

MINUTES
ST. CLAIR SHORES CITY COUNCIL STUDY SESSION MEETING
March 14, 2016

Study Session Meeting of the City Council, held in the Council Chambers, located at 27600 Jefferson Circle Dr., St. Clair Shores, Michigan.

Present: Mayor Kip C. Walby, Council Members John Caron, Ronald Frederick, Peter Rubino, Candice Rusie, and Chris Vitale

Absent &
Excused: Council Member Peter Accica

Also Present: City Manager Michael Smith, Deputy City Clerk Kathleen Suydam, Recreation Sports Manager Gina Rheume, and City Attorney Robert Ihrie

1. CALL TO ORDER, ROLL CALL AND PLEDGE OF ALLEGIANCE

Mayor Walby called the meeting to order at 7:00 p.m. Ms. Suydam, Deputy City Clerk, called roll with a quorum present and noted Council Member Accica asked to be excused.

Moved by Council Member Rubino, supported by Council Member Frederick to excuse Council Member Accica from the meeting.

Ayes: All – 6
Absent: Accica

The Pledge of Allegiance was recited by those in attendance.

2. AUDIENCE PARTICIPATION ON AGENDA ITEMS (2 MINUTE TIME LIMIT)

Justin Sand, St. Clair Shores resident, Item #3, said he is a hockey player and played a season and a half in the Federal Hockey League at several of their rinks. He said having the Federal Hockey League in St. Clair Shores will be great for the area.

Duane Michno, St. Clair Shores resident, Item #4, said he finds the LED lights offensive and overdone and he is against them 100%. He feels he does not want to shop at businesses that have them. He stated the City has a sign ordinance of what is and is not allowed and they need to enforce them.

3. MINOR LEAGUE HOCKEY AT CIVIC ARENA

The City is seeking approval to bring a Federal Hockey Semi-Pro Team to the City of St. Clair Shores and Civic Arena for the 2016-2017 hockey season. The logistics of game times, practices and off ice needs can be met, with no displacement of current renters. As outlined, games would be played at Civic Arena on Sunday afternoons at 4:30 p.m. and Friday evenings at 7:30 p.m. Game ice times will be played on sheets that St. Clair Shores Hockey was negotiating to return to the arena as non-usable, therefore the purchase of this ice time will not generate “new” revenue. Practice times have been outlined on ice that is not currently being used. This will result in additional new revenue of approximately \$25,000 annually. The team is seeking a five year agreement to establish themselves within the community. In addition, the St. Clair Shores Hockey Association has agreed to purchase an additional \$27,000 annually of spring ice that will generate revenue that has previously not been used for spring for the 2016 and 2017 seasons.

The team is in need of a dedicated locker room to leave their equipment on site, beer sales to generate ticket sales, hard-wired internet to stream games live and for video review. The fitness room will be used for off-ice conditioning during morning practices in exchange for fitness equipment upgrades or a nominal fee.

In an effort to accomplish the above requests, the City is proposing the following plan of action:

St. Clair Shores Hockey Association is presenting a \$247,000.00 locker room plan that will build out four locker rooms in the west side of the Gardens Arena. The hockey association will currently commit \$197,000.00 to the project immediately breaking ground with a completion date of September 1, 2016. Further, the St. Clair Shores Hockey Association is requesting a reduced hourly rate for spring ice sessions in 2016 and 2017 in the amount of \$25,000 each year. Federal Expansion Team agrees to partner on this project in the amount of \$50,000, \$25,000

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in 2016 and 2017 in exchange for ice time. The City of St. Clair Shores will purchase project materials in a sum of \$50,000 through the normal purchasing policy.

The St. Clair Shores Concession Company is seeking a joint liquor license with the City of St. Clair Shores for 36 Federal Hockey home games and up to 10 special events where the participants on the ice are over the age of 18. These would include restricted special events approved by the City Manager, and the Recreation Sports Manager; such events might include a Red Wing Alumni game and/or future events to be planned at the St. Clair Shores Civic Arena.

Ms. Rheaume said the NHL Semi-Pro Program will have many positive affects to the City such as new revenue, new programming, and businesses that will benefit from the Federal Hockey League coming to St. Clair Shores. She said they used Port Huron as a model and in the Port Huron Arena, the lowest attendance of a game was about 300 people and the highest about 1033 people. This program will offer promotions such as Senior Night, Pay What You Can, Armed Forces Night, Police and Fire Night, etc. and they intend to partner with the community and bring family entertainment to the City.

Port Huron Council adopted this for the Prowlers and they believe it will generate business for St. Clair Shores and our ticket holders will be their ticket holders and vice versa. She included the high school schedule in the packet showing there will be no displacement of anyone using the ice.

Brandon Contratta, General Manager and Associate Head Coach, said there will be one other coach on board who is a former resident of St. Clair Shores and former NHL player, Dave Debol, who will be Associate Head Coach and team President. When the two discussed what it means for this team, Mr. Contratta said St. Clair Shores is a hockey community and they want to work hand in hand with minor league hockey. They are community driven and actively participate in the Salvation Army during the holidays, have players shoveling snow, etc. in which they have a reputation built up. The Federal Hockey League is a minor professional hockey league and promotes players to the next level. They are involved in holding camps to get youth players out and to coach them. The leagues footprint is in its sixth season and consists of locations in Danville, Illinois; Danbury, Connecticut; Dayton, Ohio; Port Huron, Michigan; Brewster, New York; and Berlin, New Hampshire. They are looking at six to eight teams for the next season, but eight is their goal. There is one league, but it is split into two different conferences.

Ms. Rheaume said one of the requirements to bringing the league to St. Clair Shores is to sell beer at the arena which brings a fan base and audience.

Mr. Paul Doppke, President of St. Clair Shores Hockey Committee, said one thing that is a must with the Federal Hockey League is to serve beer at the events. He said they have the means to do this through the St. Clair Shores Concession Committee. The hockey league is a 501c3 non-profit and the St. Clair Shores Concession Committee is a for profit group, although any profits are donated back into some form of hockey. Currently, they have two vendors that operate under the Concession Committee agreement. One is a concession stand and the vehicle where they will be able to sell beer. The team would get 50% of the profit and the hockey association would get the other 50%. Both the Concession Committee and the St. Clair Shores Hockey Association Board consists of all volunteers.

To stay competitive, they need to keep up with improvements, modern facilities and locker rooms. He gave an example stating the locker rooms are small and when you compare what a goalie wore in the 1960's compared to today, the padding used to be 1/3 or 1/2 of what it is now.

Mr. Vitale asked for an explanation on how the lockers would be set up.

Mr. Doppke mentioned that in the Gardens Rink, there are red bleachers on the east side and blue bleachers on the west side. In the 1970's the rink would hold about 2200 – 2500 people. Nowadays, we don't get those kinds of numbers. What they would do is remove all the blue bleachers and replace them with locker rooms. One requirement of the Federal Hockey League would be that they have their own locker room. They would take the locker rooms on the south end of the rink which would give them access from the outside.

Mr. Doppke said to serve beer, they would require a liquor license that the City has in escrow. Mr. Smith stated the City of St. Clair Shores would be the licensee and the Concession Committee would be the co-licensee. This is how the Federal Hockey League funds their events. Mr. Doppke mentioned it is part of the agreement with the City not to serve any alcohol when the participants of an event are less than 18 years of age.

Mr. Smith said the locker room for the Federal Hockey League was mentioned, but currently we don't have a locker room for them. Council talked about locker rooms at the arena at the last two budget meetings and is something that is needed. Our locker rooms are too small and we need to reconfigure them and this proposal is for the construction of four locker rooms. One dedicated to the Federal Hockey League and the other three for St. Clair

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Shores hockey. This is a \$247,000 project. The City's out-of-pocket expense is \$50,000 with the revenue from the Federal team and their additional ice time at about \$25,000 a year at a minimum. The City is getting \$250,000 in locker rooms with the City contributing \$50,000 towards that and the rest is coming from the other two groups. We will get additional revenue after the first two years from the Federal Hockey League.

Mayor Walby said with the removal of the blue bleachers, it leaves about 1,033 seats.

Mr. Rubino stated that the investment from the hockey association is significant, but what happens if two years from now the team dissolves. Mayor Walby stated we would have four locker rooms.

Mr. Caron asked if the locker room layout includes locker rooms for women.

Mr. Doppke said that is up to Council, but they can do it and it is part of the plan. They have approximately 26 teams of which four are women's or all girls teams and they will schedule their games in the Garden facilities.

Ms. Rusie asked about cleanup. Mr. Smith stated there will be no additional cost for cleaning of the bleachers as it is not on a daily basis today, but what will have to be negotiated with the cleaning company is the additional bathroom. The cost will have to be discussed.

Ms. Rusie asked about the internet that is in place in the building. Mr. Smith said that the hard wire will be taken care of by our Building Maintenance along with our IT department and expenses would be taken out of the Arena Maintenance Fund.

Mr. Frederick said this is a great deal for the City for upgrades of arena and he likes that the women's issue is being addressed.

Mr. Vitale spoke about the internet streaming and asked about putting a couple of the games on the City's cable channel to stir up interest. Mr. Thomas said they are flexible to any idea that makes this better for everyone. He also mentioned that in regards to the dressing room dedicated to the Federal Hockey League, all they are asking for is a shell and plumbing. They will spend approximately \$10,000 - \$15,000 to create the dressing room they want.

Mr. Vitale also spoke about signage on the outside of the building showing that this is a Federal Hockey League Arena to promote the City and the team as a quality arena and their hockey league. He mentioned he wants to promote the City and tell out-of-towners St. Clair Shores is the home of a minor hockey league.

Mr. Thomas said he would like people to drive by and see that a Federal Hockey League Minor Team is in the City of St. Clair Shores. He remembers elite hockey being played in St. Clair Shores back in the 1980's and can speak volumes on it. They want to involve as much of the community as possible and when they do, they become a part of this and they feel ownership in it.

Mr. Smith said this issue came up quickly. Ms. Rheume worked hard on the issues to try and find out the needs were and get this resolved. He said the original offer from the Federal Hockey League didn't bring as much money to the table up front and we were not going to invest any money originally, but once we started working on the numbers, we realized our out-of-pocket could be recouped quickly.

Ms. Rheume said they agreed to five security guards. As of Saturday, she will have a new contract and the \$10,000 up front money is now \$25,000.

Mr. Doppke mentioned that all their practice time is during the day when children are in school and there is no charge for watching them practice.

Mr. Smith said the City is looking at about \$247,000 to get the locker rooms built out. Approximately \$47,000 of that is in-kind labor and materials. The other \$200,000 is cash expense. The \$50,000 of material will be bid through our bid procedures. Other labor and material charges are paid by St. Clair Shores Hockey and they will take on about \$27,000 in spring ice rentals that will be discounted at \$25,000 a year so they can recoup some of that, but even with ice that is not currently being used, we will see \$2,000 of increased revenue. We will get our \$50,000 back in first two years through additional ice time from the Federal Hockey League.

Mr. Rubino asked what the anticipated timeframe is when the association will recoup their money. Mr. Smith stated it depends on what beer sales are. Mr. Rubino stated Ms. Rheume said they will, after 10 years, start a revenue stream for the rental of locker rooms. He indicated this seems like a long time.

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Mr. Doppke said they are the biggest financial contributor to the exercise facility and the upstairs facility. They anticipate additional cost on the upkeep and maintenance of the video areas. He said they agreed to buy additional exercise equipment, but there will be other costs that may be currently unforeseen.

He mentioned that in the current agreement with St. Clair Shores, it is up to the Federal Hockey League to collect from their individual teams, so if they buy \$500,000 of ice from the City, and they have a team that skips out on the last \$5,000, the City still gets their money and it is up to the Federal Hockey League to try and collect it or write it off.

Mayor Walby said the goal is to put the locker rooms in by the end of October and Council was asked to have a decision by the end of March. He asked that this item is put on the April 4th City Council Meeting agenda and have Mr. Smith and Ms. Rheaume work through the contract with Mr. Ihrie.

Mr. Smith said they have to look at two things. First, the investment the City is going to have to make and second, the liquor license with Council to see if anyone has any objections.

Mr. Smith said the Federal Hockey League prefers to be in St. Clair Shores and there are other places not far from here that would take them, but we would like to have them.

4. DISCUSS LED LIGHTS ON BUSINESSES

Mayor Walby said he, Mr. Rayes, Mr. Rubino, and Mr. Vitale met at the Library and looked at the lights and came to a resolution that this would be tough for Code Enforcement to enforce.

He said the majority of the LED lights currently in the City face the street either inside or outside of windows. What they came up with was turning them inside the window toward each other or one on top of the other pointing toward each other which would kill some of the power or strength of the light.

Mr. Rubino said turning them in makes a huge difference and gives more of a glow rather than a bright light and likes this idea.

Mr. Vitale said these lights, and the way they are being used, are being misused. The high power LED's are an indirect lighting to light up an I-cove or used behind on the back side of a sign on a wall or to create the effect of a wash to tint the window. When the lights are pointed toward the street, you get a glaring affect. He said the Police Department agrees that these lights make it hard to see inside a building and they are a distraction from the road. Some type of regulation is needed on these lights and the best compromise is to go with horizontal, or top/bottom, where you don't see the glare from the lights when driving on the road. This way they are a lot less intrusive. The City does have sign ordinance language that prohibits this, but enforcement has not been done as this is new technology.

Mr. Frederick said some of the storefronts have these LED lights installed right now and have made an investment in them which was not cheap. He said he knows that they can turn down the lumens or calvins.

Mr. Vitale said if they have them now, they would have to reposition them. Mayor Walby mentioned some businesses have too many lights and would not be able to use all of them.

Mr. Frederick asked if this would be subject to Sign Arbitration.

Mr. Ihrie said the City ordinance is a sign lighting and display ordinance and we run into a problem when we try to incorporate lighting into a sign. The City has the authority to have a lighting ordinance which we do, and provisions in it that will permit certain types of lights and where they will be. Currently, the City has five provisions in our ordinance with respect to illumination. He said if we know a business has these lights, we could ask them to comply with the new ordinance rather than cite them. Mr. Frederick asked if it is not going to fall into the sign ordinance, would the City have an arbitration of some type for lighting. Mr. Ihrie said it would probably be the same committee, but maybe we retitle it to Sign and Lighting Arbitration Board.

Ms. Rusie said they did not receive anything in their packet on this agenda item and asked if there was any draft language regarding this proposal. She suggested we make the businesses turn their LED signs off when their business is closed, similar to how the City enforces A-Frames.

Mayor Walby stated that this would be a tough enforcement and we don't have Code Enforcement people driving around at night.

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Mr. Caron said he would like to look at one of the businesses on how the lights were installed. He said it is concerning to him to write an ordinance regarding one type of technology. He does not think the lights are attractive and asked, how do you write an ordinance on something that is not attractive and you wouldn't do yourself.

Mr. Smith said technology will keep changing and businesses are seeing how they can incorporate these signs. He has seen white lights and signs with programmable lights that change colors in other communities. If the goal of this ordinance is to stay in front of technology, we will fail. If an ordinance states the lights need to be parallel to the building or face into the building, the City may be able to monitor those types of things.

Mr. Ihrie states it will be difficult to draft an ordinance that contemplates everything. The key to drafting ordinances is to, as much as possible, remove subjectivity for the enforcement and standards. He said we cannot say lighting is allowed unless it is distracting to drivers at night, but who is to say what is distracting. That is why ordinances have objectivity rather than subjectivity such as numbers, sizes, etc.

Mr. Rubino said he agrees with Mr. Caron and it comes down to taste, but one of the words we can use is defused. When turning the lights, you defuse them. They were not designed to be pointing straight out, they were made to defuse the light. He thinks most of these lights can be moved.

Mr. Smith said there are tracks that can be flipped, or LED tape that can be purchased and put in place and the light moved and attached in the right area.

Mr. Rubino said one requirement is that the lights should be on the interior of the window and not the exterior.

Ms. Rusie said they are discussing exterior versus interior, the direction they are pointing, how many sides of the window can be illuminated and it would have been nice to be given some of this information ahead of time. She said if the requirement is to have LED's with only two strips or two sides, then the same would be true for neon lights, for example. Mr. Ihrie stated it depends if you are looking at brightness. Some lights, like neon, are far less bright than LED's. Ms. Rusie said that we then get into the issue where inspectors go out and decide how bright something is compared to something else.

She said it would be nice to see a draft ordinance from the City Attorney.

Mr. Ihrie said an ordinance that is doable, is out there. He will work with Mr. Rayes and the City Planner and they will bring a draft ordinance back.

Mr. Frederick stated if the problem is the brightness and they defuse it or if a business turns them in, he doesn't understand the issue. He would be for defusing the lights so a business can use what they have already purchased. He mentioned he wants to do some investigation to find out if businesses can turn them down in intensity. Mr. Smith mentioned that the issue is that inspectors come out and the lights are turned down, but when the inspector leaves, the lights are turned up again.

Mayor Walby asked Mr. Ihrie to put something in writing and bring it back to City Council.

5. AUDIENCE PARTICIPATION (5 MINUTE TIME LIMIT) - none

6. ADJOURNMENT

Moved by Council Member Frederick, seconded by Council Member Caron to adjourn at 8:41 p.m.

Ayes: All – 6
Absent: Accica

KIP C. WALBY, MAYOR

KATHLEEN SUYDAM, DEPUTY CITY CLERK

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