



CITY COUNCIL

May 5, 2014

A regular meeting of the City of Petoskey City Council was held in the City Hall City Council Chambers, Petoskey, Michigan, on Monday, May 5, 2014. This meeting was called to order at 7:00 P.M.; then, after a recitation of the Pledge of Allegiance to the Flag of the United States of America, a roll call then determined that the following were

Present: William Fraser, Mayor
Kate Marshall, City Councilmember
John Murphy, City Councilmember
Grant Dittmar, City Councilmember
Jeremy Wills, City Councilmember

Absent: None

Also in attendance were City Manager Dan Ralley, City Clerk-Treasurer Alan Terry, City Planner Amy Tweeten, Downtown Director Becky Goodman and City Attorney James Murray.

Hear 2013 Audit Presentation

Trina Edwards and Bob Thompson of Dennis, Gartland & Niegarth, Traverse City were in attendance and presented information concerning the City's Financial Statements and Report of Independent Certified Public Accountants as the annual audit for the City's fiscal year ended December 31, 2013. The audit-related communications letter that was sent to Council was also reviewed.

Resolution No. 18767-18769 Approve Consent Agenda Items

Following introduction of the consent agenda for this meeting of May 5, 2014, City Councilmembers extracted the contract authorizations to vote on individually. City Councilmember Marshall moved that, seconded by City Councilmember Dittmar adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby confirms that the draft minutes of the April 21, 2014 regular-session City Council meeting be and are hereby approved; and

BE IT FURTHER RESOLVED that receipt by the City Council of a report concerning all checks that had been issued since April 21 for contract and vendor claims at \$484,669.08, intergovernmental claims at \$0, and the April 24 payroll at \$176,320.45, for a total of \$660,989.53 be and is hereby acknowledged.

Said resolution was adopted by the following vote:

AYES: Marshall, Murphy, Dittmar, Wills, Fraser (5)
NAYS: None (0)

Resolution No. 18768

City Councilmember Murphy moved that, seconded by City Councilmember Wills adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby authorizes to contract with Norm's Roofing, Petoskey, for roof removal and replacement installation at the Public Safety Building in the amount of \$72,845.

Said resolution was adopted by the following vote:

AYES: Marshall, Murphy, Dittmar, Wills, Fraser (5)

NAYS: None (0)

There were inquiries on when the roof project would be completed; the life of the roof; and heard praises on the local roofer. The City Manager responded that the roof life is approximately 25 years.

Resolution No. 18769

City Councilmember Wills moved that, seconded by City Councilmember Marshall adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby authorizes to contract with R.B. Lyons, Inc., Charlevoix, for ice damage repairs at the Bayfront Park Marina in the amount of \$39,240.

Said resolution was adopted by the following vote:

AYES: Marshall, Murphy, Dittmar, Wills, Fraser (5)

NAYS: None (0)

Hear Public Comment

Mayor Fraser asked for public comments and there were no comments.

Hear City Manager Updates
safety

The City Manager reported that Senator Walker is arranging to have a study done on pedestrian safety concerning the Mitchell Street bridge; and that baseball is to begin on the new Turcott Field this Saturday.

Resolution No. 18770 – Adopt Ord. 742
Creating B-2A Transitional
Business District

The City Manager reviewed that at the April 21, 2014 City Council meeting the City Planner presented an overview of the proposed zoning changes which would create two new zoning districts and rezone four separate areas, all proximate to downtown Petoskey. The Planning Commission recommended each of these proposed changes to City Council. This was the second reading of the ordinances and Council could take action.

This new zoning district, B-2A Transitional Business, is proposed for properties north of Bay Street and five properties north of Michigan Street that are currently within the B-2 Central Business District. These properties generally have a different form than rest of the Central Business District, with residential structures and larger setbacks. The changes to the B-2 District regulations in 2013 made several of the buildings in these areas non-conforming. The new district would allow the same uses as the CBD, but without the restrictions that new construction must be two stories, first floor has to be commercial and the zero-lot line front setback requirement.

The stated intent of the new district is “to complement the historic urban core of the Central Business District, while providing a transition area to adjacent neighborhoods. The district has a less intensive development pattern than the Central Business District, but with a similar mix of uses to maintain and promote a pedestrian-friendly environment.”

In recommending the new zoning district, the Planning Commission considered the goals and future land use map of the City Master Plan and determined that the proposed amendments will enable redevelopment that will help the community reach these goals, as well as decrease the number of non-conforming properties.

City Councilmembers discussed the desire to have a transitional business district and commented that there should not be drive thrus.

Mayor Fraser asked for public comment and there were no comments.

City Councilmember Murphy moved that, seconded by City Councilmember Dittmar adoption of the following ordinance:

AN ORDINANCE CREATING ARTICLE XXIX, B-2A TRANSITIONAL BUSINESS DISTRICT, OF THE CITY OF PETOSKEY ZONING ORDINANCE, APPENDIX A TO THE PETOSKEY CODE OF ORDINANCES AND AMENDING THE ZONING DISTRICT MAP OF THE CITY OF PETOSKEY AS SET FORTH IN ORDINANCE NO. 451 TO REZONE SPECIFIC PROPERTIES TO THE B-2A TRANSITIONAL BUSINESS ZONING DISTRICT

WHEREAS, it is a goal of the City of Petoskey Master Plan to guide development and redevelopment in a manner that will maintain high quality living and working environments for current and future residents; and

WHEREAS, the Planning Commission has determined that the subject properties currently within B-2 Central Business District are mixed-use but have a different character than the remainder of the CBD in terms of building form; and

WHEREAS, future in-fill or redevelopment of the subject properties at their existing density rather than a more intensive density desired in the B-2 Central Business District would continue to enhance Downtown Petoskey as the regional economic and cultural center; and

WHEREAS, the proposed B-2A Transitional Business District has been developed as a transition area between the B-2 Central Business District and adjacent residential areas that would allow a mix of uses at a lesser density than the Central Business District; and

WHEREAS, the proposed B-2A District is consistent with the future land use map of the Petoskey Master Plan that shows these properties as urban core mixed use; and

WHEREAS, The Petoskey Planning Commission recommends to City Council that the B-2A Transitional Business District be created and that the Zoning District Map be amended to place the subject properties into the B-2A Transitional Business District.

Now therefore be it resolved that the City of Petoskey ordains:

Article 29 (XXIX) of the Zoning Ordinance of the City of Petoskey shall be created to read as follows:

ARTICLE XXIX TRANSITIONAL BUSINESS DISTRICT (B2-A)

Sec. 2900 INTENT

The intent of the Transitional Business District is to complement the historic urban core of the Central Business District, while providing a transition area to adjacent neighborhoods. The district has a less intensive development pattern than the Central Business District, but with a similar mix of uses to maintain and promote a pedestrian-friendly environment.

Sec. 2901 PRINCIPAL USES PERMITTED

In the B2-A Transitional Business District, no building or land shall be used except in compliance with the uses identified in **Table 2901.1**. Sexually-oriented businesses as defined in Section 2800 of the Zoning Ordinance are specifically prohibited in the Transitional Business District.

TABLE 2901.1 Transitional Business District Permitted and Special Condition Uses

COMMERCIAL	
BAKERY, CONFECTIONARY PRODUCTION	P
BANKS	P
BREW PUB, MICROBREWERY, WINERY	P
DAYCARE CENTER	P
FOOD SERVICE WITH OR WITHOUT ALCOHOL SERVICE	P
GENERAL RETAIL	P
HEALTH/FITNESS FACILITY	P
OPEN-AIR BUSINESS	SCU
PERSONAL SERVICE	P
PROFESSIONAL OR MEDICAL OFFICE	P
PUBLIC ASSEMBLY	P
STUDIO- ART, DANCE, MUSIC, PHOTOGRAPHY, ET	P
CIVIC	
EDUCATION – PRIMARY, SECONDARY, COLLEGE	SCU
GOVERNMENT OFFICES	SCU
LIBRARY, PUBLIC PARK	P
MUSEUM	P
RESIDENTIAL	
SINGLE FAMILY RESIDENCE	P
TWO FAMILY RESIDENCE	P
MULTIFAMILY HOUSING	P
BOARDING HOUSE	P
DORMITORY	P
NURSING HOMES, ASSISTED LIVING	P
LODGING	
BED AND BREAKFAST	P
HOTEL	P

TABLE 2901.2

Building Placement		
Setback (Distance from Property Line)	Minimum	Maximum
Front	0'	Average of buildings on adjacent lots or 15 feet, whichever is less
Side	5'	NR
Rear	0'	NR
Building Height		3 stories, 33 Feet

SECTION 2902 PRINCIPAL USES PERMITTED SUBJECT TO SPECIAL CONDITIONS

The uses noted as SCU in Table 2901.1 shall be permitted, subject to the conditions hereinafter imposed, for each use and subject further to the review and approval of the Planning Commission pursuant to Sections 1717 and 1718 of the Zoning Ordinance.

1. Open air business accessory to a permitted use. Open air operations shall be screened from adjacent residential uses and parkland as approved by the Commission.

SECTION 2903 SITE DEVELOPMENT PERFORMANCE STANDARDS FOR ALL USES

Any use or change of use, except to a single or two-family residence, located in the B-2A District shall be required to submit a site plan subject to Section 1716. In particular, site plans shall be subject to the following standards:

1. General:

- (a) The site plan and elevation drawings shall label proposed exterior materials on walls and roofs of principal and accessory buildings, fences, or walls on the site.
- (b) Site development shall consider building placement in relation to public streets as well as the Park Reserve District (Downtown Greenway Corridor), where applicable.
- (c) All business, service, or processing activities permitted in this district shall be conducted completely within enclosed buildings except customer, employee and freight vehicle parking, loading zones, and those open air uses specifically identified in this district as permitted subject to particular performance standards.

2. Buildings:

- (a) In review of building facades and features, the Planning Commission Shall consider:
 1. Exterior appearance shall take into account, and be compatible with, surrounding structures, considering proportions, materials, and fenestration, seeking to achieve some relationship with existing architectural character. A written description of how the surrounding structures have been considered shall be provided with the submittal.
 2. To reduce the mass of a building, any street or park fronting wall longer than 25 feet shall be articulated through changes in material, windows, wall plane, or wall height.
- (b) Detached accessory structures shall be designed to blend with the principal building(s) on the site as to exterior materials, size and shape.
- (c) Detached garages and accessory structures shall be accessed from an alley where one exists and is useable. Where an alley does not exist, a detached accessory building shall be placed to the rear or side of principal structures and shall not protrude into a front yard.
- (d) An attached garage shall not protrude in front of the principal structure wall plane.

3. Site Requirements:

- (a) Parking shall only be permitted as accessory to an immediately adjacent principal use.
- (b) Parking lot development is only allowed in the rear or side yards and screened with a hedge or finished wall of at least 3 feet and no more than 4 feet in height from view of any public street, alley, parkland or adjacent residential property.
- (c) Parking spaces shall be set back a minimum of three (3) feet from the property line.

2. The Zoning District Map of the City of Petoskey shall be, and the same hereby is, amended in order that the following described property be shown as located in the B-2A Transitional Business District and the Zoning classification hereafter for said property shall be B-2A Transitional Business. The property hereby re-zoned is described as follows:

Part of Block 3, Shaw McMillan's Addition to the Village of Petoskey City as recorded in Liber 1 of Plats on page 3 and part of the Former Railroad Grounds in Section 5, Township 34 North, Range 5 West, City of Petoskey, Emmet County, Michigan, which is more particularly described as follows: Beginning at the southeast corner of the west 1/2 of Lot 4, Block 3, Shaw McMillan's Addition to the Village of Petoskey City, Emmet County, Michigan; thence along the east line of the west 1/2 of said Lot 4 Northerly 90 feet; thence Westerly 25 feet more or less to the east line of Lot 3; thence along said east line of Lot 3 and its northerly projection Northerly 58 feet more or less to the south line of Lot 1; thence along said south line of Lot 1 Westerly 91 feet more or less to a point 22 feet easterly

of the centerline of the former Railroad Grounds; thence along a line 22 feet parallel and easterly to said centerline of the Railroad Southwesterly 171 feet more or less to the north line of Bay Street identical with the south line of Block 3; thence along said north line of Bay Street Easterly 202 feet more or less to the Place of Beginning;

And

Part of Block 4, Shaw McMillan's Addition to the Village of Petoskey City as recorded in Liber 1 of Plats on page 3 and part of the Former Railroad Grounds in Section 5, Township 34 North, Range 5 West, City of Petoskey, Emmet County, Michigan, which is more particularly described as follows:

Beginning at the northwest corner of Lot 4, Block 4, Shaw McMillan's Addition to the Village of Petoskey City, Emmet County, Michigan; thence along the east line of Lewis Street identical with the west line of Block 4 Southerly 217 feet more or less to the south corner of Lot 1; thence continue along said easterly line of Lewis Street Southwesterly 95 feet more or less to the north line of Bay Street; thence along said north line of Bay Street Easterly 54 feet to the east line of Penn Plaza; thence along said easterly line of Penn Plaza Northeasterly 391 feet more or less to the centerline of Rose Street; thence along said centerline of Rose Street Westerly 205 feet more or less to the northerly projection of the east line of Lewis Street; thence along the northerly projection of Lewis Street Southerly 33 feet to the Place of Beginning;

And

Lots 6, 7, 8, 9, 10, and 11, Block 5, Shaw McMillan's Addition to the Village of Petoskey City as recorded in Liber 1 of Plats on page 3, in Section 5, Township 34 North, Range 5 West, City of Petoskey, Emmet County, Michigan;

And

Block 10, Shaw McMillan's Addition to the Village of Petoskey City as recorded in Liber 1 of Plats on page 3 and part of Government Lot 1, Section 6, Township 34 North, Range 5 West, City of Petoskey, Emmet County, Michigan, which is more particularly described as follows:

Beginning at the north line of Bay Street and the east line of Section 6, Township 34 North, Range 5 West, City of Petoskey, Emmet County, Michigan; thence northerly along said east line of Section 6 to the southerly line of Highway U.S.-31; thence westerly along said southerly line of Highway U.S.-31 to said northerly line of Bay Street; thence along said northerly line of Bay Street to the Place of Beginning;

And

Lots 3, 4, 5, 6, and 7, Block 1, Fraser and Curdy's Addition to the Village of Petoskey City as recorded in Liber 1 of Plats on page 18, in Section 6, Township 34 North, Range 5 West, City of Petoskey, Emmet County, Michigan.

3. The various parts, sections and clauses of this Ordinance are hereby declared to be severable. If any part, sentence, paragraph, section, or clause is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of the Ordinance shall not be affected thereby.
4. This Ordinance shall take effect fifteen (15) days following its enactment and shall be published once within seven (7) days after its enactment as provided by Charter.

Said ordinance was adopted by the following vote:

AYES: Marshall, Murphy, Dittmar, Wills, Fraser (5)

NAYS: None (0)

The City Manager reviewed that at the April 21, 2014 City

Resolution No. 18771 – Second Reading
of Creation of B-2B Mixed Use Corridor
District & Ordinance Revision

Council meeting the City Planner presented an overview of the proposed zoning changes which would create two new zoning districts and rezone four separate areas, all proximate to downtown Petoskey. The Planning

Commission recommended each of these proposed changes to City Council. This was the second reading of the ordinances and Council could take action.

The proposed mixed-use corridor includes properties south of the Central Business District that run along the Downtown Greenway Corridor and Emmet Street that are currently zoned B-3 General Business. This area is seen as a potential redevelopment area in the coming years, and the goal of creating a new zoning district is to highlight the connection to downtown through the greenway corridor, encouraging a wide mix of uses with an urban development form that will then allow for a compact, accessible neighborhood to enhance adjacent residential neighborhoods.

The intent of the Mixed Use Corridor is to “provide a transition between the historic urban core of the Central Business District and the historic commercial district along the Emmet Street corridor. The district allows a wide mix of uses to maintain and promote a neighborhood that can meet the daily needs of its residents in walking proximity.” This proposed change is reflected in the Future Land Use Map of the City Master Plan which shows the area as Neighborhood Mixed Use and is consistent with several Master Plan goals and objectives.

City Councilmembers discussed eliminating warehouses and drive thrus; if Gruler’s would be allowed; discussed wholesale and retail type businesses with warehouses; and inquired on examples of drive thrus such as dry cleaners.

Mayor Fraser asked for public comments and heard that Gruler’s bought existing property to build store and can’t do that if prohibit warehouses; inquiries on where a Fabiano type business would be located if warehouses are prohibited; that Petoskey needs jobs and tax base from these types of businesses; heard from those opposed to prohibiting warehouses; and that more thought on the ordinance could be done and to postpone adopting tonight.

City Councilmember Murphy moved that, seconded by City Councilmember Wills to remove Section 3002(3) concerning warehouses from the proposed ordinance.

Said motion was not adopted by the following vote:

AYES: Murphy, Wills (2)

NAYS: Marshall, Dittmar, Fraser (3)

City Councilmember Marshall then moved that, seconded by City Councilmember Murphy to remove Section 3002(2) concerning drive thrus from the proposed ordinance and have City staff bring back revised ordinance to Council for further action.

Said motion was adopted by the following vote:

AYES: Marshall, Murphy, Dittmar, Wills, Fraser (5)

NAYS: None (0)

Resolution No. 18772 – Adopt Ord. 743
RM-2 Multiple Family Residential
District Amendments

The City Manager reviewed that at the April 21, 2014 City Council meeting the City Planner presented an overview of the proposed zoning changes which would create two new zoning districts and rezone four separate areas, all proximate to downtown Petoskey. The Planning

Commission recommended each of these proposed changes to City Council. This was the second reading of the ordinances and Council could take action.

The properties bounded by Elizabeth Street, Michigan Street and Emmet Street, as well as 9 properties on Petoskey, Fulton and Washington are all currently residential structures and

residential uses. The adjacent properties are zoned Multiple Family and the rezoning of these properties to RM-2 is to encourage the revitalization of this area for residential purposes, not to encourage redevelopment or re-use for commercial purposes. Existing structures are a mix of single and multi-family, providing a range of housing choice within walking distance to the downtown.

This proposed change is reflected in the Future Land Use Map of the City Master Plan which shows the area as mixed residential, is consistent with the Master Plan goals and objectives, and will not create non-conforming uses.

City Councilmembers concurred that amending this district is a positive thing for the City. City Councilmember Wills moved that, seconded by City Councilmember Dittmar adoption of the following ordinance:

AN ORDINANCE TO AMEND THE ZONING DISTRICT MAP OF THE CITY OF PETOSKEY AS SET FORTH IN ORDINANCE NO. 451, THE ZONING ORDINANCE OF THE CITY OF PETOSKEY TO RE-ZONE SPECIFIC PROPERTIES FROM THE O-S OFFICE SERVICE DISTRICT AND THE B-3 GENERAL BUSINESS DISTRICT TO THE RM-2 MULTIPLE FAMILY RESIDENTIAL DISTRICT.

WHEREAS, the subject properties are residential in character and used primarily for residential purposes but currently zoned for commercial purposes; and

WHEREAS, the properties to the south of the subject properties are zoned RM-2 Multiple Family; and

WHEREAS, rezoning of the subject properties to RM-2 is consistent with the City of Petoskey Master Plan objective of ensuring that future infill development or redevelopment is compatible with and enhances existing residential areas; and

WHEREAS, the proposed rezoning is consistent with the Future Land Use Map of the Petoskey Master Plan; and

WHEREAS, The Petoskey Planning Commission recommends to City Council that the Zoning District Map be amended to add the subject properties to the RM-2 Multiple Family Residential District.

NOW THEREFORE, be it resolved that the City of Petoskey ordains:

1. The Zoning District Map of the City of Petoskey shall be, and the same hereby is, amended in order that the following described property be shown as located in the RM-2 Multiple Family Residential District and the Zoning classification hereafter for said property shall be RM-2 Multiple Family. The property hereby re-zoned is described as follows:

Lots 5 and 6, Block 3, Ignatius Petoskey's Addition to the Village of Petoskey City as recorded in Liber 1 of Plats on page 7, in Section 6, Township 34 North, Range 5 West, City of Petoskey, Emmet County, Michigan; **AND**

Block 1, Ignatius Petoskey's Second Addition to the Village of Petoskey City as recorded in Liber 1 of Plats on page 18, in Section 6, Township 34 North, Range 5 West, City of Petoskey, Emmet County, Michigan; **AND**

North 75 feet of Lots 8 and 9, Block 2, William M. Everett's Second Addition to the Village of Petoskey City as recorded in Liber 1 of Plats on page 14, in Section 6, Township 34 North, Range 5 West, City of Petoskey, Emmet County, Michigan; **AND**

Lots 12 and 13, Block 2, William M. Everett's Second Addition to the Village of Petoskey City as recorded in Liber 1 of Plats on page 14, in Section 6, Township 34 North, Range 5 West, City of

Petoskey, Emmet County, Michigan; **AND**

Lots 7, 8, 13, 14 and the East 52.5 feet of Lots 5 and 6, Block 2, Loveless and Blaney's Addition to the Village of Petoskey City as recorded in Liber 1 of Plats on page 13, in Section 6, Township 34 North, Range 5 West, City of Petoskey, Emmet County, Michigan; **AND**

Part of the northeast 1/4 of the southeast 1/4 of Section 6, Township 34 North, Range 5 West, City of Petoskey, Emmet County, Michigan, which is more particularly described as follows:

Beginning at the northeast corner of Lot 1, Block 2, August Habner's Addition to the Village of Petoskey, Emmet County, Michigan; thence along the east line of said Lot 1 South 214.5 feet; thence East 109 feet; thence North 247.5 feet to the centerline of Washing ton Street; thence West 109 feet; thence South 33 feet to the Place of Beginning.

2. The various parts, sections and clauses of this Ordinance are hereby declared to be severable. If any part, sentence, paragraph, section, or clause is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of the Ordinance shall not be affected thereby.

3. This Ordinance shall take effect fifteen (15) days following its enactment and shall be published once within seven (7) days after its enactment as provided by Charter.

Said ordinance was adopted by the following vote:

AYES: Marshall, Murphy, Dittmar, Wills, Fraser (5)

NAYS: None (0)

Resolution No. 18773 – Second Reading
of an ordinance to Amend the
B2 Central Business District

The City Manager reviewed that at the April 21, 2014 City Council meeting the City Planner presented an overview of the proposed zoning changes which would create two new zoning districts and rezone four separate areas, all proximate to downtown Petoskey. The Planning

Commission recommended each of these proposed changes to City Council. This was the second reading of the ordinances and Council could take action.

The properties fronting the 100 Block of East Mitchell serve as the entrance to downtown Petoskey and the rezoning of these properties to B-2 Central Business District is proposed to ensure that the redevelopment of this area has the same development standards as the remainder of the CBD, including zero lot-line construction and a minimum of a two story building.

The stated intent of the Central Business District is to "protect and enhance the vibrant pedestrian-oriented shopping and service environment of historic downtown Petoskey. The physical building form and land uses are regulated to reflect the urban character of the historic commercial center of the community and to perpetuate the pedestrian-oriented business district by requiring street level commercial uses and permitting a mix of upper floor uses."

The proposed changes are consistent with the Master Plan goals of maintaining and enhancing downtown Petoskey as the regional economic and cultural center of the community and promoting economic development that protects and enhances the community's natural, historic, social and cultural resources. The Downtown Management Board has also discussed the importance of this block to drawing people into downtown.

City Councilmembers discussed various zoning aspects of various districts and which was appropriate, reviewed "what if" type projects; and discussed parking and the three lots in the vicinity.

Mayor Fraser asked for public comments and heard that the parking lot could be kept where it currently exists and just build on other lots; and inquiries on what owners thought of rezoning. The City Manager responded that the owners did not oppose zoning amendments.

City Councilmember Murphy moved that, seconded by City Councilmember Dittmar adoption of the following ordinance:

AN ORDINANCE TO AMEND THE ZONING DISTRICT MAP OF THE CITY OF PETOSKEY AS SET FORTH IN ORDINANCE NO. 451, THE ZONING ORDINANCE OF THE CITY OF PETOSKEY TO RE-ZONE SPECIFIC PROPERTIES FROM THE B-1 LOCAL BUSINESS DISTRICT AND O-S OFFICE SERVICE DISTRICT TO THE B2 CENTRAL BUSINESS DISTRICT.

WHEREAS, the City of Petoskey Master Plan has a goal of maintaining and enhancing downtown Petoskey as the regional economic and cultural center of the community; and

WHEREAS, the character of Downtown Petoskey as a dense, mixed-use district is essential to its success at meeting this goal; and

WHEREAS, the Central Business District has standards to ensure that future redevelopment is consistent with the form and character of existing structures and uses that are dense and mixed-use; and

WHEREAS, the subject properties are at the gateway to Downtown Petoskey; and

WHEREAS, the rezoning of these properties to B-2 Central Business District will ensure that their redevelopment will enhance Downtown Petoskey as the regional economic and cultural center of the community; and

WHEREAS: The Petoskey Planning Commission recommends to City Council that the Zoning District Map be amended to add the subject properties to the B-2 Central Business District.

NOW THEREFORE, be it resolved that the City of Petoskey ordains:

1. The Zoning District Map of the City of Petoskey shall be, and the same hereby is, amended in order that the following described property be shown as located in the B-2 Central Business District and the Zoning classification hereafter for said property shall be B-2 Central Business. The property hereby re-zoned is described as follows:

Lots 1 and 2, Block 3, Ignatius Petoskey's Addition to the Village of Petoskey City as recorded in Liber 1 of Plats on page 7, in Section 6, Township 34 North, Range 5 West, City of Petoskey, Emmet County, Michigan; **AND**

Lots 3 and 4, Block 3, Ignatius Petoskey's Addition to the Village of Petoskey City as recorded in Liber 1 of Plats on page 7, in Section 6, Township 34 North, Range 5 West, City of Petoskey, Emmet County, Michigan.

2. The various parts, sections and clauses of this Ordinance are hereby declared to be severable. If any part, sentence, paragraph, section, or clause is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of the Ordinance shall not be affected thereby.

3. This Ordinance shall take effect fifteen (15) days following its enactment and shall be published once within seven (7) days after its enactment as provided by Charter.

Said ordinance was not adopted by the following vote:

AYES: Murphy, Dittmar (2)

NAYS: Marshall, Wills, Fraser (3)

Resolution No. 18774 - Approve
Application for MDOT Local Bridge
Program Funding for Bridge St. Bridge

The City Manager next reviewed that the Bridge Street bridge, located between Franklin and Porter Streets, was constructed over the Bear River in 1976. MDOT requires bridges within the City's jurisdiction to be inspected every

two years. The Bridge Street bridge was formally inspected in November of 2012 and partially re-inspected again in April of 2014.

These inspections revealed that some rehabilitation maintenance work is required. In addition, to minor repairs that the City will likely undertake this year, the complete rehabilitation would include; joint replacements, beam end repairs, concrete surface coatings and other miscellaneous items. The preliminary cost estimate for this work is approximately \$380,000, but the exact scope of work and engineered cost estimate will be determined as engineering analysis and evaluations are completed.

The City applied, unsuccessfully, in 2013 to the MDOT Local Bridge Program for fiscal year 2016. MDOT is now again soliciting grant applications for candidate projects for fiscal year 2017. The Bridge Street bridge is the only bridge in the City's jurisdiction that is eligible for this funding. The program will provide funding for 95% of the eligible construction cost for rehabilitation work with 5% to be provided by the City along with the necessary design and construction engineering costs. Preliminary estimates for this repair work are approximately \$380,000 meaning that the City's share would be approximately \$19,000.

City Councilmember Marshall moved that, seconded by City Councilmember Wills adoption of the following resolution:

WHEREAS, the Michigan Department of Transportation is soliciting Applications for the Local Bridge Program to be funded in 2017; and

WHEREAS, "Bridge Street over Bear River" is located in Section 6 of the City of Petoskey, is a bridge under the jurisdiction of the City of Petoskey and is in need of rehabilitation; and

WHEREAS, the City of Petoskey supports the application to the Michigan Department of Transportation for Local Bridge Program Funding to complete this project:

NOW THEREFORE, be it resolved that the City of Petoskey supports the application to the Michigan Department of Transportation for Local Bridge Program Funding for "Bridge Street over Bear River" located in the City of Petoskey and that we are committed to funding the local share.

Said resolution was adopted by the following vote:

AYES: Marshall, Murphy, Dittmar, Wills, Fraser (5)

NAYS: None (0)

First Reading of Proposed Ordinance
Repealing & Replacing Article II
of Zoning Ordinance Entitled
Construction of Language & Definitions

The City Manager next reviewed the proposed ordinance that would repeal and replace Article II of the zoning ordinance entitled "Construction of Language and Definitions." As part of the continuing updates to the zoning ordinance, the Planning Commission began to review a revised Definitions section in late 2011. The purpose of the review was to evaluate whether current definitions were understandable and to add definitions that would help overall ordinance understanding and interpretation, particularly for the districts where form and architectural standards have been added. In addition, the new section removes or amends any definitions that had currently included regulatory standards, not just definitional terminology, that is inappropriate for a definitions section.

The revised section has many more definitions than the current ordinance (18 pages vs. 11 pages) in order to provide clarity to specific zoning questions that can arise. Other community ordinances as well as a publication by the American Planning Association were consulted for definition language.

Revised Section 200 and 201:

Section 200 is simply a section to clarify the use of language throughout the ordinance. There are only minor changes to this section.

Some definitions were modified as recommended by the City Attorney, particularly those that need to reference state statute, which may preempt local regulations. Other notable changes include:

A change to Section 201 requested by City Council is a modification of the definition for hotel, which has resulted in the following definition:

Hotel: Any building, structure or part thereof, including a Dwelling Unit, which is used primarily for paid public lodging on a transient basis. For purposes of this definition, the word transient means occupancy for less than thirty (30) consecutive days.

Resulting from the discussion of street classifications, the following definitions are recommended and will be incorporated into future changes to the Master Plan and zoning districts:

Street, Collector: A street that serves as a link between local and minor arterial streets (e.g., Howard Street, Kalamazoo Avenue, Lake Street, and Jennings Avenue).

Street, Local: A street that primarily accesses individual properties and homes (e.g. Morgan Street, Grove Street, Summit Street, and Lockwood Avenue).

Street, Minor Arterial: A street with primary function to move traffic between principal arterials and local streets and between major parts of the city such as neighborhoods, employment and shopping. It also provides important roadway links into the city and to major activity areas and are considered secondary gateways (e.g., East Mitchell Street, Emmet Street, Sheridan Street, and Atkins Street).

Street, Principal Arterial: A road that generally carries long distance, through-travel and provides access to important traffic generators, such as employment centers and shopping areas. It is an important route through the city and is also a primary entrance or gateway from outlying areas (e.g., US 31 and US 131).

City Councilmembers discussed some of the changes and various definitions. Council concurred to have City staff provide a highlighted version of the definition changes to review at the next scheduled meeting.

City Council will consider a second reading and possible action on this ordinance at the May 19, 2014 City Council meeting.

**First Reading of Proposed Ordinance
Repealing & Replacing Ch. 6 Regulating
Bed & Breakfast establishments**

The City Manager next reviewed the proposed ordinance that would repeal and replace Chapter 6 regulating Bed and Breakfast establishments. The issue of vacation rental properties was discussed at both regularly scheduled City Council meetings in January 2014. Included in these discussions was the possible regulation of existing vacation rental properties, as well as zoning restrictions that could be implemented to restrict the location of future vacation rentals.

Prior to hearing a proposed ordinance, Council requested input from the Planning Commission on possible geographic restrictions by zoning district on vacation rental properties. The Planning Commission recommended that vacation rentals be limited to commercial zoning districts where hotels are currently allowed.

This recommendation would be implemented by a proposed revision to the Zoning Ordinance definition of a hotel to encompass all structures used for transient lodging for thirty (30) days or less.

At its January 20, 2014 meeting, City Council also directed staff to prepare regulations that would require vacation rental properties to be inspected in a similar fashion to Bed and Breakfast establishments. Chapter 6 currently requires Bed and Breakfast establishments only to be inspected

on an annual basis, and currently sets out general safety requirements that predate the adoption of the International Property Maintenance Code (IPMC) by the City of Petoskey.

Based on Council's direction, staff is recommending an amendment to Chapter 6 that would formally incorporate hotels into the regulations of this Chapter and update the safety standards to reference the IPMC and International Fire Code (IFC). It is important to note that in practice these amendments should represent only a minor change for large commercial hotels in that they will be required to be licensed, but that hotel inspections are already being done on an annual basis by Public Safety personnel under provisions of the International Fire Code.

Licensing and inspection of vacation rental properties would also fall under the proposed regulations in Chapter 6 if the definition of a hotel is revised to include all structures providing public lodging on a transient basis for thirty (30) days or less. Regulating vacation rentals in the same way as hotels and bed and breakfast establishments will help ensure basic safety standards are being met in properties that are being rented for short durations where persons may be less familiar with their surroundings and methods of egress in case of an emergency. Additionally, based on Council discussions, a prominent posting of basic noise, parking and trash disposal regulations would be required within all unstaffed "hotels".

City Council discussed this proposed ordinance and will consider a second reading and possible action at the May 19, 2014 City Council meeting.

Hear Council Comments

Mayor Fraser commented that Petoskey Plastics received honorable mention as part of the 2014 Michigan Green Leaders.

There being no further business to come before the City Council, this May 5, 2014, meeting of the City Council adjourned at 9:20 P.M.

W.J. Fraser, Mayor

Alan Terry, City Clerk-Treasurer