

**MEETING MINUTES  
CITY COUNCIL STUDY SESSION MEETING  
CITY OF FARMINGTON HILLS  
JANUARY 13, 2014 – 6:00PM  
CITY HALL – COMMUNITY ROOM**

The City Council study session meeting was called to order by Mayor Brickner at 6:00p.m.

Council Members Present: Brickner, Bridges, Bruce, Knol, Lerner, Massey and Steckloff

Council Members Absent: None

Others Present: Farmington Hills City Manager Brock, City Clerk Smith, Assistant City Manager Boyer, Economic Development Coordinator Cappola and Attorney Joppich

**DISCUSSION OF REQUEST TO ESTABLISH AN INDUSTRIAL DEVELOPMENT DISTRICT AND FOR AN INDUSTRIAL FACILITIES TAX EXEMPTION FOR NORTH AMERICAN LIGHTING:**

Nancy Cappola, Economic Development Director explained that North American Lighting is in the process of looking for a site in which to move their existing Farmington Hills business. She stated that they have found another site in Farmington Hills that would allow them to expand their business and create 76 additional jobs; and they have inquired about receiving tax abatement from the city. She introduced Scott White of North American Lighting to provide an overview of the business; and Christy Lesny, Consultant for the company.

Scott White, Director of Engineering, stated that they have only 200 employees in Michigan, all of which are at the current Farmington Hills location. He explained that their parent company, Koito, is the largest exterior lighting company in the world and North American lighting is the largest in North America. The company designs and manufactures automotive exterior lighting products using the latest technology and LED lighting. He presented City Council with an overview of the company and the services they provide. Mr. White mentioned that North American Lighting has been in Farmington Hills since 1993 and has grown from 35 employees to 200. He noted that the majority of the 200 employees hold degrees, mostly in engineering.

Mr. White discussed future plans for the company and their need to move into a larger building in order to expand. He commented that while the Farmington Hills location was higher in cost, it was centrally located to their customers and would provide for employee retention and growth. He stated that Farmington Hills is also consistent with the high tech image that they represent, and they desire to stay in Farmington Hills.

Councilmember Bridges inquired how the city evaluates a request for tax abatement. Director Cappola explained the process in working with the Economic Development Corporation and Oakland County. She noted that MEDC and the Michigan Strategic Fund have made a performance based grant commitment of \$300,000, plus talent identification and hiring assistance through Michigan Works. She added that the company is making a significant investment and this would create 76 new jobs with an average salary of \$38.17 per hour.

Councilmember Lerner acknowledged that the State is contributing funding and that this would create more jobs in the community; and he appreciates the company staying in Farmington Hills. He

commented on the personal property tax issue and the possibility of that tax being eliminated. Mr. Lerner inquired about the use of LED lighting.

Mr. White explained the use of LED lighting on vehicles and the many advantages.

Councilmember Bridges questioned the Governor's opposition to tax abatements.

Allen Webber, North American Lighting, clarified that the Governor eliminated tax credits, which is different than tax abatement. He added that part of the reason for the State funding is so that the city would consider tax abatement.

Ms. Cappola explained that North American Lighting would be paying on their existing building through the remainder of their lease in 2015 and would move to their new location in Farmington Hills.

Councilmember Lerner commented on the projected decrease in engineers and suggested that the company consider working with the area high schools to mentor kids to get into that field.

Mr. White commented that they would love to do that as finding engineers is their biggest issue. The company has started a CAD training program specifically designed to their company's needs. He mentioned that they currently have a few open positions, which are out on their website.

Mayor Brickner commented that the company met all of the city's criteria for tax abatement and he would prefer to see 2 filled buildings rather than an empty building. He mentioned that in order to receive the tax abatement for 12 years, a company has to agree to remain in the city for twice that amount of time. He thanked Mr. White for the presentation. He noted that on the regular Council agenda this evening is consideration of setting the two public hearings to consider establishing the district and approving the tax abatement for February 10, 2014.

Mr. White thanked City Council for their time.

**FOLLOW UP REVIEW ON CITY COUNCIL'S RULES AND PROCEDURES:**

City Attorney Joppich explained that the City Council Rules and Procedures before Council this evening incorporates all changes recommended at the previous study session meeting.

Mayor Brickner reviewed the document with the proposed changes.

Councilmember Bridges inquired about closed sessions and what discussion on the topic is appropriate if the matter is brought back to an open session. It was determined that Attorney Joppich would provide a written opinion on this matter per the Open Meetings Act.

Councilmember Lerner questioned the wording of the paragraph on Page 9 referring to the Review of Consultants and the need for an annual evaluation of consultants at the time of the budget. It was suggested that the paragraph is reworded to reflect that an internal evaluation of consultants would be conducted as needed rather than on an annual basis at the time of reviewing the budget.

Councilmember Lerner commented that he felt the Chair of each Board/Commission should be more involved in the appointment of the members.

Councilmember Massey stated that he has suggested to people in the past that they attend several meetings of a board or commission before being asked to be appointed.

Mayor Brickner commented that staff has been more involved in making recommendations for the Boards and Commissions to which they are staff liaison.

Councilmember Knol suggested a standardized application for all people requesting to be appointed so that consistent information is received.

Mayor Brickner indicated that if there were no further changes to the Rules and Procedures document, this would come back to City Council at a regular meeting as revised for approval.

**ADJOURNMENT:**

There being no further business, the meeting adjourned at 7:15 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'P. Smith', written over a horizontal line.

Pamela B. Smith, City Clerk