



CITY COUNCIL

January 9, 2023

Work Session

1. Call to Order - 5:30 P.M. – City Council Chambers
2. Recitation - Pledge of Allegiance to the Flag of the United States of America
3. Roll Call
4. New Business – Discussion on City Action Plan
5. Miscellaneous Public Comment
6. Adjournment

Alternatively, join the meeting via the Zoom platform

<https://us02web.zoom.us/j/89900700727>

Meeting ID: 899 0070 0727

+1 646 558 8656 US (New York)

Persons with disabilities who require assistance in order to participate in the electronic public meeting should contact the City Clerk at the earliest opportunity by emailing sbek@petoskey.us or by calling 231-347-2500 to request assistance.

Persons interested in addressing the City Council during the meeting under public comment period can press the “raise hand” button or send a chat message in Zoom or by phone press *9.

Public meetings are being monitored and violations of statutes will be prosecuted.

**City of Petoskey
2021 Action Plan
May 17, 2021**

Goal One Ensure a Long-Term Sustainable City Budget

<u>Strategies</u>	<u>Responsibility</u>	<u>Notes</u>	<u>Estimated Timeline</u>
<u>Highest Priority Strategies</u>			
1. Create a parks/trails/shorelines and City buildings maintenance plan including cost estimates for repair and upkeep. Consider potential new revenue sources to be used to fund future maintenance and upkeep associated with parks/trails/shorelines and City buildings.	City Council City Manager Clerk-Treasurer Parks and Recreation Director City Planner	Over the past several decades, the City has constructed a comprehensive network of high quality community amenities leading to Petoskey's reputation as a premier northern Michigan community in which to live, work and recreate. Some of these amenities include a historic downtown, renovated City Hall, award-winning pedestrian/bicyclists trail system, Winter Sports Park, and City Marina. These valuable amenities are in need of on-going maintenance and repair in the coming years. To maintain the highest standards for our local infrastructure and community amenities an additional revenue source may need to be identified and pursued. City Council should consider a funding mechanism and work with staff to pursue a long-range plan for funding maintenance and upkeep for City parks/trails/shorelines and buildings.	A Request for Qualifications (RFQ) for a Capital Needs Assessment Study for Parks and Special Facilities will be developed this spring. Depending upon costs, the study may be initiated this year.

Goal One

Ensure a Long-Term Sustainable City Budget Continued

<p>2. Achieve 90% funding for all employee divisions pertaining to the Michigan Municipal Employment Retirement System (MMERS) defined benefit plans. On an annual basis, review the MMERS Actuarial Valuation Report for funding levels to further reduce the Unfunded Accrued Liability (UAL). Identify options to further reduce the UAL until 90% funding is achieved.</p>	<p>City Council City Manager Clerk-Treasurer</p>	<p>Over the last 3-4 years, MMERS has made adjustments to mortality rates, amortization periods and the assumed rate of return on investments leading to substantial increases in annual defined benefit payments for the City.</p>	<p>Summer of each year.</p>
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Goal Two

Plan for New Infrastructure as well as Maintenance of Current Infrastructure to Accommodate the Future

<u>Strategies</u>	<u>Responsibility</u>	<u>Notes</u>	<u>Estimated Timeline</u>
<u>Highest Priority Strategies</u>			
<p>1. Identify and extend the Capital Improvement Plan (CIP), the long term infrastructure needs of city departments, indicating both new and replacement needs as well as long-term infrastructure maintenance requirements. Identify long-term capital replacement and maintenance needs for long-term planning.</p>	<p>City Council City Manager Public Works Director Clerk-Treasurer Parks and Recreation Director City Planner</p>	<p>Currently, City staff develops a six-year CIP annually for City Council's approval. Extending analysis an additional 10 years into the future may provide a clearer picture for City officials of the City's infrastructure needs over the long-term. A routine process has been developed whereby the CIP is publicly presented to the Planning Commission for their review and approval, and detailed public presentations are done for City Council on a project-by-project basis.</p>	<p>On-going</p>
<p>2. Aggressively pursue grants to support specific infrastructure needs, including Bureau of Indian Affairs funding for streets where appropriate. Identify operation costs when applying for grants.</p>	<p>City Council City Manager Public Works Director Clerk-Treasurer Parks and Recreation Director City Planner</p>	<p>A master list of past awarded grants along with deadline dates assists staff in maximizing grant dollars awarded to the City.</p>	<p>On-going</p>

Goal Three Diversify and Strengthen the City’s Economic Base

<u>Strategies</u>	<u>Responsibility</u>	<u>Notes</u>	<u>Estimated Timeline/ Status</u>
<u>Highest Priority Strategies</u>			
<p>1. On an annual basis, review and assess the properties identified and the process used for evaluating properties in the City’s Redevelopment Ready Communities (RRC) Program for redevelopment viability. Redevelopment sites should focus mainly on City-owned properties or properties where the landowner is committed to redevelopment consistent with City goals.</p>	<p>City Council City Manager City Planner</p>	<p>Through the RRC Economic Development Plan, the City has identified sites in which to focus economic redevelopment efforts.</p> <p>The City will consider not only the economic development viability for each site, but also whether economic development incentives included in the Economic Development Strategy are appropriate. City Council may revise the list of redevelopment sites accordingly.</p>	<p>Reviewed and assessed on an annual basis.</p>

Goal Four

Identify and Address Downtown Development Issues

<u>Strategies</u>	<u>Responsibility</u>	<u>Notes</u>	<u>Estimated Timeline</u>
<u>Highest Priority Strategies</u>			
<p>1. Using past studies and conceptual drawings on the Lake Street/Division Street parking lot as well as the Darling Lot Study completed in 2017, consider several specific strategies to increase parking in the downtown area. When planning downtown infrastructure projects, consider different street parking options to maximize downtown parking.</p>	<p>City Council City Manager City Planner Public Works Director Downtown Director</p>	<p>Focus is to increase the number of covered parking spots as well as optimize downtown street parking options.</p>	<p>2021-2022</p>
<p>2. Examine and remove to the extent feasible obstacles to upper floor downtown residential uses and other residential/commercial zoning districts.</p>	<p>City Council City Manager City Planner DMB</p>	<p>Developers have identified a lack of covered parking as a critical impediment to renovating second and third story floors in the downtown area for residential uses. Additionally, current height restrictions in the Emmet Street corridor area (RRC priority site) preclude developers from building a three-story mixed use development.</p>	<p>On-going</p>

Goal Four

Identify and Address Downtown Development Issues Continued

<p>3. Expand the participation rate (currently 30%) of downtown businesses for the voluntary fire code self-inspection program using social media and the DMB's email data base.</p>	<p>City Council City Manager Public Safety Director Downtown Director</p>	<p>Every other year Public Safety Officers visit all downtown commercial businesses regarding fire safety issues. Business owners are given a self-inspection fire safety check list form with approximately 30% of the forms returned to the City. The program is completely voluntary. Implementing a mandatory commercial fire inspection program would require additional staff and may not be politically supported by commercial businesses. Through educational efforts, City staff will develop promotional items that emphasize the importance of fire code inspections for the overall safety of the entire downtown area. Social media including the Public Safety Department's Facebook page will be used to promote more participation for the building safety program.</p>	<p>Spring, 2021 and 2022.</p>
<p>4. Systematic approach to address downtown commercial/retail vacancies</p>	<p>City Council DMB Downtown Director City Manager City Planner</p>	<p>Over the course of several years, the DMB has undertaken many initiatives such as targeting recruitment of specific businesses, establishing a downtown economic enhancement committee, working with local realtors, incentives for recruitment and other measures. Specifically, the Downtown Director has identified the following measures that could be undertaken to address vacant downtown properties:</p> <p>Use the Redevelopment Ready Community Program to market specific downtown properties;</p> <p>Explore live/work spaces on upper Mitchell that would allow entrepreneurs to live in the back of the building while operating a business from the front of the building;</p> <p>Review blight ordinance to address exterior as well as interior building issues.</p>	<p>On-Going</p>

Goal Five

Develop and Promote Community Sustainability Measures Including the Transition to Renewable Energy Sources and a Circular Economy

<u>Strategies</u>	<u>Responsibility</u>	<u>Notes</u>	<u>Estimated Timeline</u>
<u>Highest Priority Strategies</u>			
<p>1. In 2020, pursue Gold Certification through the Michigan Municipal League’s Michigan Green Community (MGC) Challenge Program. Maintain Gold Certification levels for future years.</p>	<p>City Council City Manager City Planner Public Works Director Parks and Recreation Director</p>	<p>The Michigan Green Communities Challenge is an annual program that serves as a guide to help local communities measure their progress towards sustainability. Currently, the City has achieved Silver Certification in the program. Benefits of participating in the Michigan Green Community Challenge include:</p> <ul style="list-style-type: none"> • Roadmap for sustainability initiatives; • Earn bronze, silver or gold certification for community efforts; • Benchmark progress towards sustainability initiatives; • Compare and compete with other communities. 	<p>City will pursue Gold Certification in 2021-2022 pending program continuation.</p>
<p>2. To further assist the City in achieving 100% renewable energy by 2035 and based upon solar energy production results on City Hall, the City may pursue installing rooftop solar electric panels on the Lake Street Fire Station as well as all future City buildings to be constructed. These continued efforts will decrease the City’s dependence upon fossil fuels, but also demonstrate to the community the affordability and return on investments of new solar panel technology.</p>	<p>City Council Clerk-Treasurer City Planner City Manager Public Works Director Parks and Recreation Director</p>	<p>The project will serve as another community catalyst to encourage business owners and homeowners to explore small scale solar panels on buildings within the City. The Fire Station demonstration project will highlight both the environmental benefits as well as the overall economics of installing solar panels on homes and businesses.</p> <p>City Council may direct staff in future years to pursue other solar projects for City buildings.</p>	<p>Pursue in 2021-2022</p>

Goal Five

Develop and Promote Community Sustainability Measures Including the Transition to Renewable Energy Sources and a Circular Economy Continued

<p>3. Work with environmental groups, non-profits, municipalities and the Michigan Public Power Agency (MPPA) in the development of large scale solar array projects in Michigan. Promote small scale solar panel usage for Petoskey residents and businesses through the Grow Solar Little Traverse Group Buy Program and other renewable energy programs.</p>	<p>City Council City Manager Clerk-Treasurer City Planner Public Works Director</p>	<p>Transitioning to 100% renewable energy by 2035 will require the creation of a multitude of unique public/private partnerships. To maintain affordable electric rates through new renewable energy sources, the City should encourage partnerships that promote large-scale solar and wind projects to achieve beneficial economies of scale. Running concurrently with these efforts, the City will promote small scale solar systems for residents and businesses in our service area.</p>	<p>On-going</p>
<p>4. Through the Grow Solar Little Traverse Group Buy Program, promote and educate municipal electric utility customers on the City's Net Metering Policy. As more businesses and residents transition to solar powered buildings, review the Net Metering Policy to ensure the program is user-friendly and not an impediment to the development of small scale, local solar projects.</p>	<p>City Manager Public Works Director City Treasurer City Planner</p>	<p>The Groundworks Center Resilient Communities, Midwest Renewable Energy Association and the City of Petoskey are partnering on a Grow Solar Little Traverse Group Buy Program starting this spring. The Group Buy Program will be available to residents and businesses within 30 miles of the Petoskey City Hall. The intent of the program is to select one firm/individual to provide site assessments/estimates, system design and procurement and installation services for eligible participants in the group buy. The program will also coordinate and deliver a minimum of 15 hours of free, public "Solar Power Hour" information sessions and market them widely with physical posters, email blasts, and paid social media promotion. The goal of the program is to increase public education and photovoltaic installation while aggregating demand for more advantageous solar pricing for residents and businesses. During this process, the City will educate the public on our Net Metering Policy and solicit feedback on how user-friendly the policy is and whether it encourages small scale solar installations within our service area.</p>	<p>2021-2022</p>

Goal Five

Develop and Promote Community Sustainability Measures Including the Transition to Renewable Energy Sources and a Circular Economy Continued

<p>5. Using Energy Star Portfolio, achieve a 10% reduction in electrical energy usage for City Hall, Lake Street Fire Station, Curtis Building, and Bay Harbor Fire Station.</p>	<p>City Manager Parks and Recreation Director Clerk-Treasurer</p>	<p>Reducing the City's dependence on fossil fuel will take a two-fold approach that includes the transition to renewable energy sources but also implementing energy conservation measures for City buildings. City staff will track energy usage on four City buildings that have been benchmarked for energy usage through the Energy Star Portfolio. Specific energy savings projects will be consistent with recent energy audits on City buildings. Future energy savings will be used to establish a revolving energy loan fund in 2021.</p>	<p>On-going with yearly evaluation of energy costs.</p>
<p>6. Increase participation in the City's Voluntary Green Pricing Program.</p>	<p>City Council City Manager Clerk-Treasurer Public Works Director</p>	<p>The City currently has 183 participants in the Voluntary Green Pricing Program. Residents and businesses can choose to participate at a 25%, 50%, 75% or 100% level. The City will increase our marketing efforts for the program through social media, utility billing and email data bases. The City will increase program awareness in 2021 through notices on utility billings, through the City's Facebook page and the City website.</p>	<p>Monitored and promoted throughout the year.</p>

Goal Five

Develop and Promote Community Sustainability Measures Including the Transition to Renewable Energy Sources and a Circular Economy Continued

<p>7. Cities consume 75% of our natural resources, produce 50% of global waste and emit 80% of greenhouse gases. These percentages are all driven by our “take-make-waste” economic model. To develop a new paradigm for a more sustainable and livable Petoskey, the City will focus on community education and local initiatives in the transition to a circular economy aimed at reducing waste and continual use of resources.</p>	<p>City Council Clerk-Treasurer City Planner City Manager Public Works Director Parks and Recreation Director Downtown Director DMB Public Safety Director Emmet County Recycling Chamber of Commerce North Central Michigan College</p>	<p>The City will focus on three main tenets of a circular economy:</p> <ol style="list-style-type: none"> 1. Design out waste and pollution by reusing, recycling or composting materials. 2. Keep products in use by reusing, repairing and refurbishing. 3. Regenerate natural systems whereby valuable nutrients are returned to the soil improving air and water quality. <p>City efforts will focus on public education partnering with area agencies such as Emmet County Recycling. Some examples of initiatives City Council and staff may want to pursue to promote a more circular economy are:</p> <p>Continue to consider refurbishing high cost equipment such as ladder trucks, bucket trucks, etc.</p> <p>Work with Emmet County Recycling on development of a curbside food scrap collection program as well as promotion and education of backyard composting through local workshops.</p> <p>Where practical and in accordance with playground surface standards, incorporate recycled material into playground surfaces.</p> <p>Further enhance efforts to recycle motor oils, lubricants, overhead electric wires and street millings.</p> <p>Pursue a long-range plan to transition Lake Michigan coastline in the City to a living shoreline with native plant species.</p> <p>Enhance efforts to reduce office paper by electronic filing of City documents.</p>	<p>2021-2022</p>
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Goal Six

Promote Affordable/Workforce Housing within the Community

<u>Strategies</u>	<u>Responsibility</u>	<u>Notes</u>	<u>Estimated Timeline/ Status</u>
<u>Highest Priority Strategies</u>			
1. Work with housing organizations, local realtors, and developers to identify and address obstacles to affordable housing in the City's zoning codes.	City Council City Manager City Planner Planning Commission	To meet a growing demand for affordable/workforce housing needs, the City in partnership with local housing organizations, local realtors, and developers will undertake a full review of the local zoning codes. These efforts will assist City Council and staff in identifying any obstacles that may impede the creation of additional affordable/workforce housing units within the community.	On-going.
2. Identify incentives or measures to promote affordable/workforce housing.	City Council City Manager City Planner Clerk-Treasurer	Resolving affordable/workforce housing issues will require a multi-pronged approach through strong private/public partnerships. Some measures that the City could consider include but are not limited to: <ul style="list-style-type: none"> • Considering donating obsolete City-owned parcels in the development of long-term affordable/workforce housing units for low-to moderate income families; • Revising City codes to allow accessory dwelling units (ADUs) in certain neighborhoods or zoning districts; • Promote the establishment of a regional housing authority; • Study increasing density in certain zoning districts; • Develop a Payment in Lieu of Taxes (PILOT) policy that City Council could adopt. • Consider incentives for creation of additional housing units both downtown and community-wide. 	On-going.

Goal Seven Explore the Development of a Regional Transportation Authority

<u>Strategies</u>	<u>Responsibility</u>	<u>Notes</u>	<u>Estimated Timeline/ Status</u>
<u>Highest Priority Strategies</u>			
<p>1. Explore a regional transportation authority with Emmet County, area municipalities and townships. Research costs and feasibility of developing a county-wide public transportation service. Identify a funding mechanism to pay for the transportation service such as a region-wide mill levy which would need to be approved by Emmet County voters.</p>	<p>Emmet County Emmet County Municipalities Emmet County Townships City Manager City Planner Chamber of Commerce</p>	<p>Emmet County is one of the few counties in Michigan that does not offer a comprehensive regional transportation service.</p> <p>Currently there is need for 543 additional rental units and 78 for sale units in Petoskey and 1,825 rental units and 463 for sale units in Emmet County. These deficits in housing units, specifically workforce housing, may drive housing construction out of the urban core areas and into more rural areas where land is cheaper to purchase. As such, public transportation needs are anticipated to increase in the outlying areas of Emmet County in the coming years.</p>	<p>2021-2022</p>