



## CITY COUNCIL

August 7, 2017

A regular meeting of the City of Petoskey City Council was held in the City Hall Council Chambers, Petoskey, Michigan, on Monday, August 7, 2017. 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: John Murphy, Mayor  
Kate Marshall, City Councilmember  
Izzy Lyman, City Councilmember  
Grant Dittmar, City Councilmember  
Jeremy Wills, City Councilmember

Absent: None

Also in attendance were City Manager Robert Straebel, Clerk-Treasurer Alan Terry, City Planner Amy Tweeten, Public Safety Director Matthew Breed, Parks and Recreation Director Kendall Klingelsmith, Downtown Director Becky Goodman and City Attorney James Murray.

### Hear Medical Marijuana Presentation

In June of 2017, the City Manager was contacted by Kevin Chang of Oasis Wellness Center requesting to appear before City Council regarding establishment of a medical marijuana provision center. Mr. Chang gave a brief presentation and reviewed the increased support for legalizing medical marijuana; reviewed law changes and trends leading to current state of affairs in Michigan; that municipalities can “opt in” or “opt out; that communities can limit number of licenses and fees capped at \$5,000 plus an application fee; that applicants are heavily reviewed to provide safety and stop corruption; and that there is a 3% excise tax with 25% coming back to communities.

Mayor Murphy asked for public comments and heard an inquiry if regulations are different between recreational and medical marijuana; and a representative from a local advocacy group handed out information on medical marijuana.

Director Breed reviewed that enforcement is significantly affected due to the way laws were established; that the projected revenues from excise taxes estimated from the marijuana sales have not resulted in the significant amounts that were first estimated; and that provisioning centers have not eliminated basement growers and black markets.

City Councilmembers concurred to opt out at this time.

### Resolution No. 19087 Approve Consent Agenda Items

Following introduction of the consent agenda for this meeting of August 7, 2017, City Councilmember Dittmar moved that, seconded by City Councilmember Wills adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby confirms that the draft minutes of the July 17, 2017 regular session City Council meeting be and are hereby approved; and

BE IT RESOLVED that receipt by the City Council of a report concerning all checks that had been issued since July 17 for contract and vendor claims at \$1,873,152.09, intergovernmental claims at \$3,227,443.99, and the July 27 payroll at \$211,587.53, for a total of \$5,312,183.61 be and is hereby acknowledged.

Said resolution was adopted by the following vote:

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

NAYS: None (0)

Hear Public Comment

Mayor Murphy asked for public comments and heard from Jeff Grantham, 801 Baxter Street, who commented that tree trimming on Baxter Street is unacceptable and needs to be an ongoing process and not every four years; and Steve Salamon, 565 East Lake Street, commended the Public Safety Department for their professionalism on July 4<sup>th</sup>.

Hear City Manager Updates

The City Manager reported that Jason Hayes from the Mackinac Center for Public Policy will present information regarding renewable energy at the September 18 Council meeting; thanked the Dau Family and all who were involved in the creation of the “Young Hemingway” statue that was recently unveiled in Pennsylvania Park on July 21; that staff continues to work on new website design and data transfer from old website to new site with hopes to be completed by late September; that the Employee Handbook will progress to employees for input after final review by Attorney Laura Dinon with City Council’s final approval; that Emmet Street project Phase 2 from Fulton Street to State Street is progressing well with substantial completion by September 12; that DTE underground gas line installation is ongoing, but slowly due to problems with borings; that there is a joint special meeting with City Council and Planning Commission scheduled for 5:30 P.M., Thursday, August 17; and that the 2018-2023 Capital Improvement Plan will be reviewed by the Planning Commission on August 17 and first discussed at City Council on August 21.

City Councilmembers inquired if the CIP includes projects that need funding and includes options for funding; and discussed the need for an approval process in determining speakers to appear at Council meetings, prior to the Council meeting.

Consideration of Revised Proposed Ordinance Amending Appendix A of the Zoning Ordinance

The City Planner reviewed that at the second reading of a proposed ordinance on July 17, City Council asked to have the word “licensed” removed from the boarding house distance requirements. Council heard comments from the audience who raised a concern about boarding houses where there is a shared driveway with another residential property. Staff drafted an amended ordinance to include a provision that would not allow a boarding house if it were served by a shared driveway with a residential property. The City Planner also reviewed that if Council believes that this residential use is, or may increasingly become, a needed housing type for our workforce, a 400 foot separation would provide more flexibility; that vacation rentals are licensed for anything less than 30 days; and that boarding houses would be anything more than 30 days in a calendar year.

City Councilmembers discussed that the proposed ordinance is more restrictive if not allowed for shared driveway parcels; that approval process could require a public hearing and special use conditions; continued discussion on shared driveways; and concurred to make those properties a special condition use.

City staff will draft a new ordinance and City Council will conduct a first reading at their August 21 meeting.

Hear Harbor Hall Expansion Project  
and Request to Vacate Rush Street

Tim Janzen, Harbor Hall Project Architect, reviewed the proposed Harbor Hall expansion project at 704 Emmet Street; that Harbor Hall purchased the Fabiano Brothers Inc. property just south of the current facility; that expansion would include an 80-bed facility for both men and women; that with the property purchase Harbor Hall now owns both sides of Rush Street, between Elizabeth and Emmet, and is requesting City Council to vacate this one block section of Rush Street; and that there is very little traffic and the street is unnecessary.

City Councilmembers discussed that it is not unusual to vacate streets; inquired if the building will look like it belongs in the neighborhood; that Harbor Hall has been good neighbors for 40 years; that removal of the warehouse and semi-trucks would be an improvement to the property; and that it would be informative to have information on all phases of the project.

Mayor Murphy asked for public comments and heard from surrounding neighbors that Harbor Hall should take neighbors into more consideration when developing plans; that a larger size building could overwhelm neighborhood and additional buffers may be needed; that residents are noisy and litter at times; that two facilities for men and women will generate more traffic with Grove Street exit; inquiries on what is the benefit to the City; and that open houses be scheduled for public input before coming back to Council for further discussion.

Resolution No. 19088 – Support  
Green Infrastructure Champions Grant  
in Partnership with Tip of the Mitt

Jen Buchanan, Tip of the Mitt Watershed Council representative, reviewed that there is a possible grant application to promote green infrastructure and the development of potential stormwater regulations; that Tip of the Mitt was looking for a support letter for the grant application; that grant monies of \$15,000 would be used for a new Green Infrastructure Champions program; and provide workshops for public bodies, officials and local government staff to learn more about green infrastructure.

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

WHEREAS, Tip of the Mitt Watershed Council has requested the City consider submitting a support letter for a Green Infrastructure Champions Grant application; and

WHEREAS, the City of Petoskey's Master Plan encourages protection of natural resources for the continued viability of the community; and

WHEREAS, over the course of many decades, the City has experienced substantial growth that has increased impervious surfaces affecting both groundwater and surface water quality; and

WHEREAS, City officials wish to preserve and protect water quality in lakes and rivers throughout the community for current and future residents and visitors to Petoskey; and

WHEREAS, the Green Infrastructure Champions grant program allows communities to improve storm water management techniques and explore green infrastructure opportunities improving overall environmental stewardship in Petoskey:

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Petoskey supports a Green Infrastructure Champions Grant submittal by Tip of the Mitt Watershed Council.

Said resolution was adopted by the following vote:

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

NAYS: None (0)

Resolution No. 19089 – Approve  
Department of Natural Resources Trust  
Fund Agreement for Downtown  
Greenway Corridor – South Segment

The Parks and Recreation Director reviewed that the State of Michigan recently approved funding through the Department of Natural Resources Trust Fund to the City for the Downtown Greenway Corridor South Segment for the Non-motorized trail in the amount of \$293,600 which is 59% of the total cost. The City will contribute \$206,400 for a total project cost of \$500,000. The Director further reviewed amenities as part of the project; that in partnership with Tip of the Mitt Watershed Council, a rain garden will be included at the corner of State and Petoskey Street; that this is a long standing project identified in the City's Parks and Recreation Master Plan; and that bids will be prepared in the near future with construction to begin next spring.

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

RESOLVED, that the City of Petoskey, Michigan, does hereby accept the terms of the Agreement as received from the Michigan Department of Natural Resources, and that the City does hereby specifically agree, but not by way of limitation, as follows:

1. To appropriate all funds necessary to complete the project during the project period and to provide Two Hundred Six Thousand Four Hundred dollars and Zero Cents (\$206,400) to match the grant authorized by the DEPARTMENT.
2. To maintain satisfactory financial accounts, documents, and records to make them available to the DEPARTMENT for auditing at reasonable times.
3. To construct the project and provide such funds, services, and materials as may be necessary to satisfy the terms of said Agreement.
4. To regulate the use of the facility constructed and reserved under this Agreement to assure the use thereof by the public on equal and reasonable terms.
5. To comply with any and all terms of said Agreement including all terms not specifically set forth in the foregoing portions of this Resolution."

Said resolution was adopted by the following vote:

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

NAYS: None (0)

Hear Council Comments

Mayor Murphy asked for Council comments and Councilmember Marshall inquired if there is a noise ordinance regulating lawn mowers, which there is not.

Councilmember Lyman encouraged residents to participate in the Public Safety Citizens Academy.

There being no further business to come before the City Council, this August 7, 2017, meeting of the City Council adjourned at 9:10 P.M.

John Murphy, Mayor

Alan Terry, City Clerk-Treasurer