

**MANISTEE CITY COUNCIL  
WORK SESSION  
MINUTES OF MAY 14, 2019**

The Manistee City Council met in a work session on Tuesday, May 14, 2019 at 7:00 p.m., Council Chambers, City Hall, 70 Maple Street, Manistee, Michigan 49660.

**MEMBERS PRESENT:** Dale Cooper, Lynda Beaton, Roger Zielinski, Robert Goodspeed, Michael Szymanski, James Grabowski and Erin Pontiac

**MEMBERS ABSENT:**

**ALSO PRESENT:** City Manager, Department Directors, and Public

***Public Comments***

None.

***DISCUSSION ON FAB-LITE EXPANSION – City Manager Thad N. Taylor***

City Manager Thad Taylor introduced Stephen Paine of Fab-Lite who presented information to councilmembers regarding the proposed expansion of their Washington Street manufacturing facility. Fab-Lite manufactures office furniture in their current 40,000 square foot facility with 92 employees. The proposed expansion will double the size of the building to 80,000 square feet and employ up to 30 additional employees when it reaches full capacity. The construction cost is estimated to be \$3,000,000 with an additional \$3,000,000 to be invested in the manufacturing process. The timeline for construction to be completed is the end of 2019. Mr. Paine invited councilmembers to tour the existing facility.

Manager Taylor explained that Fab-Lite is interested in applying for an industrial property tax abatement under Michigan PA 198 and introduced Mr. Bill Kratz of the Michigan Economic Development Corporation to explain the industrial property tax abatement process. The Michigan PA 198 allows local municipalities to grant tax abatements to eligible manufacturers of 50% on the increased value of the new real property improvement for a period of up to 12 years. This would potentially save Fab-Lite \$40,000 per year for up to 12 years and also allow the City to collect the remaining 50% property tax increase of \$40,000.

Consensus: Councilmembers and staff were pleased to hear of the expansion efforts and will await the industrial tax abatement application from Fab-Lite.

## ***DISCUSSION WITH DOWNTOWN DEVELOPMENT AUTHORITY ON EXPECTATIONS***

Manager Taylor explained that it was the recommendation of the DDA Strategic Planning Session facilitator for the DDA board members to have a discussion with councilmembers regarding expectations. Interim DDA Director Tom Kaminski and several DDA board members explained that they are awaiting the Project Rising Tide report before moving forward with plans for economic development. The board is in the process of hiring a new DDA Executive Director and providing that new employee with clear direction and goals.

Councilmembers' expectations included:

- Compliance with new State of Michigan law
- Complete transparency
- All documents be available to the public on the website
- Welcome City Manager to the DDA Board
- Work together with community, Chamber of Commerce and Visitors Bureau on planning and holding events
- Address visual effects of buildings located in the DDA
- Work together with City Council on common goals

## ***DISCUSSION ON DOWNTOWN DEVELOPMENT AUTHORITY PROPOSED BUDGET FOR FISCAL YEAR 2019-2020***

Interim DDA Director Tom Kaminski and several DDA board members were present to answer councilmembers' questions regarding the proposed DDA 2019/2020 budget. Discussion included amounts budgeted for property acquisition and payroll. DDA has acquired the previous American Cleaners property and are determining how to move forward with that parcel and are also interested in possibly acquiring the Art Park property in the future. Payroll figure of \$110,000 includes salary and benefits for the new Executive Director and possibly a part time clerical position to help with administration and events. Also included in that payroll figure is an amount allotted for Economic Development, however that plan is still being formulated.

## ***HOUSING COMMISSION RENTAL INSPECTION PROGRAM – City Manager Thad N. Taylor***

Manager Taylor led a discussion regarding the Housing Commission rental inspection program and asked Housing Commission Director Mr. Clinton McKinven-Copus to explain the current inspection program. The Housing Commission is funded by federal dollars through HUD and cannot use those federal funds to participate in the City's inspection program. HUD has their own inspection process in place so that all local public housing is inspected regularly. Mr. McKinven-Copus explained that the Housing Commission is working towards transitioning to the new RAD program which will allow participation in the City's inspection program in the future but that entire process could take 10 years. Phase I includes transitioning the scattered sites to RAD and he hopes this phase to be complete by the end of 2021.

Mr. McKinven-Copus explained the process which is available to public housing residents to raise concerns and voice complaints with their housing.

Consensus: Councilmembers agreed to keep the status quo with the understanding that the Housing Commission is moving forward with plans to transition to the RAD program.

***DISCUSSION ON HOUSING APPROACH – Lissette Reyes, PRT Community Development Fellow***

Ms. Lissette Reyes of Project Rising Tide provided updates to councilmembers regarding the PRT Housing Initiative. A housing consultant recently interviewed various community members and is returning next week to continue looking for input. A Housing Forum is scheduled for June 26, 2019. The group is looking at the following:

- How housing difficulties affects business and future development
- How to make the community more attractive to developers
- Vague ordinance language as obstacles to developers
- Developer outreach

**OTHER:**

Manager Taylor reported that during the meeting Mr. Stephen Paine submitted the Fab-Lite PA 198 Industrial Property Tax Abatement Application. Manager Taylor also stated that all of the State's Project Rising Tide Fellows will be visiting Manistee in June to learn about our community and hear about what PRT is doing locally.

Adjourned at approximately 8:25 pm.

Respectfully submitted,

Lora Y Laurain  
Deputy Clerk