



CITY COUNCIL

October 20, 2014

A regular meeting of the City of Petoskey City Council was held in the City Hall City Council Chambers, Petoskey, Michigan, on Monday, October 20, 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 Acting City Manager Alan Terry, City Planner Amy Tweeten, Administrative Assistant Sarah Bek and Downtown Director Becky Goodman.

Resolution No. 18822
Approve Special-Assessment
Downtown Programs & Services

A public hearing was held to receive comment on the proposed programs and services. The Acting City Manager reviewed the process and recommended rates for 2015 programs and services. The Mayor opened the public hearing at 7:02 P.M.

Marty Scott, Northern Michigan Artists Market, commented on the process and that special assessments should not be approved due to the lack of response from DMB on numerous issues.

The public hearing was closed at 7:07 P.M.

City Councilmembers inquired if the DMB budget was finalized and part of the City-wide budget; commented on the process and that it has been established for years and if postponed then process is pushed back two weeks; and that continual issues with DMB and merchants is separate from this process and that there needs to be further effort to address these ongoing issues.

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

WHEREAS, at its meeting of October 6, 2014, the City Council reviewed a report by the City Manager dated September 29, 2014, as required of City Code provisions, that listed proposed programs and services to be provided to property owners and tenants within the Downtown Management Board's territory during 2015 and a proposed roll of special assessments to be spread against properties within the Management Board's district at the same formula rate as last year, as a means of financing such proposed programs and services; and

WHEREAS, following its review of that September 29 report, the City Council scheduled a public hearing for 7:00 P.M., Monday, October 20, 2014, as required of City Code provisions, to receive comments concerning proposed Downtown Management Board programs and services; and

WHEREAS, the City Council now has conducted this October 20 public hearing to receive comments concerning proposed programs and services as recommended by the Downtown Management Board:

NOW, THEREFORE, BE IT RESOLVED that the City Council does and hereby approves proposed programs and services as recommended by the Downtown Management Board and costs as estimated by the Management Board to be assessed eligible property owners within the boundaries of the proposed assessment district at the same rate as last year that are coterminous to those of the Management Board's territory; and

BE IT FURTHER RESOLVED that the City staff be and is hereby directed to prepare a special-assessment roll in accordance with the City Council's determination and to provide such a roll with the recommended formula rate for the City Council's review at its regular meeting of November 3, 2014.

Said resolutions were adopted by the following vote:

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

Hear Presentation on Petoskey Schools
Athletic Facilities Plan Proposal

Mr. John Scholten, Superintendent of the Public Schools of Petoskey gave a brief presentation on the School District's proposed plan for athletic facilities. Funding for the proposed athletic facilities is included in the November

4, 2014 General Election ballot proposals.

Mr. Scholten reviewed project details including that the noon Rotary Club unanimously chose to help fund this project; that GMB and Beckett and Raeder are consultants working on project; gave background information on previous 2007 project compared to current proposal; that funds in sinking fund will help resurface Northmen Drive and curb and gutter; that reconstruction of Northmen Drive will help with traffic flow; that these enhancements will benefit community as a whole; reviewed use of synthetic fields; that the Petoskey Chamber of Commerce endorsed this proposal; and that there will be two public forums on October 22 and October 29 concerning the project.

City Councilmembers inquired what would happen with existing Curtis Field; if there was a difference in injuries playing on a synthetic field vs. natural field; and if synthetic fields were cost effective. Mr. Scholten reviewed that as part of the contract Curtis Field would need to remain a recreational facility otherwise it would go back to the family; that injuries are about the same on each type of field; and that it may cost more for synthetic field, but very effective when maintaining.

Resolution No. 18823 – Amend Agenda
Add Update on City Manager Search

City Councilmember Murphy then motioned to amend the agenda and add an update on the City Manager search under new business. City Councilmember Marshall supported the motion.

Said motion was adopted by the following vote:

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

Resolution No. 18823
Approve Consent Agenda Items

Following introduction of the consent agenda for this meeting of October 20, 2014, City Councilmember Marshall moved that, seconded by City Councilmember Murphy adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby confirms that the draft minutes of the October 6, 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 October 6 for contract and vendor claims at \$1,092,446.85, intergovernmental claims at \$191,838.75, and the October 9 payroll at \$169,575.07, for a total of \$1,453,860.67 be and is hereby acknowledged; and

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

The Acting City Manager reported that after inquiries from the previous meeting the Parks and Recreation Master Plan is adopted every five years by Council; that the County has fact sheets concerning building permits on their website and the Department of Public Safety will work with citizens on inquiries involving IPMC and building permits; and reviewed the US-31 realignment project that has begun in Resort Township and will continue on Charlevoix Avenue in 2015.

The City Planner gave a brief presentation on the current design of the project which is consistent with the Access Management Plan that was developed by the City, Bear Creek Township and Emmet County. She reviewed realignment; sidewalk installation; that having a center turn lane will improve safety; that MDOT completed studies proving the safety improvements; and that the Planning Commission passed a resolution supporting this concept.

City Councilmembers inquired on how safety would be regulated so people don't have to cross both sides of highway; concerns with why MDOT changed concept; if speed limits would change; if realignment of Jackson Street was part of this project; if the conceptual was available to view on City's website; inquiry on the island at the intersection of US-31/US-131; and heard comments about Chase Bank's curb cuts and interference with traffic flow.

In response to Council comments, the City Planner noted that a double left turn lane would be implemented so people won't have to cross two lanes only one single travel lane; that MDOT completed a study at the City's request for operations and safety concerns; that speed limits will not change, but will slow traffic down with one single travel lane; that realignment of Jackson Street is not part of this project and is dependent on the hospital; that the conceptual plans and Access Management Plan is available on the City's website; that the Chase Bank's section is part of City streets; and that MDOT offered to hold a meeting with City Council concerning the project if preferred.

City Councilmembers inquired if the tax administration fee that was approved conditionally for one year would be part of the City budget resolution and if it could be extracted and voted on separately. The Acting City Manager responded that it would be part of the budget resolution and could be voted on separately if desired.

The Acting City Manager reviewed that the Penn Plaza, 101 Lewis Street, is located on a parcel that has Amending Zoning Map – 101 Lewis St. two different zoning districts, which was discovered (Penn Plaza) to B-2A Transitional District during the rezoning of properties from the B-2 Central Business to the B-2A Transitional Business District. The south portion of the subject property with the building is zoned B-2A, but the portion of the parcel that

lies north of what would be the middle of the former Rose Street right-of-way is zoned P-R Park Reserve.

City Council conducted the first reading of the proposed ordinance amendment at their October 6, 2014 meeting. The City did not receive any correspondence regarding this proposed amendment.

The Park Reserve District was created in 1997 and the former railroad corridor properties were rezoned to this district to address MDOT's concern that the City would acquire the right-of-way and then sell it for development. The Park Reserve District is restricted to uses consistent with a public park. The portion of the subject property shown to be in the Park Reserve District currently holds green space and parking that is available to the public after business hours through a license agreement, but it is not publicly owned and was not a part of the property acquired from MDOT.

As this property was wrongly zoned Park Reserve, the property owner, Mr. Stroup, requested a map amendment that would put the entire parcel in the B-2A Transitional Business District.

At its September 18 meeting, the Planning Commission held a public hearing on the request. While there were several members of the public in opposition to the property rezoning, the Commission considered the reasons behind the creation of the Park Reserve District and the legality of zoning a privately-held piece of property for public park purposes and ultimately recommended to City Council that the property rezoning be approved.

City Councilmembers inquired if this amendment interfered with the new bike path and why there was opposition at the September 18 Planning Commission meeting.

In response to questions, this amendment would not interfere with the new bike path on Arlington Avenue and the objections were due to the fact that in Master Plan it states a goal to protect open space. The City Planner reviewed that legally can't zone private land publically.

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

AN ORDINANCE TO AMEND THE ZONING DISTRICT MAP OF THE CITY OF PETOSKEY AS SET FORTH IN ORDINANCE NUMBER 451, THE ZONING ORDINANCE OF THE CITY OF PETOSKEY TO RE-ZONE THE NORTHERLY PORTION OF 101 LEWIS STREET (52-19-05-101-005) FROM THE P-R PARK RESERVE DISTRICT TO THE B-2A TRANSITIONAL BUSINESS DISTRICT.

WHEREAS, the parcel's status of being within two separate zoning districts (B-2A Transitional Business and P-R Park Reserve) came to light during the creation of the B-2A Transitional Business District; and

WHEREAS, the P-R Park Reserve district was created and added to the zoning map in 1997 to address the concerns of the Michigan Department of Transportation (MDOT) that the rail corridor property the City wished to acquire for the Downtown Greenway Corridor would later be sold for development; and

WHEREAS, the P-R Park Reserve district limits uses to those consistent with a public park; and

WHEREAS, it appears that a portion of the subject parcel was included within the P-R Park Reserve District, however it was never owned by MDOT and not part of the eventual land sale; and

WHEREAS, the subject parcel is private property; and

WHEREAS, the remainder of the parcel is within the B-2A Transitional Business District; and

WHEREAS, The Petoskey Planning Commission recommends to City Council that the property known as 101 Lewis Street (PID 52-19-05-101-005) be zoned in its entirety to B-2A Transitional Business District due to the finding that the owner requested the zoning change as the property was zoned to Park Reserve but is privately owned land and never owned by the Michigan Department of Transportation, and further that keeping this property within the P-R Park Reserve District is not in the best interest of the City.

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 to show the following-described property as being located within the B-2A Transitional Business District and the Zoning Classification hereafter for said property shall be B-2A Transitional Business. The property hereby rezoned from P-R Park Reserve to B-2A Transitional Business District is described as follows:

Part of Government Lot 4, Section 32. Township 35 North, Range 5 West, City of Petoskey, Emmet County, Michigan, which is described from an Easement Survey, by R.E. Oelke, P,S. 33983, for First American Title Co., dated 6 Aug. 2001, and is more particularly described as follows:

Commencing at the northwest corner of Lot 4, Block 4, Shaw and McMillan's Addition to the City of Petoskey; thence along the north line of said Lot 4, N88'58'39"E 129.85 feet to the northeast corner of said Lot 4; thence along the westerly line of Penn Plaza as monumented N 30°56'15" E 35.36 feet to the south line of Section 32 and the **Place of Beginning**; thence continuing along said westerly line of Penn Plaza N 30°56'15" E 288.21feet to the centerline of Division Road as monumented; thence along said centerline of Division Road as monumented S 59°04'55" E 46.53 feet; thence S 30°54'49" W 259.96 feet to said south line of Section 32; thence along said south line of Section 32 S 89°42'39"W 54.54 feet to the **Place of Beginning**.

2. The Zoning District Map of the City of Petoskey shall be, and the same hereby is, amended in order to show the following-described property as being 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 rezoned from P-R Park Reserve to B-2A Transitional Business is described as follows:

State of Michigan, County of Emmet, City of Petoskey:

Part of Government Lot 4, Section 32. Township 35 North, Range 5 West, City of Petoskey, Emmet County, Michigan, which is described from an Easement Survey, by R.E. Oelke, P,S. 33983, for First American Title Co., dated 6 Aug. 2001, and is more particularly described as follows:

Commencing at the northwest corner of Lot 4, Block 4, Shaw and McMillan's Addition to the City of Petoskey; thence along the north line of said Lot 4, N88'58'39"E 129.85 feet to the northeast corner of said Lot 4; thence along the westerly line of Penn Plaza as monumented N 30°56'15" E 35.36 feet to the south line of Section 32 and the **Place of Beginning**; thence continuing along said westerly line of Penn Plaza N 30°56'15" E 288.21feet to the centerline of Division Road as monumented; thence along said centerline of Division Road as monumented S 59°04'55" E 46.53 feet; thence S 30°54'49" W 259.96 feet to said south line of Section 32; thence along said south line of Section 32 S 89°42'39"W 54.54 feet to the **Place of Beginning**.

3. Conflicting Standards.
If any of the standards set forth in this amendment conflict with any other standards of previous or further ordinances or amendments, the stricter standards shall apply.
4. Repeal; Savings Clause.
All ordinances, resolutions, or orders, or parts thereof, in conflict with the provisions of this ordinance are, to the extent of such conflict, repealed.

5. Severability.

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.

6. Effect.

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)

Hear Presentation by Downtown
Director on Darling Lot

The Downtown Director gave a brief presentation on the future parking development of the Darling Lot. The Downtown Management Board reviewed and approved two proposed studies for the Darling Parking Lot at their August 19, 2014 meeting. The two studies included a plan for the development of the lot by Walker Parking and a financial analysis to review funding possibilities by Otwell Mawby. The development of any parking lot, including funding, would require City Council approval.

The Downtown Director reviewed that parking lot debt would be paid off by the end of the year and free up \$80,000 to put towards future parking plans; that a mixed use development that adds density to downtown, generates tax income, and creates additional parking is most desired on the Darling Lot; that at the DMB's March parking workshop it was determined whether to wait on development site at Sunset Square or move forward on own; reviewed the 2004 Walker Parking study and that a new event was needed to add more parking spaces; reviewed benefits to underground parking; that the DMB approved the consultants at a cost around \$35,000 but that no contracts had been signed yet; that the DMB supports a public/private partnership with Sunset Square; reviewed that the City owns the Darling Lot; and that DMB was looking for support from Council to move ahead.

City Councilmembers inquired on what the lot would look like; if it would provide an additional 100 parking spaces; commented that development would need to comply with City ordinances pertaining to commercial on first floor and residential on second floors; inquiries if it was normal for DMB to take on redevelopment of a city-owned property; if this process conflicted with Planning Commission; that the new City Manager should be involved with planning process and that DMB jumped into project too early; that the Darling Lot has been considered for redevelopment for many years and the surface time is overdue; concerns with funding and if there is a need for more parking; that a new study is needed to know exact number of needed spaces; inquired if same consultant as 2004 would do another study; cost if 2004 plan was updated; and that there is a parking deficit in the western part of district near Howard Street to the west.

In response to comments, the Downtown Director reviewed that the development would provide 100 additional parking spaces; that the DMB manages parking system, is responding to a need, part of strategic plan and is not out of the ordinary to take the lead step; that the project would still need to go through the necessary process and is not in conflict with Planning Commission; that conversations about the Darling Lot with consultants had occurred for months with the previous City Manager and is not unreasonable to wait until a new City Manager is in place; that nothing has been added since the 2004 study, but lost overflow parking due to lack of development at Sunset Square site; that the development could be funded by TIF, Brownfield, parking management system and other sources; and that the same 2004 consultant would complete the study now if desired.

The City Planner commented that long term future parking needs to be considered and that increment at Sunset Square may not be as big as original plan.

City Councilmembers inquired on the status of the Sunset Square feasibility study. The Acting City Manager responded that the study is on-going and that previous plans for that site were very grandiose and now Sunset Square may be a smaller project.

The Mayor commented that he had spoken with Mr. Amash and gave background information on the site and that there were no plans yet.

Mayor Fraser asked for public comments and heard comments that 30 years ago there was a need for additional parking and still talking about the need today; that there needs to be public involvement and support on the project; and heard from those in support for more parking in downtown.

Resolution No. 18825 – City Manager
Search Update & Approve 11/3/14
Agenda Item – Duties/Roles

The Acting City Manager reviewed that nine applicants had applied for the City Manager position to date; reviewed a tentative schedule with November 11, 2014 being the application deadline; special Council meeting towards end of November and interviews mid-December.

City Councilmembers inquired if application deadline could be extended if not enough qualified candidates were submitted; if application deadline date and time is clearly stated; how many applicants applied during first search after one week extension; and concurred that process should be discussed going forward and roles of staff, consultant, City Attorney and Council.

City Councilmember Marshall moved that, seconded by City Councilmember Murphy to add roles of City Attorney, City Council and consultant to the next agenda.

Said motion was adopted by the following vote:

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

Mayor Fraser asked for public comments and heard an inquiry if the discussion would be in closed session; that the City Attorney has an intricate role; and that time would be limited at next meeting since budget will be presented.

Hear Council Comments

Mayor Fraser asked for Council comments and heard from City Councilmember Wills that he attended the MML conference in Marquette last week and reviewed the sessions he had attended. Mayor Fraser congratulated the Petoskey Marching Band of their grand champion status and successful season.

There being no further business to come before the City Council, this October 20, 2014, meeting of the City Council adjourned at 9:11 P.M.

W.J. Fraser, Mayor

Alan Terry, City Clerk-Treasurer