

MINUTES
CITY OF FARMINGTON HILLS
CITY COUNCIL STUDY SESSION MEETING
CITY HALL – COMMUNITY ROOM
NOVEMBER 24, 2014 – 6:00PM

The Study Session meeting of the Farmington Hills City Council was called to order by Mayor Brickner at 6:00pm.

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

Council Members Absent: Lerner

Others Present: City Manager Brock, City Clerk Smith, Assistant City Manager Boyer, Assistant to the City Manager Geinzer, Director Gardiner and Attorney Joppich

DISCUSSION ON TEMPORARY FOR LEASE/RENT SIGNS AND GRAND OPENING SIGNS:

Director Gardiner mentioned that this item was discussed on September 22, 2014 at which time City Council provided staff with some direction on temporary For Lease/Rent Signs. Before Council this evening is a draft ordinance that would allow for larger signs along the freeways. He stated that discussion was held on legal ramifications for registering such signs and charging fees for the registration and Attorney Joppich has provided Council with a legal summary on those items. Mr. Gardiner stated that staff worked with the City's Planning Consultants to draft the ordinance based on suggestions of Council as well as the legal summary of the City Attorney.

Attorney Joppich explained that restrictions on commercial speech is weighed under what is called the *Central Hudson* test based on a Supreme Court ruling that permits restriction of commercial speech if the government unit has a substantial interest in regulating the speech, the regulation directly advances that interest and the government's interest cannot be served by a more limited restriction. He stated that in this case the interest would be reducing visual clutter and improving aesthetics of the community.

Attorney Joppich reviewed his legal summary by outlining the following:

- The city could require commercial property owners to register or apply for a permit and pay a fee as well as set time limitations on the length of time a temporary commercial sign is posted, as long as the requirements and fees meet the *Central Hudson* test.
- While some arguments could be made in favor of a ban on these types of signs due to technology changes and alternative methods such as the intranet for advertisement, he feels this would be on the cutting edge of current free speech law and would guess that this may not be upheld in the courts.

Councilmember Bridges inquired if there was any case law with regard to a ban on temporary commercial signs. Attorney Joppich replied that there was case law; however, it was before the time that there was the internet so those arguments have not been tested in court.

Councilmember Massey asked the Realtors present what percentage of their business comes from the signs versus from electronic advertisement.

Dan Blugerman, Realtor, responded that it is difficult to determine what percentage of the business would come from signs versus the internet as people may search the various internet sites and once they find a site they will often go out to visit the property; and in the process see a sign for another location.

Scott Elliott, Realtor, stated that it has also been his experience that many people still rely on the signs. He noted that business scouts are sent in to review certain areas and rely on those signs. He stated that he agrees that the signs should be maintained, but still feels they are a big part of the commercial real estate business.

Mr. Blugerman added that through the studies conducted it has always shown that approximately 20% of the people don't use the internet and when dealing with brokers they do not need the internet; but it is helpful with other clients.

Councilmember Steckloff stated that she is concerned with the clutter of signs, but does not want the city to appear to be anti-business. She suggested that if a fee is charged to possibly put that money towards updating the website to create an area for local business as has been discussed by Council in the past.

Mayor Brickner commented that the city has discussed that issue but also needs to be careful not to be advertising only certain businesses on the website so as not to give the appearance of favoritism, etc.

Councilmember Massey concurred that he does not want the city to come across as anti-business in any way.

It was agreed that City Council was not in favor of banning temporary commercial signs.

Mayor Brickner stated that he is concerned with signs remaining up that are no longer needed.

Both Mr. Blugerman and Mr. Elliott agreed that every landlord would also like to not have the need for these signs and to fill up their buildings; but filling the last few spaces is very important to the success for most landlords.

Rod Arroyo, Planning Consultant, reviewed the proposed ordinance that was drafted after meeting with staff and Attorney Joppich. He noted that the ordinance is a working draft to get feedback from City Council. He outlined the following key points of the ordinance:

- Removes the section pertaining to temporary signs from the zoning ordinance and makes it part of the city code to allow for registration process.
- Allows for larger signs along the freeway
- Establishes a permitting process and fees to be established by resolution of Council
- Allows for 1 freeway sign per parcel and 1 temporary building sign
- Sets a time limit of 3 months, with one 3 month extension per year
- Includes a phase in period for existing signs
- Regulates sign heights and letter height on the signs

Mr. Arroyo added that the theory or intent of the ordinance is that there would be no sign if the property were fully leased.

The Mayor inquired about the situation where a lease may be expiring soon and the landlord wants to advertise for that space prior to the expiration of the lease. Mr. Arroyo responded that he could include some language to address that if Council desired.

Mayor Pro-Tem Bruce stated that he would prefer to include time limits that would apply whether the building was full or not as he feels policing that would be impossible. He is more concerned with signs being up for years and not maintained.

Mr. Elliott inquired how office complexes would be handled as they almost always have space available.

Mr. Blugerman also expressed concern with the proposed time limits and not allowing signs for fully leased properties.

Discussion was held on the maintenance of the temporary and wall signs. Attorney Joppich clarified that the property maintenance code would address signs attached to a business and the temporary signs would be addressed through the proposed ordinance.

Discussion continued with regard to the proposed ordinance and City Council concurred that they would like to move forward to allow for larger freeway signs and with an annual registration process for temporary commercial signs with a small fee.

DISCUSSION ON ABANDONED, BLIGHTED, VACANT PROPERTIES:

Attorney Joppich explained that after this item was last discussed by Council, he was asked to research the city's current ordinances regarding unsafe buildings and state laws regarding insurance withholding procedures. He provided Council with that information and also a summary on alternative means for addressing dangerous buildings through civil court procedures. He stated that the bottom line is that if arson is suspected, there will be a dispute with regard to insurance coverage and until that is determined there is no money distributed. He noted that there are specific time frames for the process set by statute and the Fire Department has procedures in place now so there is not a lot that can be done to expedite the process.

Director Gardiner added that staff also contacts the insurance companies to press them to move forward in the process so that they can clear the site as soon as possible.

Attorney Joppich stated that there are other options such as going through the dangerous building procedures whereby the Building Official could deem the structure unsafe, hold the required hearing where they property owner is notified. The City would pay the costs up front to make the structure safe and those costs would then be added to the tax rolls. He noted that the owner could appeal the decision to Circuit Court. He added that in all cases, the City always reaches out to the owner to try and resolve the issue so either process could still be time consuming.

Councilmember Massey inquired if there is any way to speed up the process, through developing time frames, etc. He suggested a time line graph or spreadsheet showing the due process and required steps. He stated that while this may not speed up the process, it provides for transparency of the process and he feels would also be helpful to staff. Councilmember Knol agreed with having a spreadsheet showing the process and time frames.

Dr. Massey also inquired if Brownfield Authority funds could be used for this purpose.

Attorney Joppich responded that it would depend on if the property was contaminated, but in most cases he would think Brownfield funding could not be used.

City Manager Brock concurred that using Brownfield funding is not be the proper avenue. He added that the City could take the risk of removing the structures and paying those costs up front, but it is not a risk he would recommend.

ADJOURNMENT:

There being no further discussion, the meeting adjourned at 7:25 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'P. Smith', with a long horizontal flourish extending to the right.

Pamela B. Smith, City Clerk