



## CITY COUNCIL

October 19, 2015

A regular meeting of the City of Petoskey City Council was held in the City Hall Council Chambers, Petoskey, Michigan, on Monday, October 19, 2015. 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 Robert Straebel, Clerk-Treasurer Alan Terry, Director of Public Safety John Calabrese, Public Safety Lieutenant Matthew Breed and Downtown Director Becky Goodman.

Resolution No. 18906  
Approve Special-Assessment  
Downtown Programs & Services

A public hearing was held to receive comment on the proposed programs and services. The City Manager reviewed the process and recommended rates for 2016 programs and services. The Mayor opened the public hearing at 7:05 P.M. and there were no public comments.

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

WHEREAS, at its meeting of October 5, 2015, the City Council reviewed a report by the City Manager dated September 29, 2015, 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 2016 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 19, 2015, 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 19 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 2, 2015.

Said resolution was adopted by the following vote:

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

NAYS: None (0)

Resolution No. 18907  
Approve Consent Agenda Items

Following introduction of the consent agenda for this meeting of October 19, 2015, 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 confirms that the draft minutes of the October 5, 2015 regular-session City Council meeting be and are hereby approved;

BE IT RESOLVED that receipt by the City Council of a report concerning all checks that had been issued since October 5 for contract and vendor claims at \$680,549.29, intergovernmental claims at \$66,405.87, and the October 8 payroll at \$174,478.77, for a total of \$921,433.93 be and is hereby acknowledged; and

BE IT FURTHER RESOLVED that the City Council does and hereby authorizes the City Manager to enter into a three-year-long contract with Paulben, LLC, Petoskey, for snowplowing of parking lots, parks and various other City-owned facilities at per-snowfall-occurrence unit costs of \$326.

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 heard from Reg Smith, Stafford's Hospitality, concerning the Hemingway statue and that an agreeable site for the statue between Mr. Dau and City Council needs to be determined.

The City Manager reviewed that the City received Hear City Manager Updates approximately 60 applications for the Accounts

Receivable position and that interviews will be conducted this week; that a motorist backed through the fence at 200 East Lake Street on Petoskey Street on Saturday, October 17, there were no injuries and the property owner is aware of the damage; that the Public Safety Department is performing a fire safety self-assessment with downtown business owners; that fall leaf pick-up begins this week through early November; that Magnus Park and the Marina are closed for the season; and that the General Election is on Tuesday, November 3 at the Knights of Columbus Hall with the Mayor and First and Third Councilmembers all running unopposed.

Discuss Fire Equipment Needs  
Report Assessment/Funding Options Report  
discussions with City

The City Manager reviewed that a Fire Equipment Needs Assessment and Funding Options Report was developed to begin initial discussions with City Council. The City Manager reviewed funding options; aged equipment; goals as established by City Council and staff; that current resale of vehicles is minimal; that Headlee Overrides are difficult to persuade the public to approve; that the Property Tax

Administration Fee is not a sufficient source of revenue; and that a Public Safety Recovery Fee is also insignificant in terms of revenue for purchasing capital items.

City Councilmembers discussed mutual aid agreements and how there is no costs to either community; the effects to individual insurance rates if City's fire rating decreases; that a Public Safety millage appears to be the most viable option and need to provide information to sell to citizens; inquiries on current condition of 100' ladder truck and needs for a replacement.

Mayor Fraser asked for public comments and heard comments that the fire rating did not help landlords insurance premiums; inquiries on how often there is a need for a 100' ladder truck, or rather purchase a 70' truck; encouraged staff to keep good equipment that still works; that Cheboygan purchased used trucks very inexpensively; that the loss in taxable values and how that reduces taxes received by the City, needs to be discussed more; that other units should help pay for tax collected for them; that firetrucks used the most should get the most attention; inquiries if both 100' and 70' vehicles are needed; why the department needs 43 SCBA's; if other units can be assessed the Property Tax Administration Fee by deducting from their taxes; and that a cost recovery fee could add up over time.

City Councilmembers further discussed needs assessment and possible millage rate amount and time period, then deferred further discussion until a future City Council meeting to discuss possible millage options.

Resolution No. 18908 – Approve Redevelopment Liquor License for BRKP Cigar Group, LLC – 320 E. Lake St., Unit 2 The City Manager reviewed that Bill Tribble, former Redevelopment Liquor License application for 446 East Mitchell Street, is proposing a new location for his cigar bar/liquor establishment. The new address is 320 East Lake Street, Unit 2 and is owned by Mr. Rodney Phillips. The entrance to the proposed establishment will be off the alleyway, informally known as "Reid's Alley". Mr. Phillips has paid all tax and assessment payments. The Public Safety Director has no concerns regarding the site from a public safety response perspective.

On October 1, 2015, the City received an application for a Redevelopment Liquor License from BRKP Cigar Group, LLC, for 320 East Lake Street, Unit 2. The Downtown Management Board, in accordance with the local ordinance adopted by City Council, had 30 days from the date of submission to review and make a recommendation to City Council on granting of a Redevelopment License application. The DMB complied with this requirement. On October 13, 2015 the DMB recommended to City Council to approve a Redevelopment Liquor License to BRKP Cigar Group, LLC, for 320 East Lake Street, Unit 2.

Mr. Tribble briefly reviewed smoking issues and realizes there are those opposed to smoking and noted smoking is a divisive issue; that the license for a smoking establishment has been received and the request pertains to the liquor license portion of the business; and that the building will be dry walled and ventilation put in place to eliminate smoke issues.

City Councilmembers discussed memberships; age requirement; smoke containment; the spirit of ordinance that was passed in 2011; that the applicant complies with the recreation aspect of ordinance; and heard from those concerned and against this type of establishment.

Mayor Fraser asked for public comments and heard from those concerned that the smoke smell will affect their products and business; that there is no parking near alley entrance; that the property is not a good use of area on Lake Street; heard from those in favor of allowing license and that investing in an old building is positive; that the applicant would be creating a good recreational use and new opportunity to downtown; concerns that neighbors will smell smoke; that the building location is the definition of redevelopment; that the building would not sell in the future because smell stays with building over time; and that the developer has a good reputation and gives confidence that smoke is contained.

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

WHEREAS, in 2011 the City of Petoskey established a Redevelopment Area under P.A. 501 of 2006 for purposes of fostering existing and new restaurants, entertainment or recreation establishments within Petoskey's Downtown Development Authority district; and

WHEREAS, BRKP Cigar Group LLC, 320 East Lake Street, Unit 2, has applied with the City of Petoskey for a Redevelopment License; and

WHEREAS, the Downtown Management Board reviewed and recommended the granting of a Redevelopment License for BRKP Cigar Group, LLC because it will encourage economic growth and activity within downtown, particularly in evening hours, and is in keeping with the downtown Master Plan; and

WHEREAS, the City's Department of Public Safety staff has completed investigations that are required to be performed by local governmental units under provisions of the Michigan Liquor Control Act; and

WHEREAS, the Department of Public Safety staff has reported to the City Manager that, based upon findings of the Department's investigations, the City Manager could recommend that the City Council confirm the City's approval of the application by BRKP Cigar Group, LLC, for a new Redevelopment License:

NOW, THEREFORE, BE IT RESOLVED that the City Manager be and is hereby directed to report to the Michigan Department of Labor and Economic Growth's Liquor Control Commission, upon forms that have been provided by the Liquor Control Commission, confirmation of the City Council's approval of the application BRKP Cigar Group, LLC, 320 East Lake Street, Unit 2, for a new Redevelopment License.

Said resolution was adopted by the following vote:

AYES: Murphy, Wills, Fraser (3)

NAYS: Marshall, Dittmar (2)

Resolution No. 18909  
Approve T-Mobile Tower Lease  
Agreement for US-131 Water Tank

Broadband, Inc. (MiSpot) also cancelled their agreement with the City.

The City Manager next reviewed that the City's water tower located on US-131 has had up to three licenses for telecommunication equipment mounted on the tower. In 2013 Nextel West Corporation (Sprint) cancelled their agreement and in December 2014 Agri-Valley

In July of 2015 T-Mobile contacted the City requesting to have Agri-Valley's license assigned to them along with extending the agreement, as T-Mobile is looking at having a larger presence in Northern Michigan. City staff worked with T-Mobile to prepare a new license agreement based on the current license agreement with AT&T, which was recently revised, with staff's intention of utilizing the agreement going forward, as the City's standard tower license agreement.

The agreement has an original term of five years ending in 2020 and may be extended 4 additional terms of five years each, resulting in a maximum expiration date of 2040. The new agreement also increases the monthly rental fee to \$1.200 per month from \$800 with a 3% annual increase.

T-Mobile will be utilizing the antennae's currently on the water tower installed by Agri-Valley having acquired the equipment. The equipment located at ground level will also be moved further away from the tower and all lines will be buried underground, as required by the City.

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

WHEREAS, in 2013 the City approved a license agreement with Agri-Valley Broadband to co-locate equipment on the City's water tower located at 1672 S. US-131; and

WHEREAS, Agri-Valley Broadband cancelled their license agreement for this site containing their equipment installation, in December 2014; and

WHEREAS, T-Mobile Central LLC has requested a new license agreement allowing them to take over Agri-Valley's interest at the US-131 Water Tower site; and

WHEREAS, T-Mobile Central LLC has agreed to an increase in the monthly rent to \$1200 in exchange for the new license agreement and extended term:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Petoskey does and hereby authorizes the execution of the Grant of License for the US-131 Water Tower; and

BE IT FURTHER RESOLVED that the City Clerk-Treasurer be hereby authorized to execute such necessary documents.

Said resolution was approved by the following vote:

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

NAYS: None (0)

Hear Council Comments

Mayor Fraser asked for Council Comments and City Councilmember Dittmar mentioned that it was a good thing that 200 East Lake Street property was backfilled to prevent any injury after the accident that occurred over the weekend.

There being no further business to come before the City Council, this October 19, 2015, meeting of the City Council adjourned at 9:18 P.M.

W.J. Fraser, Mayor

Alan Terry, City Clerk-Treasurer