIENCE**

Ferndale Area District Library Director, Mar announced the Library will be closed on March 20 for drinking fountain replacement.

**5. PRESENTATIONS****a. COVID-19 Coronavirus Preparedness and Communications Update**

**City of Ferndale Fire Chief, Jack Pesha** stated he is the main point of contact for COVID-19 information and has accepted a new role with Oakland County last night when Oakland County activated the EOC (Emergency Operations Center) in Waterford. Meetings are held remotely. Information is unfolding rapidly. COVID-19 information presentations have been taking place around town and will be provided at the Business Meet Up on March 31, 2020.

Message is not to cause panic in approaching public. Aspects change every moment and come March 31 the presentation may be different. Recommendations are: If you or your employee are sick, they should be encouraged to stay home. Public health is not a punishment. Simply wash your hands with soap and water or use hand sanitizer with at least 60% alcohol. Those who are elderly and or have an immune deficiency are most susceptible.

No events have been canceled. Information and recommendations from the state's health department will be followed.

International travel and domestic interaction are not recommended at this time. There are two cases in Oakland County and Wayne County. Practice social distancing and keep 6 ft apart from people. Referring to document from Oakland County, recommendation to postpone social gatherings of 150 people.

Board Chair Jacki Smith states that it is a reiteration of what she has heard, nervous how it will affect business.

Board Member PJ Jacokes asked for recommendation on where to find hand sanitizer. Board Chair Smith mentioned Grainger, Uline, Amazon, any box supply company. Fire Chief Pesha warned that if hand sanitizer stations are installed, it is flammable and placement of them will be inspected.

Member Blake Scheer asked if there has been any discussion about cash as a method for the virus is being transferred. Fire Chief Pesha stated that from what they know at this time, the virus can stay alive for 12 hours on metal and 6 hours on fabric. Fire Chief Pesha mentioned flu strains do cause death and numbers are greater but that virus is known. This COVID-19 is new. A 15-minute COVID-19 informational presentation is offered to any individual business.

Executive Director Stevens shared the current impact to DDA office. Sommer Realy is officially a full time employee. The DDA department is going to test teleworking and use when feasible. Unsure how it will impact operations. Limit work related gathering. Executive Director Stevens expressed support for cancelling member attendance at The National Main Street Conference scheduled for May. Recommended course of action for upcoming Spring Fever, approved at last meeting, it is not best time encourage gatherings. Important to protect public and business health. Looking at how to implement various tools and assistance. Board declared leaving it in Executive Director Stevens hands to make the decision.

**b. Meeting Kickoff Updates from Executive Director**

Executive Director Stevens announced the new full-time staff member, Sommer Realy as the Engagement Manager. Margo and Max opened in the Boston Tea Room space; NovaCare opened inside of the Urgent Care.

Last Monday, Affirmations basement experienced damage due to a sewer back up in Withington ally, along with several businesses along West Nine Mile. DPW was on sight right away. Took one week to get water flowing at 100%. Looking into how to avoid this in the future.

New water main will be replaced on West Troy, all lead or galvanized supply lines will be replaced in compliance with state standards. Outreach to businesses done by DDA and DPW.

Schiffer Park construction has begun. DPW is finishing up and then WCI will be put up fences. Pedestrian walkway is in place and ADA compliant, sidewalk is remaining open. Outreach to residents and businesses by email and mailed letters. Ferndale Haus received a special letter providing redirection of access to parking while the Planavan access is closed. Overall positive interaction with adjacent properties.

Executive Director Stevens and DDA staff member Sommer Realy met with the Downtown Detroit Partnership last week to learn about the success, growth, what they offer. Provided insight and collaboration on how other Cities are handling the current pandemic. COVID-19 plan, in 24 hours went from step 1 to step 4.

Executive Director Stevens introduced Parks and Recreation Director, LaRenina Wheeler. Director Wheeler took a moment to gratefully thank the DDA board for their approval of funds for the Schiffer Park project. Expressed the good in the DDA board and staff share



the same vision with Parks and Recreation. Letter of gratitude and a gift given to each member.

**c. Downtown Maintenance Updates**

DPW Manager, Dan Antosik provided a report. It has been a slow weird winter, early start on spring cleaning, street cleaners are out. Focus is on planting season; green house has plants growing. West Troy water main project is underway. It is going smoothly, arrived to point of reconnect and disconnect. Continuing communications with business to setup disconnect and reconnect. Winter is about gone, spring is underway.

Cardboard pickup would be more effective if businesses break down cardboard, so it fits into bins provided. Additional costs are involved with additional pick up day on Saturday so any measure to assist is helpful.

The RRS sanitation study is complete. A presentation to the DDA board is being scheduled for April 9.

**d. Payment in Lieu of Parking Request from the Grasshopper Underground**

Executive Director Stevens explained there is no decision to be made today. The CED requested the DDA board discusses and shares perspectives on the project. Payment in lieu zoning ordinance allows onetime fee in lieu of onsite parking. Ordinance pertains to the Central Business District and those who serve alcohol. One spot per 100 square feet. Payment in lieu of \$81,000 is requested and could change one space is finalized. Justin Lyons and Jordan Twardy with the CED department are available to help with any questions.

Galloway and Collens legal representative for Grasshopper and DesignStruct, Scott Galloway is joined by John McCann and Steve Dumont, owners of Grasshopper and DesignStruct addressed the board. The project was originally approved in 2016. Since then ownership has changed. The dot is now under construction and will add additional parking. The only other roof top space is located at Affirmations. Presentation board and supporting information is explained by Steve Dumont, owner of Grasshopper and DesignStruct. Mr. Dumont purchased the property in 1993. In 2016, the old owner brought the roof top project before the planning commission. Funds were unable to be obtained by previous owner. New ownership Chris, John McCann and Steve Dumont. Rooftop patio is designed to offer consumers a new space to enjoy conversation and cocktails. Designed to provide a calmer atmosphere, generating a new demographic by enhancing existing space. Seasonal business. Twelve-foot-thick planter boxes 3ft from the edge creates a barrier. Billboard acts as a sound barrier wall.

Stairwell and bathrooms are located on the ally side of the rooftop creating another sound barrier. Hired sound engineer to give recommendations. The number of people and the sound of voices carrying are being factored into the design. Rooftop will use wicker patio furniture, subdued lighting LED festoon lights, street capes on roof tip, 6 or 7 light posts creating an ambience. Impact 2300 square ft requires 23 spots, The dot will have excess 250 additional spots. Business hours are evening hours. No food, cocktails

only. Entrance is through existing door on Woodward Ave.. A sound mitigation system self-actuating microphones on street level are being implemented where the sound on patio is automatically adjusted. The new space will be called Fern Top using same liquor license as Grasshopper.

Member Sarah Brown asked if the furniture is permanently affixed. DesignStruct confirmed the bar is the only permanently affixed structure.

Member PJ Jackoes asked if the second-floor tenants of the building are being considered. Steve Dumont expressed all tenants, including Grasshopper generates income and everyone must be in support. Sky lights are remaining intact for the second-floor tenants' benefit.

John McCann and Steve Dumont of DesignStruct have designed and assisted in building enhancements for many of the business in Ferndale, such as Rosie O'Grady's. DesignStruct has been in business for 33 years and opened in Ferndale in 1987. Steve Dumont expressed the fact DesignStruct is very vested in the success for the downtown and are proud of the success. Excited to be a part of the future success.

Member Sarah Brown inquired about a possible design question. No portion of this space will be covered except for the bathrooms and stairwell.

Board Chair Jacki Smith asked the board for questions and discussion.

Member PJ Jackoes stated that the project looks great.

Mayor Piana stressed her concern over the noise and the sound the public chatter may impact surrounding cafés. West Troy has a lot of cafes. Orchid receives complaints from surrounding residents. Unsure of the impact it has on the future of the downtown with new residential being added in that area. Mayor Piana questioned the downtown as an entertainment district and the use ride share.

Board Chair Jacki Smith mentioned the implementation of the noise ordinance. The construction of The dot and increase to parking space capacity is due to the already increased demand of parking.

Executive Director Stevens clarified that the West Troy parking lot had 138 parking spaces. The dot will offer 400 parking spaces. Of these 100 office / 50 retail / 25 residential. She noted that spaces for office and retail would likely be available in the evening.

Board Chair Jacki Smith stated it is worthy to discuss adding new entertainment square footage and how it effects our vision established in previous years.

Community and Economic Development (CED) Director, Jordan Twardy reviewed questions and concerns expressed to ensure they were captured; sound ordinance,

furniture being secured, impact to second floor tenants, noise ordinance. Member Nathan Martin confirmed the roof top patio will be ADA complaint.

Board Chair Jacki Smith requested the focus be on a diverse collection of business for balance and drive to all the downtown.

Master plan from 2016 will be amended next year. Retail was a larger component. Strategic vision is important.

e. Budget Workshop #2 – Fiscal Year 2020 Midyear + 5 Years

The draft budget was presented during the regular meeting on February 13, 2020. Executive Director Stevens asked the members of the board where they find value.

Member Blake Scheer stated that this is an impressive budget, appreciated the detailed break out. Expressed that the DDA staff is important and hopes the budget has income to support high quality staff. Executive Director Stevens asked him to state the total budgeted for staff. Member Blake Scheer guessed \$170,000; Director Stevens provided the actual number \$148,000.

Member Sarah Brown stated she is most interested in how to handle contracts and focus on contracting out to experienced individuals or companies. Referenced DPW and keeping things clean where public walks and public art installation. Executive Director Stevens asked her to state the total budgeted for DPW and public art. Member Sarah Brown guessed \$165,000 for DPW contract, Executive Director Stevens confirmed. \$3000 for public art, Executive Director Stevens confirmed this amount budgeted for public art. Downtown maintenance supply line item is new and helps the DPW plan the downtown maintenance.

Member Nathan Martin stated that by working with the City and utilizing resources it creates cost savings. Executive Director Stevens provided example of working together with the Chamber of Commerce on the redesign of the poster.

Mayor Piana inquired about the flexibility in maintenance contract with DPW for Schiffer Park and various other areas of growth including, The dot. The Capital Improvement Plan (CIP) is important and may need more funding. City Manager, Joe is in conversation over Woodward capital improvement widening project and how it will impact transit. Transportation strategy is high topic and the CIP will be addressed. Possible funds may be needed while working together with City. Executive Director Stevens explained the downtown maintenance fee set with DPW was \$180,000 and it is confident in lowering the amount to \$165,000. This year the maintenance amount is shifting from cleaning out flower beds to Schiffer Park. Mayor Piana mentioned cleanliness of chairs, pan handling and dog waste is of high concern. Executive Director Stevens stated the worst-case scenario for CIP has been budgeted with \$10,000 to \$15,000 extra providing \$30,000 to get it in proper shape. Woodward widening project is not listed as specific budget line item, it is of high concern for the downtown and can be changed.

Member Blake Scheer questioned what line item the newest current affair concerning business support and emergency preparedness would fall under. Executive Director Stevens stated it is possible to pull from line items that are already in there. Generating a specific line time in not recommenced. Member Blake Scheer stated confidence that Executive Director Stevens has authority to make decision in the event of need.

Member PJ Jackoes stated arts and parks are his main passion. Executive Director Stevens mentioned the importance of street scape and the grand opening of the Dot. There are many green spaces that could be activated in the Withington alley. As the projects wrap up, Executive Director Stevens requested to start thinking about the future.

Board Chair Jacki Smith stressed the importance of business development; existing business and attraction to new business, how presentable and attractive downtown needs to be.

Member Sarah Brown asked if the board celebrated longevity and success by presenting awards to businesses. Executive Director Stevens stated up until now Main Street Oakland County has provided the awards and mentioned this may change to local internal recognition.

Mayor Piana mentioned interest in combining efforts, State of the downtown report and business report annually. DDA and City could award those who need to be acknowledged.

Executive Director Stevens summarized the conceptual review with ideas mentioned today. Next step is to vote that budget is approved and ready to go to council. There is a quorum, but members are missing this discussion. Member Jerome Raska and Executive Director Stevens had a one on one meeting to review the draft presentation. Member Chris Johnston and Member Janice Semma are not in attendance, have not weighed in.

***Motion by member Blake Scheer seconded by member PJ Jackoes to amend agenda adding item 7b; recommend that the city council approves the DDA budget fiscal year 2020. All ayes, motion carries.***

Member PJ Jackoes asked if it is an option to teleconference and still meet requirements of quorum. Mayor Piana stated that the City Manager is looking into it and to direct any questions to him.

## **6. CONSENT AGENDA**

- a. Approval of the Minutes of the Regular Meetings held February 13, 2020  
***Motion by member PJ Jackoes seconded by member Blake Scheer to approve the consent agenda as presented. All Ayes, motion carries.***

## 7. ACTION ITEMS

### a. Selection of Board Member for the dot Experience Planning Committee

Executive Director Stevens requests the DDA Board appoint one member to be the point of contact and representative of DDA for Ideation. Ideation is contracted to create the image and experience aspect of The dot. Member PJ Jackoes volunteered.

***Motion by member Nathan Martin seconded by member Blake Scheer to appointment member PJ Jackoes to serve as the representative on The dot Experience Planning Committee. All Ayes, motion carries.***

### b. Fiscal Year 2020 Midyear + 5 years – Budget

***Motion by member PJ Jackoes seconded by member Sarah Brown to approve the DDA Fiscal Year 2020 Budget is provided to city council for approval. All Ayes, motion carries.***

## 8. INFORMATION ITEMS

### 9. **CALL TO COMMITTEE CHAIRS, BOARD MEMBERS & STAFF (note more than 3 minutes)**

Mayor Piana announced that the State of the City address date has been changed to May 5 due to scheduling conflict with Passover. Tentative in leu of COVID-19 information.

Executive Director Stevens stated that the DDA will share all notifications from Fire Chief Pasha and Communications Director Kara Sokol regarding COVID-19 on all platforms. Communication efforts currently include county recommendations and strategies. Staff will create a list of local business who provide online services.

## 10. ADJOURNMENT

***Motion by member Blake Scheer, seconded by member Sarah Brown to adjourn the meeting at 9:51 A.M. All ayes, motion carries.***

**CITY OF FERNDALE  
REQUEST FOR COUNCIL ACTION**

**FROM:** Lena Stevens

**SUBJECT:** Payment in Lieu of Parking Request Approval for 22757 Woodward Avenue

**INTRODUCTION**

At the March 12, 2020 DDA Board Meeting, the owners and representatives for 22757 Woodward Avenue (Grasshopper Rooftop) presented their concept to redevelop the 2,198 square foot rooftop to be accessible to patrons. Since the project requires consideration of payment in lieu of parking by City Council, staff wanted to introduce the project to the DDA Board. Below is a brief summary of the request and a draft motion for the DDA Board to consider.

**SUMMARY & BACKGROUND**

The site plan for the rooftop project at 22757 Woodward Avenue was originally approved by the Planning Commission in May 2016, but that approval has since expired. The plans were originally exempt from the payment in lieu of parking ordinance (amended in 2016), but now require City Council approval due to the ordinance adopted in February 2016. As part of the process, the DDA Board typically makes a recommendation regarding the request to City Council. If the applicant's payment in lieu of parking request were approved by City Council, the project would still need formal administrative approval of the site plan and building plan approval.

The owners and representatives for the project shared feedback to date from City and DDA staff at the March 12, 2020 DDA Board meeting, where the applicant described proposed operations and building improvements. As described by the applicant, the rooftop concept is intended to be a seasonal lounge, that is different than the Grasshopper basement club business, and showcases views of the City. The DDA Board did not take action at the meeting, but generally expressed support for the concept. The next steps would be for the DDA Board to consider a recommendation to support or deny the \$81,000 payment in lieu of parking request to City Council at a future meeting. City Council would then consider the application at a future meeting. Council may approve, deny, or approve in part an application to provide payment in lieu of off-street parking.

**BUDGETARY CONTEXT**

N/A

**CIP#**

N/A

**ATTACHMENTS**

[Payment In Lieu Policy.docx](#)

[Summary of project - Ferntop - 03.06.2020.pdf](#)

**STRATEGIC PLANNING CONTEXT**



Economic Prosperity

**RECOMMENDED ACTION**

Motion to RECOMMEND that the Ferndale City Council APPROVE the applicant's payment in lieu of parking request at 22757 Woodward Avenue in accordance with Ordinance No. 1087, Section 24-223 (k).

## PAYMENT IN LIEU POLICY

Ferndale City Council passed a resolution on February 22, 2016 to amend Ordinance No. 1087, Section 24-223 to eliminate the off-street parking exemption for restaurant uses with additional and/or accessory use of the sale of alcoholic beverages for on-premises consumption in the CBD. The intent of the Ordinance is to require the use having a direct impact on the City's peak hour parking issue contribute to the resolution of the issue. Payment in lieu, by Ordinance, is set aside and allows proceeds for acquisition, development and maintenance of municipally owned or leased off-street parking facilities for the benefit of the CBD. Adoption of the Ordinance does not prohibit the development of restaurant and bar uses in the downtown, it only eliminates the exemption that is currently enjoyed for businesses serving alcoholic beverages.

The existing one-time payment in lieu of parking fees were set by Ferndale City Council in 2008 based on [Ordinance No. 1087, Section 24-223 \(k\)](#). Fees take into consideration the cost of constructing a new off-street parking space in a municipal facility. Fees are set at \$5,000 (per space) for spaces 1-5 required, \$4,000 (per space) for spaces 6-10, and \$3,000 (per space) for spaces over 11.

Payment in lieu determination applications can be made to the Community and Economic Development department. Applications should include a letter describing the project, a [Zoning Determination Request form](#), and sketch floor plan with the gross square footage details. Once a determination of the number of parking spaces required is made, the request may be reviewed by the Planning Commission and Downtown Development Authority, prior to City Council consideration.

## Summary of project

Re: Grasshopper Rooftop

22757 Woodward Ave. (Parcel 24-25-34-126-017)

## Brief History

- In May 2016 site plans were submitted to the City of Ferndale by Troy Ramroop, then the owner of Grasshopper Underground, for a proposed rooftop lounge at 22757 Woodward Avenue which is the building at the southwest corner of Nine Mile Road and Woodward Avenue.
- In August of 2016, the City of Ferndale Planning Commission and City Council approved the project.
- Thereafter, Mr. Ramroop transferred ownership of Grasshopper Underground and the project was placed in the hands of the new ownership team.
- The new ownership duo of Grasshopper Underground and the building owner, Woodward Investment Properties, in a joint venture, Ferntop LLC, now with full momentum, seek approval to reinstate the project and proceed.
- While the project and its site plan have not been materially modified it will be updated to address revised building codes and any concerns raised by the City of Ferndale.
- On February 26, 2020 representatives of Ferntop, LLC and the City of Ferndale met to discuss the project. This included a discussion on fire suppression and plans for egress from the rooftop in the event of a fire. The proposed plans were well received by the City with general acknowledgement that any issues could likely be addressed and should not ultimately prevent approval of the project.
- As the property is in the CBD and the rooftop area is a change of use, the City has indicated that the payment in lieu of parking ordinance applies to this project. City Planning Manager, Justin Lyons, has calculated (22) twenty-two off-street parking spaces are needed, (based on 2,198 net square feet). This equates to a fee in the amount of \$81,000.00.
- The implementation of this project will provide an exciting seasonal option to the Grasshopper Underground operation which currently primarily operates in the subterranean level of the same building.
- This unique and exciting venue placed in the same quadrant as the new Dot, will provide spectacular views of historic Woodward Avenue that reach from the GM Building in Detroit to Downtown Birmingham. It will further showcase Ferndale's dynamic and strategic position in Southeastern Michigan and along the M1 corridor.
- Ferntop, LLC seeks the DDA Board's insight, input, and advice to help make this exciting project successful and that we believe will add a new dimension and energy to Ferndale's spectacular downtown.

**CITY OF FERNDALE  
REQUEST FOR COUNCIL ACTION**

**FROM:** Lena Stevens

**SUBJECT:** Update on COVID-19 Budget Impacts to DDA

**INTRODUCTION**

As the DDA focuses on building a response to the COVID-19 pandemic, some existing projects and processes will need to be adjusted to accommodate the shift toward business support. Similar to the process being followed by the City of Ferndale, the Executive Director recommends that a minimized budget be implemented, with plans for future amendments to be considered when the financial impact of this situation is better understood.

**SUMMARY & BACKGROUND**

The charter requires City Council to adopt the budget for the next fiscal year by the second City Council meeting in April. Traditionally, the City Council approves the DDA budget as a part of this process. At it's meeting on 3.12.20 the Ferndale DDA recommended that the City Council approve the DDA budget for FY 2020. Given the impact of this crisis on our businesses community, it is prudent to take a highly conservative approach in tackling new projects while assessing the best ways to provide support for recovery now and in the future.

During the meeting on 4.9.20, the Executive Director will provide a minimized budget which essentially "freezes" items which have been deemed optional. These items will not be removed, but simply await consideration during a future budget amendment process to determine if they are still feasible/beneficial. The Director will also made recommendations for some budget categories to direct immediate response in light of current information.

As a part of this discussion it should be noted that a legal opinion from the City Attorney Dan Christ with consent from DDA Attorney Steven Mann has outlined that neither the City nor the DDA may lend or grant funds to any private individual for any private purpose. We continue to review this matter with County and State officials, however, as a body we must look for ways to provide support while maintaining compliance with this opinion. See attached document for details. Also note that this opinion precludes the DDA from issuing any further facade grants under the BUILD Program unless modifications are made to the program structure.

**BUDGETARY CONTEXT**

This recommendation would supersede the motion from 3.12.20 and allow the Executive Director to submit a minimized DDA Budget for approval to the City Council.

**CIP#**

N/A

**ATTACHMENTS**

[Ferndale Legal Opinion - Use of Public Funds for Private Purpose.pdf](#)

**STRATEGIC PLANNING CONTEXT**

Economic Prosperity

**RECOMMENDED ACTION**

Authorize the Executive Director to amend DDA budget as presented with adjustments related to COVID-19.



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March 27, 2020

Mr. Joseph Gacioch, City Manager  
City of Ferndale  
300 E. Nine Mile Road  
Ferndale, Michigan 48220

*Via E-Mail Only*

Ms. Lena Stevens, Executive Director  
Ferndale DDA  
300 E. Nine Mile Road  
Ferndale, Michigan 48220

**Re: *Lending of Public Credit***

Dear Joe and Lena:

This correspondence is intended to assist you regarding my comments this morning in response to Executive Director Stevens' inquiry as to whether the City of Ferndale may provide City funds to the DDA to enable the DDA to provide grants to businesses for operating costs such as rent subsidies, payroll expenses, utility payments and possibly other business costs given the adverse financial impact many businesses are experiencing as a result of the Covid-19 pandemic. I indicated the Michigan Constitution of 1963 expressly limits the ability of the City to transfer its monies and/or lend its credit for private purposes. Specifically, the Michigan Constitution of 1963, Art. 7, § 26. states:

Except as otherwise provided in this constitution, no city or village shall have the power to loan its credit for any private purpose or, except as provided by law, for any public purpose.

Consistent with the constitutional limitation, the Michigan Attorney General has issued an opinion that "In the absence of authorizing legislation, a city or village may not appropriate funds to a private, nonprofit corporation, even if the private, nonprofit corporation is performing a public purpose. Op. Atty. Gen. 1977, No. 5212, p. 199, 1977 WL 32809. The Michigan Court of Appeals, in *Kaplan v. City of Huntington Woods*, 357 Mich. 612 (1959) has, similarly, held: "A gift or donation of money or property by the city would, in our opinion, constitute a violation of both the constitutional provisions quoted above" (prohibiting the lending of credit of the State, a city or village). The Court continued to recognize that "[m]unicipalities may not give away public property without a consideration."



Mr. Joseph Gacioch, City Manager  
Ms. Lena Stevens, Executive Director  
March 27, 2020  
Page 2

Additionally, the loaning of DDA funds, for the purposes noted above, exceeds the powers of the DDA Authority Board under the Recodified Tax Increment Financing Act, Public Act 57 of 2018, as set forth in MCL 125.4207.

If you have any questions, please do not hesitate to contact me.

Very truly yours,

P. Daniel Christ

PDC/bbo

cc: Mr. Jordan Twardy, Community & Economic Development Director  
Mr. Steven D. Mann, Esq.

**CITY OF FERNDALE  
REQUEST FOR COUNCIL ACTION**

**FROM:** Lena Stevens

**SUBJECT:** HR Services Agreement for Local Businesses with Everything HR

**INTRODUCTION**

Access to specialized Human Resource service for small businesses has been identified as an immediate need in response to COVID-19 given the rapidly changing legal landscape surrounding unemployment and other financial relief programs.

**SUMMARY & BACKGROUND**

Everything HR was recommended by the President and CEO of TechTown, Ned Staebler. They have contracted with Everything HR to provide assistance to small businesses in Detroit in response to COVID-19.

Businesses within the DDA District will be able to schedule one-on-one consultations, receive guidance specifically tailored to their needs, and potentially get help filing for unemployment on behalf of their employees electronically.

This contract includes 250 hours at a rate of \$60 per hour, for a total maximum cost of \$15,000. Service will be provided on a first come, first served basis. Any business requiring over 5 hours of service will require approval by the Executive Director. We are not legally able to provide these services to businesses outside of the DDA District.

Either party may terminate the agreement with 48 hours written notice. As progress is tracked, the Executive Director will have the authority to determine if the program is not meeting expectations.

**BUDGETARY CONTEXT**

The DDA budget is currently being revised in response to COVID-19 to place projects on hold and create flexibility for providing support services such as these.

**CIP#**

**ATTACHMENTS**

[Ferndale HR Outsourcing Agreement 4.6.20.pdf](#)

**STRATEGIC PLANNING CONTEXT**

Economic Prosperity

**RECOMMENDED ACTION**

Authorize the Executive Director to enter into a contract with Everything HR not to exceed \$15,000.

# EverythingHR and EverythingHR Financial Services

*We Are EverythingHR*

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## *HR Outsourcing Agreement*





EverythingHR

EverythingHR Financial Services

## Human Resource Outsourcing Agreement

El Shaddai Consulting, LLC, DBA EverythingHR, with its principal office located at 1055 E. South Blvd Suite 225 Rochester, MI 48307 ("HR Outsourcer"), and \_\_\_\_\_, with its principal office, located at \_\_\_\_\_ "Client") agree to the terms and conditions set forth in this HR Staffing Agreement (the "Agreement").

### HR Outsourcer

Will be the UIA of Michigan liaison for participating City of Ferndale small businesses. Through this relationship, we will distribute the State of MI UIA, WorkShare, and Related Materials to all of the City of Ferndale businesses that are supported under this agreement. The city of Ferndale businesses will enroll in the program by submitting their City of Ferndale Small Business Support Program to EverythingHR.

EverythingHR will provide 250 hours of support for the following services:

- Attend all State of Michigan UIA and WorkShare webinars and teleconferences for Ferndale businesses
- Develop or solicit from the State, as needed, short key-takeaways/updates as companion documents for the State's materials
- Disseminate summary documents and other materials from webinars and teleconferences to all enrolled Ferndale Small Business participants
- Create and provide layoffs and terminations templates and tools for employers or file electronically on behalf of the employer
- Collect and submit specific UIA, WorkShare, and related questions from the City of Ferndale enrolled businesses to UIA via the State of MI's Ferndale Liaison/process
- Provide weekly update reports on the number of businesses served and question themes to \_\_\_\_\_
- Provide a summary report of companies served and services rendered upon the expiration of this agreement
- Provide the Families First Act and Paid Sick Leave assistance.
- Employer/Employees can contact the contractor with one-one consults.

**Any request beyond 5 hours of services will have to be pre-approved by \_\_\_\_\_**

## **Payment Terms, Bill Rates, and Fees**

1. CLIENT will pay HR Outsourcer for its performance at the rates set forth on Exhibit A and will also pay any additional costs or fees outlined in this Agreement. HR Outsourcer will invoice in addition to the bill rates specified in Exhibit A of this Agreement, CLIENT will pay HR Outsourcer the amount of all new or increased labor costs associated with CLIENT's Assigned Employees that HR Outsourcer is legally required to pay—such as wages, benefits, payroll taxes, social program contributions, or charges linked to benefit levels—until the parties agree on new bill rates.

## **Confidential Information**

2. Both parties may receive information that is proprietary to or confidential to the other party or its affiliated companies and their clients. Both parties agree to hold such information in strict confidence and not to disclose such information to third parties or to use such information for any purpose whatsoever other than performing under this Agreement or as required by law. No knowledge, possession or use of the CLIENT's confidential information will be imputed to HR Outsourcer as a result of Assigned Employees' access to such information.

## **Cooperation**

3. The parties agree to cooperate fully and to provide assistance to the other party in the investigation and resolution of any complaints, claims, actions, or proceedings that may be brought by or that may involve Assigned Employees.

## **Indemnification and Limitation of Liability**

4. To the extent permitted by law, HR Outsourcer will defend, indemnify, and hold CLIENT and its parent, subsidiaries, directors, officers, agents, representatives, and employees harmless from all claims, losses, and liabilities (including reasonable attorneys' fees) to the extent caused by HR Outsourcer's breach of this Agreement; its failure to discharge its duties and responsibilities set forth in paragraph 1; or the negligence, gross negligence, or willful misconduct of HR Outsourcer or HR Outsourcer's officers, employees, or authorized agents in the discharge of those duties and responsibilities.
5. To the extent permitted by law, CLIENT will defend, indemnify, and hold HR Outsourcer and its parent, subsidiaries, directors, officers, agents, representatives, and employees harmless from all claims, losses, and liabilities (including reasonable attorneys' fees) to the extent caused by CLIENT's breach of this Agreement; its failure to discharge its duties and responsibilities set forth in paragraph 2; or the negligence, gross negligence, or willful misconduct of CLIENT or CLIENT's officers, employees, or authorized agents in the discharge of those duties and responsibilities.



6. Neither party shall be liable for or be required to indemnify the other party for any incidental, consequential, exemplary, special, punitive, or lost profit damages that arise in connection with this Agreement, regardless of the form of action (whether in contract, tort, negligence, strict liability, or otherwise) and regardless of how characterized, even if such party has been advised of the possibility of such damages.
7. As a condition precedent to indemnification, the party seeking indemnification will inform the other party within 30 business days after it receives notice of any claim, loss, liability, or demand for which it seeks indemnification from the other party; and the party seeking indemnification will cooperate in the investigation and defense of any such matter.
8. The provisions of paragraphs 8 through 12 of this Agreement constitute the complete agreement between the parties on indemnification, and each party waives its right to assert any common-law indemnification or contribution claim against the other party.

#### **Miscellaneous**

9. Provisions of this Agreement, which by their terms extend beyond the termination or nonrenewal of this Agreement will remain effective after termination or nonrenewal.
10. No provision of this Agreement may be amended or waived unless agreed to in a writing signed by the parties.
11. Each provision of this Agreement will be considered severable, such that if any one provision or clause conflicts with existing or future applicable law or may not be given full effect because of such law, no other provision that can operate without the conflicting provision or clause will be affected.
12. This Agreement and the exhibits attached to it contain the entire understanding between the parties and supersede all prior agreements and understandings relating to the subject matter of the Agreement.
13. The provisions of this Agreement will inure to the benefit of and be binding on the parties and their respective representatives, successors, and assigns.
14. The failure of a party to enforce the provisions of this Agreement will not be a waiver of any provision or the right of such party after that to enforce each and every provision of this Agreement.
15. CLIENT will not transfer or assign this Agreement without HR Outsourcer's written consent.
16. Any notice or other communication will be deemed to be properly given only when sent via the United States Postal Service or a nationally recognized courier, addressed as shown on the first page of this Agreement.
17. Neither party will be responsible for failure or delay in the performance of this Agreement if the failure or delay is due to labor disputes, strikes, fire, riot, war, terrorism, acts of God, or any other causes beyond the control of the nonperforming party.

**Term of Agreement**

**18.** This Agreement will be for a term of 90 days from the first date on which both parties have executed it and is automatically renewable. The Agreement may be terminated by either party upon 48 hours written notice to the other party, except that, if a party becomes bankrupt or insolvent, discontinues operations, or fails to make any payments as required by the Agreement, either party may terminate the agreement upon 48 hours written notice.

**Authorized representatives of the parties have executed this Agreement below to express the parties' agreement to its terms.**

CLIENT

EverythingHR  
HR OUTSOURCER

Signature

Signature

Printed Name

Felicia G. Harris

Printed Name

Title

Principal

Title

Date

Date

## Exhibit A Statement of Work

### Pricing

Pricing will be for a total of 250 hours at \$60 per hour for virtual service. To verify the hours worked, each employer will be asked to sign a timesheet.

### HR Outsourcing Services include consulting on the following:

Will be the UIA of Michigan liaison for participating City of Ferndale small businesses. Through this relationship, we will distribute the State of MI UIA, WorkShare, and Related Materials to all of the City of Ferndale businesses that are supported under this agreement. The city of Ferndale businesses will enroll in the program by submitting their City of Ferndale Small Business Support Program to EverythingHR.

EverythingHR will provide 250 hours of support for the following services:

- Attend all State of Michigan UIA and WorkShare webinars and teleconferences for Ferndale businesses
- Develop or solicit from the State, as needed, short key-takeaways/updates as companion documents for the State's materials
- Disseminate summary documents and other materials from webinars and teleconferences to all enrolled Ferndale Small Business participants
- Create and provide layoffs and terminations templates and tools for employers or file electronically on behalf of the employer
- Collect and submit specific UIA, WorkShare, and related questions from the City of Ferndale enrolled businesses to UIA via the State of MI's Ferndale Liaison/process
- Provide weekly update reports on the number of businesses served and question themes to \_\_\_\_\_ at the City of Ferndale
- Provide a summary report of companies served and services rendered upon the expiration of this agreement
- Provide the Families First Act and Paid Sick Leave assistance.
- Employer/Employees can contact the contractor with one-one consults.

**Any request beyond the scope of services will have to be pre-approved by \_\_\_\_\_.**

**Client**

EverythingHR  
HR Outsourcer

**Signature**

Signature

**Printed Name**

Felicia G. Harris  
Printed Name

**Title**

Principal  
Title

Date

Date

### **Insurance**

HR OUTSOURCER will cover HR OUTSOURCER's staffing operations for CLIENT with at least the following types and limits of insurance or other coverage:

- a. Workers' compensation benefits or coverage on the Assigned Employees, in amounts no less than required by law
- b. Employer's liability insurance with limits of \$ 2,000,000
- c. Commercial general liability insurance, including personal injury, contractual liability, and property damage, with limits of \$ 2,000,000

### **Late Payment Penalty**

A monthly service charge of 18% per annum (1.5% per month) on charges remaining unpaid after 30 days after the invoice date. We are entitled to reasonable collection fees, attorney fees and other expenses incurred to collect all charge(s) on your account. **Initial**

### **No Staff Hire-Always; Fee**

CLIENT and HR OUTSOURCER agree not to directly or indirectly employ or engage as an independent contractor any staff employee of the other party during the term of this Agreement and for a period of 48 months thereafter without the prior written consent of the other party. Any party violating this paragraph will pay to the other party a fee in the amount of 100% of the employee's annualized compensation with the new employer. **Initial**

### **Financial Audit**

Upon reasonable written notice, either party may, at its own expense, inspect the other party's financial records relating to this Agreement, or the audited party shall cooperate with such audit. Auditors who are not employees of the auditing party may be engaged for this purpose only with the consent of the audited party.

### **Nature of Relationship**

The services that HR OUTSOURCER will render to the CLIENT under this Agreement will be as an independent contractor. Nothing contained in this Agreement will be construed to create the relationship of principal and agent, or employer and employee, between HR OUTSOURCER and CLIENT.

### **Arbitration**

Any controversy or dispute between the parties arising out of this Agreement will be resolved by arbitration under the Federal Arbitration Act and before the American Arbitration Association (AAA) at the AAA location closest to HR OUTSOURCER's office. The costs of arbitration will be shared equally by the parties. The arbitrator will have no authority to change any of the terms of this Agreement. All decisions of the arbitrator will be final and binding upon the parties. The prevailing party will be awarded reasonable attorney's fees incurred in the arbitration in addition to any other relief awarded. Judgment upon any award rendered by the arbitrator may be entered in any court of competent jurisdiction.

### **Choice of Law**

This agreement will be governed by and construed by the laws of the state of Michigan, without reference to any conflicts of law principles thereof.

### **Assignment of Agreement**

CLIENT shall not transfer or assign this Agreement without the written consent of HR OUTSOURCER, and any attempted assignment without such consent shall immediately terminate this Agreement.



# Recurring Billing Agreement

I authorize EverythingHR to initiate either an electronic debit or to create and process a demand draft against my bank account according to the terms outlined below.

I acknowledge that the origination of ACH transactions to my account must comply with the provisioning of United States law.

1055 E. South Blvd. Suite 225 Rochester Hills, MI 48307 (586) 461-1400 (O) / (586) 461-1181 (F)  
[www.EverythingHR.net](http://www.EverythingHR.net)

## Terms of Billing

Company Name \_\_\_\_\_ Telephone Number \_\_\_\_\_

*Please place an **X** next to your preferred recurring payment option and complete the required information for your selection.*

### Recurring Payment Option #1

\_\_\_\_\_ Starting on \_\_\_\_\_ [Month/Day/Year] and on the \_\_\_\_\_ [Day of Month] of each month following through \_\_\_\_\_ [Month/Day/Year] for the amount of \$ \_\_\_\_\_.

### Recurring Payment Option #2

\_\_\_\_\_ Starting on \_\_\_\_\_ [Month/Day/Year] and on the \_\_\_\_\_ [Day of Month] of each month following through \_\_\_\_\_ [Month/Day/Year] for the amount owed to EverythingHR as detailed in Invoices.

## Bank Information

Bank ABA Number \_\_\_\_\_ Bank Account Number \_\_\_\_\_

Bank Account Name \_\_\_\_\_ Bank Account Type: [Savings/Checking] **circle one**

This payment authorization is to remain in full force and effect until I, [Customer Name], notify EverythingHR of its cancellation by sending written notice in such time and in such manner to allow EverythingHR and receiving financial institution 7-14 business days to act on the cancellation. All cancellations occurring within a billing cycle will be prorated, and your account will be credited with the difference.

Authorized Customer Signature	Authorized Customer Printed Name	Date Signed
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*Each time Intuit Merchant Services process a transaction a notice will be sent to the email address below*

Customer email address \_\_\_\_\_

This form can be returned by fax to (586) 461-1181 or email to [support@everythinghrfs.net](mailto:support@everythinghrfs.net). This information **WILL NOT** be stored by EverythingHR or any of its affiliates. **All transactions will be processed by Intuit Merchant Services.** If you have any questions, please contact billing at (586) 461-1400.



## BENEFITS

EverythingHR will provide wholesale insurance (group life, group medical, group disability, business owner policy, employee protection liability insurance, etc.) and small business retirement (401k, 403b, SEP, Simple IRA, Individual 401k, Non-qualified Highly Compensated Employees plan, etc.) assistance to all members.

### INSURANCE AND RETIREMENT PROVIDERS

