

**Call to Order** Mayor Leverence called the regular meeting of the Allegan City Council to order at 7:00 PM.

**Pledge of Allegiance**

**Meeting Prayer** Pastor Austin Kreutz gave the prayer.

**Roll Call**

Present: Councilmembers: Gratz, Ingalsbee, McDaniel, McKenzie, Tripp, Zeter, Mayor Leverence

Absent: None

Others

Present: City Manager R. Hillard, Deputy City Clerk L. Vander Clay

**Approval of Minutes** Councilmember McDaniel, supported by Councilmember McKenzie, made a motion to approve the Regular City Council meeting minutes of June 22, 2015. Motion passed by acclamation. Councilmember Gratz, supported by Councilmember McDaniel, made a motion to approve the Special City Council meeting minutes for June 29, 2015. Motion passed by acclamation.

**Mayor's Report** Mayor Leverence appreciates all in attendance tonight. She asked everyone to state their name and address for the record, comments will be held to 3-5 minutes, to be respectful and know that Councilmembers are here to serve the citizens. She also stated that she will not support any kind of office moving into 155 Brady Street.

**City Manager's Report** City Manager R. Hillard thanked everyone in attendance. He explained that the use of 155 Brady Street will be open for public comment and briefly reviewed the events leading up to tonight's meeting and each proposal. He continues for work with KD Lake and Focal 5 group to establish a development agreement for 155 Brady Street, as directed by the majority of the City Council. He also indicated that a different City owned vacant building on Brady Street and the vacant Brady Street lot have been offered to each party. City Manager R. Hillard did invite Gene Pigatti of Focal 5 to address some points related to the Focal 5 proposal. He also requested an addition to the agenda under **B. Communications #7. Signage Placement Request.**

**Petitions and Public Comment** Gene Pigatti, Focal 5 gave an overview of the Special City Council meeting held on June 29<sup>th</sup>. He and Kurt are working on a strategy and both are happy to answer any and/all questions tonight. He stated that Hartman-Ellis Insurance has served this community for over 50 years and he wants the verbal attacks towards Ms. Lakes' business and her family to stop.

Tessa Pierce Thomas, 321 Grant Street commented on how she parked on the riverfront and walked to the meeting. She feels that retail is needed on the riverfront and not a trade school.

Joe Leverage, 148 Mill District Road challenged Focal 5 to prove his comments on social media as slanderous to their client. He has nothing against City Council but feels that it would be a disservice to the community and the riverfront project if offices are allowed to occupy 155 Brady Street. Gene Pigatti from Focal 5 stated that the restaurant proposal doesn't contain any type of commitment back to the City of Allegan or the community. Joe Leverage wants the restaurant proposal to be re-considered by City Council. He then apologized for causing any hurt feelings.

Bob Sosnowski, Valley Township has purchased a building on Water Street to build a restaurant. Mr. Sosnowski needs water at the sidewalk to meet the sprinkling requirements for building use and occupancy.

Owen Hunt, 128 Delano, commented that Mr. Paggeot has a passion for this restaurant endeavor.

Bill Salters, 314 Russell asked if this trade school is just a concept. Mr. Pigatti will address that question after public comment.

Marcia Neigebauer, owner of the Delano Mansion Inn commented that there is nothing to do in this town on the weekends for her guests. She indicated we need a restaurant but also in favor of the trade school, but not located at 155 Brady Street.

Marty McCloud, Valley Township stated that Allegan has everything except a good restaurant. She thinks the trade school is an excellent idea but 155 Brady Street is best for a restaurant.

Roger Bird, 204 Cutler thanked the Council for their hard work. He questioned why the City wouldn't sell the building to Mr. Paggeot for \$1.00? City Manager R. Hillard stated that yes; Mr. Paggeot has changed his proposal to reflect a \$1.00 purchase price.

Tom Hardin, Allegan Township directed all this comments and questions to Councilmembers Gratz, McDaniel, McKenzie and Tripp. He feels they have lost sight of the City's vision.

Mike Villar, 128 Hill Street stated he is a DDA member and an attorney. He thinks this Facebook war has created garbage and really wonders if we are still in high school? He feels that \$500,000 to renovate 155 Brady into a fine dining restaurant is a very low budget. Unfortunately, nothing can happen now and that's really rotten and government by Facebook is a mistake.

Barbara Marr, Cheshire Township was part of the Specialty Shops of Allegan and one of the founders of Fiberfest. She likes the fact that Facebook and Twitter are a part of today's technology. She also respects the local paper, but found out about this meeting on Facebook. She knows neither party and applauds the efforts for a trade school in

Allegan, however it should not be located at 155 Brady Street. The need is there for a high end restaurant and should be located at 155 Brady Street.

Fritz Spreitzer, Allegan Township stated we already have a trade school located at the Vo-Tech Center.

Austin Kreutz, 631 Sherman Street commented the City needs a restaurant and we already have an excellent trade school at the Vo-tech. Allegan is dying. We need a spiritual revival and we need many restaurants and he supports the first one going into 155 Brady Street.

Mark Lovett, 228 Trowbridge stated the lack of activity in the City has stopped him and his wife from putting a business in the downtown. He thinks the insurance company's plan just seems like an idea and there are other places for them to expand. He would like to see a restaurant at 155 Brady Street. He encouraged the City Council to find retail businesses and get more life into the downtown.

Ella Swift, Division Street stated she is a writer and film maker and loves Allegan. She recently produced a film here and the entire crew loved this community. She knows that Allegan is on the cusp of something awesome.

Robin Wall, James Street asked after an event at the new stage where will the people go? She wants City Hall to move into 155 Brady.

Ruth Boven, 340 M40 South commented that her Bed & Breakfast has thousands of visitors per year and would like to have a fine dining restaurant in Allegan that she would be able to promote to her guests.

Greg Paggeot, Trowbridge Township commented that he has never owned a restaurant but has been a chef for 20 years. He wants to help the downtown. He is looking to execute a development agreement with the City and financing could be secured in 3 months.

Mary Kasprzyk, Executive Director of the Forever Curious Children's Museum wanted to let everyone know that the museum didn't fail in opening here in Allegan, the extension for the building wasn't approved by the DDA. She stated that approval for a \$250,000 loan from the USDA was obtained, however she did withdraw the application for \$500,000. She announced the museum is planning on expanding in a neighboring City, but it won't be in the City of Allegan. In speaking directly to the Mayor, she stated how rude she was and that her behavior was unacceptable and that the museum's board members were in shock.

Michael Fairbanks, Cutler Street commented that residents want the best for Allegan and that business expansion should be supported. He would like to see references and just more information regarding the Focal 5 proposal. Transparency is the key in this situation and knows that this is a difficult decision for the City Council.

Wayne Allen, Trowbridge Township commented that he is partnering with Bob Sosnowski in the Water Street restaurant development and that Bob's son-in-law is a chef in Chicago right now and will be moving to Allegan to become the chef in their new restaurant.

Jim Hocking, Grocery Outlet stated that the downtown is missing retail and restaurants, which is voiced constantly from his customers. He wants 155 Brady Street to become a restaurant.

Amber Paggeot, Trowbridge Township she stated that Greg Paggeot is her husband. She thanked everyone for this opportunity to discuss the proposals and she and Greg are very committed to their endeavor.

Sharon Peters, Allegan Township feels that there is opportunity for both projects, but the restaurant needs to be in 155 Brady Street.

Diane Zeter, 252 Thomas Street stated that Councilmember Zeter is her husband and that she knows KD Lake. She feels that both opportunities are excellent. She asked numerous questions of Gene and Kurt from Focal 5.

Ron Rapa, Allegan Township questioned no water at Mr. Sosnowski's building? He would like to see both development proposals happen.

KD Lake, owner of Hartman-Ellis Insurance stated that her business is growing and needs more space and 155 Brady Street will allow her to hire more agents and grow in the City of Allegan. The trade school opportunity and her business relocation are both good things and we all need to be more positive.

Scott Ehrich 545 Lake Drive commented the City is struggling. He loves both proposals but would rather see a restaurant located at 155 Brady Street. He would like to speak to Focal 5 about their ideas for housing within the downtown.

Kurt Elliott Focal 5 Group thanked everyone in attendance. He is here to inform and to offer the following:

1. Yes, a proposal has been submitted to the City.
2. A "rumor report-an effort to inform" has been created.
3. A 2015/16 goal of the current City Council is to proactively promote economic investment and create jobs.

The reaction on social media last week was completely embarrassing to everyone involved. He applauded Mr. Paggeot for wanting to invest in the downtown and proposing a restaurant.

He briefly talked about the demographics for the trade school program. The age range for students would be 25-55 years of age. The program would include classroom and hands on training and no this program hasn't been done before but the current needs are for tool-die/construction/iron workers and the intent of this program is not to fill up prime retail storefronts.

Joe Leverence, 148 Mill District Road asked about any financial commitment to the City of Allegan? Gene Pigatti stated that the City Council voted 4-3 in favor of the Focal 5 proposal and that the restaurant proposal was not voted down. They are willing to have a restaurant proposal in the development agreement and there are numerous locations within the downtown for a restaurant.

Douglas Langhorst, Heath Township asked why there is a need to bring a trade school in the downtown. He indicated that a carpenters/millwrights training facility is located in Fennville.

Mayor Leverence asked for a 5 minute break at 9:00pm and she thanked everyone for coming.

**The meeting was reconvened at 9:15pm.**

**Communications** City Manager R. Hillard announced the RRC Best Practices Training Series.

Mayor Leverence announced the Life EMS Camp 911, Thursday, July 16<sup>th</sup>~9:00am~4:00pm Allegan High School Tiger's Den.

Mayor Leverence announced the Local Officials Meeting, Monday, July 20<sup>th</sup>~8:30am Vo-tech, 116<sup>th</sup> Avenue.

Councilmember Ingalsbee, supported by Councilmember Gratz, made a motion to approve the request received from Drew Harper and Kyle Cortez to use and close Locust Street for shooting a TV commercial on Sunday, July 19<sup>th</sup> from 3:00pm~5:00pm. Motion passed by acclamation.

Councilmember Zeter, supported by Councilmember Tripp, made a motion to approve the request received from Mariah Hicks to use the generator building for shooting a movie from August 11~13<sup>th</sup>, 2015. Motion passed by acclamation.

Councilmember Zeter, supported by Councilmember Ingalsbee, made a motion to approve the request received from Peter A. Kaylor Memorial to use Mahan Park on October 2, 2015 from 5:00pm~8:00pm. Motion passed by acclamation.

Councilmember Ingalsbee, supported by Councilmember Zeter, made a motion to approve the request from the Allegan Garden Tour to place signage on City property for their event on Saturday, July 18, 2015. Motion passed by acclamation.

**Hearings** Mayor Leverence opened the public hearing for the sale of 313 Spruce Street at 9:19pm. Al Radspieler asked why the Public Safety Committee is making a recommendation to accept the \$1,000 bid from Dean Michaels instead of the high bid from Wayne Walker in the amount of \$4,127.00 and taking a \$3,000 loss. Councilmember Ingalsbee, speaking on behalf of her vote from the Public Safety Committee, stated she is looking for ways the City can assist first time homeowners in an attempt to turn neighborhoods around and in her opinion, Dean's bid fit the requirements

as outlined in the bid advertisement and that Wayne's bid didn't address a timeline or future occupancy of the house. Wayne Walker commented that his letter given to City Council this evening says it all. He stated he wasn't given a chance to look at the property after calling and getting no response from the City Manager. City Manager R. Hillard indicated he did not receive calls from Mr. Walker.

Al Radspieler also stated that the City Manager is recommending that Wayne Walker receive the property, as the high bidder.

Jason Watts asked if all specifications, as listed in the bid advertisement, were included in the bids. Councilmember Zeter stated no. Mr. Watts also stated he is very disturbed by Councilmember Ingalsbee's comments regarding rental property verses owner occupied.

Councilmember McDaniel, supported by Councilmember McKenzie, made a motion to close the public hearing at 9:35pm. Motion passed by acclamation.

Councilmember McDaniel commented that Michigan Township Services will need to inspect this property and all permits will need to be pulled through their office and it should be sold to the high bidder.

Mayor Leverage has checked references and knows Dean Michaels and has spoken with Wayne Walker.

Councilmember Tripp checked on Mr. Walker's references and feels comfortable with him.

Councilmember Zeter will be changing his vote from the Public Safety Committee meeting to accept the high bid of Wayne Walker.

Councilmember Ingalsbee wanted to share it was unfortunate on how things happened and her vote for the purchase will be for Wayne Walker.

Councilmember McKenzie, supported by Councilmember Gratz, made a motion to approve the sale of 313 Spruce Street to Wayne Walker in the amount of \$4,127.00. Motion passed by acclamation.

**Programs** Councilmember Zeter, supported by Councilmember McKenzie, made a motion to approve the Downtown Façade Improvement Program Amendment-Statement of Responsibility as presented. Motion passed by acclamation.

Councilmember McDaniel, supported by Councilmember Gratz, made a motion to approve the creation of a Non-profit Organization to strengthen the Downtown Area and shall be named Positively Allegan. Motion passed by acclamation.

Councilmember McDaniel, supported by Councilmember Ingalsbee, made a motion to approve the Hubbard Street Lot – Temporary Signage/Banner Installation Policy as presented. Motion passed by acclamation.

**Resolutions**

**RESOLUTION NO. 15.24**

**A RESOLUTION EXEMPTING THE CITY OF ALLEGAN FROM  
THE REQUIREMENTS OF PA 152 OF THE PUBLIC ACTS OF  
2011 FOR THE YEAR 2015/16**

WHEREAS, the Publicly Funded Health Insurance Contribution Act (“Act 152”) was effective on September 27, 2011; and

WHEREAS, Section 8 of Act 152 allows a local unit of government to exempt itself each year from the requirements of the Act by a 2/3<sup>rd</sup> vote of its governing body; and

WHEREAS, the City of Allegan is a “local unit of government” as defined in Act 152.

NOW THEREFORE, the City Council does resolve, find and declare as follows:

- 1. That the City of Allegan exempts itself from the requirements of Act 152 for the year 2015/16.**
- 2. That all resolutions or parts of resolutions are, to the extent of any conflict with this resolution, hereby rescinded.**

Councilmember Gratz, supported by Councilmember Tripp, made a motion to approve Resolution 15.24 as presented. Motion passed by acclamation.

**RESOLUTION 15.26**

**Amendment to the City of Allegan Municipal Policy Manual**

**WHEREAS**, under the authority of various provisions of the Municipal Policy Manual and the Code of Ordinances of the City of Allegan, the City Council wishes to amend various existing city policies and fees and codify with existing policies and fees; and

**WHEREAS**, changes to **Chapter A - Airport Hangar Rentals (Red Hangars 17-20 & 22-25) rental rate shall be reduced from \$205.00 per month to \$185.00 per month** and shall be incorporated into the Allegan Municipal Policy Manual and read as attached.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council that the above stated additions to the City of Allegan Municipal Policy Manual be adopted as recommended by the City staff; and

**BE IT FURTHER RESOLVED**, that the policies and fees hereto shall be the policy as established for the City of Allegan; and all other policies and fees to the extent of such conflict are hereby repealed.

Councilmember Zeter, supported by Councilmember Ingalsbee, made a motion to approve Resolution 15.26 as presented. Motion passed by acclamation.

## **Ordinances**

### **Permits/Licenses/Agreements/Grants**

### **Requests for Payments**

**Requests for Purchases, Services and Equipment** Councilmember Gratz, supported by Councilmember Ingalsbee, made a motion to approve the request for services received from Abonmarche, Benton Harbor, Michigan for engineering services for the riverfront parking lots in the amount of \$8,400.00. Motion passed by acclamation.

**Reports/Minutes of City Boards** Councilmember Ingalsbee reviewed the Allegan Fire District Activity Reports for February, March, April and May, 2015.

Mayor Leverage presented the Community Development Department Activity Report for June, 2015.

Councilmember McKenzie discussed the minutes from the Downtown Development Authority meeting held on June 11, 2015.

Councilmember Gratz reviewed the minutes from the Planning Commission meeting held on June 16, 2015.

Mayor Leverage presented the minutes from the Development Committee meeting held on June 22, 2015.

Councilmember Zeter discussed the minutes from the Public Safety Committee meeting held on June 22, 2015 and the minutes from the Airport Advisory Board meeting held on July 6, 2015.

Councilmember McDaniel reviewed the minutes from the Parks Commission meeting held on July 6, 2015.

Mayor Leverage presented the minutes from the Public Safety Committee meeting held on July 8, 2015.

**Appointments** Councilmember Zeter, supported by Councilmember Ingalsbee, made a motion to appoint Dan Scheuerman as the City of Allegan Assessor. Motion passed by acclamation.

### **Unfinished Business**

**Approval of Payroll and Accounts** Councilmember Ingalsbee, supported by Councilmember Zeter, made a motion to approve payroll in the amount of \$93,084.61 and accounts payable in the amount of \$356,867.17. Motion passed by acclamation.

**Department Supervisors Report** Finance Director T. Stull commented that she and her staff are currently working on year-end requirements.

**Council Comments** Councilmember Zeter thanked all that came to the meeting tonight.

Councilmember Ingalsbee commented the new parks brochure is very nice.

Mayor Leverage thanked everyone in attendance.

Mayor Leverage adjourned the meeting at 10:00pm.

**Respectfully submitted,**

**Lori K. Vander Clay**  
**Deputy City Clerk**

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