



CITY COUNCIL

December 5, 2022

A regular meeting of the City of Petoskey City Council was held in the City Hall Council Chambers, Petoskey, Michigan, on Monday, December 5, 2022. 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
Tina DeMoore, City Councilmember
Derek Shiels, City Councilmember
Lindsey Walker, City Councilmember

Absent: Brian Wagner, City Councilmember

Also in attendance were City Manager Shane Horn, City Clerk Sarah Bek, Public Safety Director Matt Breed, Lieutenant Adrian Karr, Public Works Director Mike Robbins, City Planner Zach Sompels and Downtown Director Becky Goodman.

Public Safety Staff Introduction

Public Safety Director Matt Breed introduced newly appointed Public Safety Officer Connor Kish and Public Safety Officer Alexis Peacock. Chief Breed also introduced Interim Public Safety Director Adrian "Rock" Karr upon his retirement on February 1, 2023.

Councilmembers congratulated Chief Breed on his retirement, calm demeanor towards residents and effective leadership, and thanked him for his decades of service to the community. Councilmember DeMoore read aloud a letter from Carla Sherman, 105 Division Street, a neighbor to the structure fire a few weeks ago thanking the Public Safety Department for their efforts.

The City Manager also reflected on the last six months working with Chief Breed and that he has grace under fire and is team-oriented and service-minded.

Consent Agenda - Resolution No. 19727

Following introduction of the consent agenda for this meeting of December 5, 2022, Councilmember DeMoore moved that, seconded by Councilmember Walker adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby confirms that the draft minutes of the November 21, 2022, 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 November 21, 2022 for contract and vendor claims at \$525,177.64, intergovernmental claims at \$0 and the November 23 payroll at \$248,454.02, for a total of \$773,631.66 be and is hereby acknowledged.

Said resolution was adopted by the following vote:

AYES: DeMoore, Shiels, Walker, Murphy (4)

NAYS: None (0)

Hear Public Comment

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

Hear City Manager Updates

The City Manager recognized staff with December birthdays and work anniversaries; reviewed upcoming meetings including ZBA, Parks and Recreation Commission, Special joint Planning Commission and DMB and Board of Review; that seasonal parking regulations are in place from December 1 through April 1; that registration is available for 2023 winter sports programs; that the Petoskey Chamber is hosting the Celebration of Champions on December 7; that the Mayor initiated a holiday light contest for City residents which will be judged on December 16-17 from 6pm-9pm; that he attended a groundbreaking with Northern Homes for two affordable homes on Bridge and Fulton Streets; applauded the downtown and that the holiday open house was impressive; and that Baird and Associates were in town today and completed some work as part of the wheelway study.

Approve Board and Commission Appointments – Resolution No. 19728-19730

Mayor Murphy reviewed that City Council consider the following appointments.

Councilmember Walker moved that, seconded by Councilmember DeMoore adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby approves the reappointment of Gary Albert, 112 Howard Street, to the Downtown Management Board for a four-year term ending December 2026.

Said resolution was adopted by the following vote:

AYES: DeMoore, Shiels, Walker, Murphy (4)

NAYS: None (0)

Resolution No. 19729

Councilmember Shiels moved that, seconded by Councilmember Walker adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby approves the reappointment of Jennifer Shorter, 7017 Stanley Court, to the Downtown Management Board for a four-year term ending December 2026.

Said resolution was adopted by the following vote:

AYES: DeMoore, Shiels, Walker, Murphy (4)

NAYS: None (0)

Resolution No. 19730

Councilmember Shiels moved that, seconded by Councilmember DeMoore adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby approves the appointment of Matthew McSweeney, 618 Bay Street, to the Planning Commission for a three-year term ending August 2025.

Said resolution was adopted by the following vote:

AYES: DeMoore, Shiels, Walker, Murphy (5)

NAYS: None (0)

Deny Sign Ordinance Amendment to Allow Halo Illuminated Signs – Resolution No. 19731

The City Planner reviewed that the Planning Commission discussed changes to the sign ordinance on September 15 to include the allowance of halo illuminated signs and unanimously recommended approval of the amended language; that the Design Committee unanimously voted November 22 to not allow halo illuminated signs in the downtown; that the Sign Committee unanimously approved signs; and that City Council could approve the proposed ordinance allowing for halo illuminated signs throughout the City or choose to not allow for halo illuminated signage in the downtown as the Design Committee requested, which would require a new public hearing and another discussion for adoption.

Councilmembers inquired on the Design Committee's objections; inquired if research had been completed on historic character of halo light; commented on the process, timing and outcomes of the Planning Commission, Sign Committee and Design Committee meetings; inquired if there were any halo lit signage currently in downtown; reviewed examples of halo lit signs; discussed light colors and industry standards; inquired how the current halo lit signs would be handled; discussed the master plan and that it is noted to maintain historic character of downtown; heard from those opposed to ordinance since halo lighting does not look like historic lighting; heard from those in favor of approving the ordinance based on aesthetics; and inquired on what has been accomplished thus far to maintain historical character.

The City Planner reviewed that the Design Committee objected to the proposed ordinance due to historical aspects and not consistent with the small, quaint downtown; that the master plan advocates for both historic character and new business, economic vibrant features; that halo lights are not a historic light; that the Sign Committee discussed how signs could impact the downtown; that there currently are three halo lit signs in downtown including Chico's, Lost Village Pierogi and Quiet Moose; that neon or bright colors would not be allowed; that halo illuminated signs are newer in the industry and sign companies need this type of new technology to create signs; and reviewed process of enforcement on existing halo lit signage.

The Downtown Director reviewed the status of historic district study committee; that halo lit signs would be problematic to historic district; that improvements to streets, sidewalks, lighting and buildings has helped maintain the historic character; and that halo illuminated signs are attractive, but not appropriate to downtown, but could be a good addition to the rest of the City.

Mayor Murphy asked for public comments and heard from those opposed to the ordinance; that the process was not done well; that there needs to be a concise ordinance and simple to enforce; that halo lit signs do not belong downtown and encouraged Council to keep the authentic, historic character.

Councilmember Walker moved that, seconded by Councilmember Shiels adoption of the following ordinance:

**AN ORDINANCE TO AMEND SECTIONS 2.1 AND 3.1(5)(d) OF APPENDIX C,
SIGN ORDINANCE OF THE PETOSKEY CODE OF ORDINANCES**

WHEREAS, the Livable Petoskey Master Plan was adopted on July 19, 2021 and has a goal to provide a range of housing types, densities, and price levels to address the needs of all age groups, household types, and income levels; and

WHEREAS, the City hopes to offer a variety of different signage options to allow businesses to succeed while being unique to Petoskey; and

WHEREAS, the Planning Commission has been reviewing the zoning and sign ordinances for several months to identify possible changes to allow for options toward success and clarifications; and

WHEREAS, a public hearing was held September 15, 2022 by the Planning Commission on several changes where no opposition was received; and

WHEREAS, the Planning Commission recommends that the changes to Sections 2.1 and 3.1 of the Sign Ordinance be approved to allow for halo lit signs.

NOW THEREFORE, the City of Petoskey ordains:

1. Section 2.1 of Appendix C to the Petoskey Code of Ordinances are hereby repealed and replaced with the following:

Section 2.1 – Definitions: add

Halo illuminated signs – Signs consisting of individual, internally illuminated letters and graphics with opaque face and sides. Halo illuminated signs are characterized by indirect, steady and constant, illumination, with all illumination projecting from the rear of each letter or graphic onto the background surrounding the letters.

2. Section 3.1 of Appendix C to the Petoskey Code of Ordinances are hereby repealed and replaced with the following:

Section 3.1 – Provisions applicable to all districts: add (5)(d)

Halo illuminated signs must meet the following criteria:

- The lighted area that exceeds the solid surface of the sign face shall count as part of the signs calculated area;
- Only neutral light tones may be used;
- No neon lights shall be permitted;
- The face and sides of letters shall be opaque;
- All lights, transformers, fasteners, spikes, zappers and connections shall be concealed from view;
- Up to 20% of the total sign area may be the lighted portion of the sign;
- Halo illuminated signs shall follow the size restrictions laid out under wall signs and free standing signs in their prospective districts; and
- No sign shall emit more than 100 Nits.

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 failed by the following vote:

AYES: Walker (1)

NAYS: DeMoore, Shiels, Murphy (3)

Approve Intergovernmental Agreement for School Resource Officer – Resolution No. 19732

Public Safety Director Breed reviewed that historically a School Resource Officer (SRO) was shared equally between Petoskey Public Schools and the Public Safety Department until about 10-12 years ago when the position was eliminated; that the past several years Public Safety provided a School Liaison Officer as often as possible; that school safety is of the highest priority to the school district as well as the Public Safety Department and having a full-time SRO increases school safety significantly; that all costs will be evenly split between both parties; and the Intergovernmental Agreement commences on January 1, 2023 and continues until December 31, 2023.

Councilmembers agreed that having a SRO in the school system creates a positive impact and relationships among students, faculty and Public Safety and appreciated including the job description to better define the scope of work.

Mayor Murphy asked for public comments and heard from the Petoskey School Board Secretary that there is a need for a SRO; that student safety is the highest concern for parents; and that the schools are exploring funding for the future.

Councilmember DeMoore moved that, seconded by Councilmember Shiels to authorize entering into the Intergovernmental Professional Services Agreement for School Resource Officer with the Petoskey School District.

Said resolution was adopted by the following vote:

AYES: DeMoore, Shiels, Walker, Murphy (4)

NAYS: None (0)

Approve Assessor Contact – Resolution No. 19733

The City Manager reviewed that an assessor contact resolution was required to be adopted by December 31, 2022; that per 2018 PA 660, MCL 211.10g provides that the State Tax Commission shall adopt and publish guidelines applicable to municipal audit procedures; and that the guidelines provide that each assessing district must have and follow a published policy under which its assessor’s office is reasonably accessible to taxpayers.

Councilmember DeMoore moved that, seconded by Councilmember Shiels adoption of the following resolution:

RESOLUTION TO ESTABLISH A POLICY REGARDING THE ACCESSIBILITY OF THE ASSESSOR’S OFFICE TO TAXPAYERS

DATE:	December 5, 2022
COUNTY:	Emmet County
Municipality Name:	City of Petoskey
Municipality Hall ADDRESS:	101 East Lake Street
	Petoskey, MI 49770

WHEREAS, 2018 PA 660, MCL 211.10g (“the Act”) provides that the State Tax Commission shall adopt and publish guidelines applicable to municipal audit procedures; and

WHEREAS, the State Tax Commission has, in turn, adopted such guidelines, STC Guideline 2020-1 (“the guidelines”), as required by the Act; and

WHEREAS, the guidelines provide that each assessing district must have and follow a published policy under which its assessor's office is reasonably accessible to taxpayers, and that the published policy must address the items listed in Section 10g, Subsection (1), of the Act; and

WHEREAS, the City of Petoskey, County of Emmet, desires to comply with the requirement to establish such a policy by adopting the present resolution and making the resolution available to the public:

NOW, THEREFORE, BE IT RESOLVED that the City of Petoskey, County of Emmet, establishes the following policy and provides the following information in connection with its assessor's office:

The City of Petoskey, County of Emmet, currently employs an assessor of record that is certified by the State of Michigan as a Michigan Advanced Assessing Officer (MAAO) Certification Number R-7862.

The City of Petoskey, County of Emmet, uses State Of Michigan approved BS&A CAMA assessing software; contact information for **BS&A software, 14965 Abbey lane, Bath Twp. MI 49908. Telephone number 517-641-8900.** <http://www.bsasoftware.com> and <http://www.bsaonline.com>

The City of Petoskey, County of Emmet, employs Allan Berg as the assessor of record, and the contact Information for this assessor is as follows:

NAME:	Allan Berg
TELEPHONE NUMBER:	989-734-3555
ELECTRONIC MAIL:	info@assessingoffice.com

The assessor contact information can also be found by accessing the municipality website at www.petoskey.us or the assessor's website at <http://www.assessingoffice.com>.

The City of Petoskey, County of Emmet, ensures that any taxpayer inquiring about property records maintained by the assessor's office within the City of Petoskey, County of Emmet, will have a response from the assessor of record within (7) business days from the date the request was submitted to the above listed assessor either by telephone or electronic mail using the assessor contact information listed above.

Taxpayers may request a meeting with the assessor from the above-named Municipality for any property assessment related inquiries by submitting in writing to the above electronic mail address or contacting by telephone the assessor of the above-named Municipality.

Taxpayers may request, using the above electronic mail or telephone number, to inspect the records maintained by the assessor's office, and taxpayers will be contacted to set up a time and date to meet at the Municipality hall listed at the above address.

Taxpayers may request, using the above electronic mail or telephone number, any questions or processes the assessor uses to informally hear and resolve any disputes taxpayers may have before the March Board of Review meeting.

BE IT FURTHER RESOLVED that this Resolution/Policy shall take effect as of the date set forth below.

Said resolution was adopted by the following vote:

AYES: DeMoore, Shiels, Walker, Murphy (4)

NAYS: None (0)

Approve 2023 Poverty Exemption Policy and Guidelines – Resolution No. 19734

The City Manager reviewed that the City Council is required by the State to reapprove the policy each year; that the proposed poverty exemption policy and guidelines have been updated to include poverty income levels established annually by the Federal Poverty Income Guidelines; and that the General Property Tax Act requires that the guidelines include an income test and an asset test.

Councilmembers inquired how citizens know that this program is available; if funds are available to compensate the City for reimbursement on lost taxes; and if it is standard for income and asset test to be come from Department of Treasury.

The City Manager responded that information is available on the City's website, Assessor can be contacted and application process is reviewed by the Board of Review that all thresholds are met; that there is no reimbursement to the City; and that income and asset test is determined by the Department of Treasury.

Councilmember Walker moved that, seconded by Councilmember Shiels adoption of the following resolution:

WHEREAS, the adoption of guidelines for poverty exemptions is required of City Council;
and

WHEREAS, the principal residence of persons, who the Assessor and Board of Review determines by reason of poverty to be unable to contribute to the public charge, is eligible for exemption in whole or in part from taxation under Public Act 390 of 1994 (MCL 211.7u);
and

WHEREAS, pursuant to PA 390 of 1994, the City of Petoskey adopts the following guidelines for the Board of Review to implement. The guidelines shall include but not be limited to the specific income and asset levels of the claimant and all persons residing in the household, including any property tax credit returns, filed in the current or immediately preceding year;

To be eligible, a person shall do all the following on an annual basis:

- 1) Be an owner of and occupy as a principal residence the property for which an exemption is requested.
- 2) File a claim with the supervisor/assessor or Board of Review, accompanied by federal and state income tax returns for all persons residing in the principal residence, including any property tax credit returns filed in the immediately preceding year or in the current year.
- 3) File a claim reporting that the combined assets of all persons do not exceed the current guidelines. Assets include but are not limited to, real estate other than the principal residence, personal property, motor vehicles, recreational vehicles and equipment, certificates of deposit, savings accounts, checking accounts, stocks, bonds, life insurance, retirement funds, etc.
- 4) Produce a valid driver's license or other form of identification.
- 5) Produce, if requested, a deed, land contract, or other evidence of ownership of the property for which an exemption is requested.
- 6) Meet the federal poverty income guidelines as defined and determined annually by the United States Department of Health and Human Services or alternative guidelines adopted by the governing body providing the alternative guidelines do not provide eligibility requirements less than the federal guidelines.

7) The application for an exemption shall be filed after January 1, but one day prior to the last day of the Board of Review. The filing of this claim constitutes an appearance before the Board of Review for the purpose of preserving the right of appeal to the Michigan Tax Tribunal.

The following are the federal poverty income guidelines which are updated annually by the United States Department of Health and Human Services. The annual allowable income includes income for all persons residing in the principal residence.

Federal Poverty Guidelines for the 2023 Assessment Year

Number of Persons Residing Poverty Guidelines
in the Principal Residence Annual allowable income

1 Person	\$13,590
2 Persons	\$18,310
3 Persons	\$23,030
4 Persons	\$27,750
5 Persons	\$32,470
6 Persons	\$37,190
7 Persons	\$41,910
8 Persons	\$46,630
Each additional person, add	\$4,720

2023 RESOLUTION FOR POVERTY EXEMPTION - Continued

The following is a limit on the amount of assets an applicant can have:

- Limit on Cash Balances: \$2,500 (check/savings). All bank statements must be submitted with application.
- 1 personal vehicle is exempt from overall asset value limit
- Primary Residence is excluded, however, excess land over 5 acres will count toward overall asset limit.
- Annual dividend income (taxable & non-taxable) must be less than \$1,000
- Overall Asset Value Limit: \$20,000

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Assessor and Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption. As this policy and resolution do not establish specific guidelines for granting a 25% or 50% reduction in taxable value as allowed by MCL 211.7u, the Board of Review shall be limited to a 0% reduction (denial) or 100% reduction (approval).

Said resolution was adopted by the following vote:

AYES: DeMoore, Shiels, Walker, Murphy (4)

NAYS: None (0)

Approve 2023 City Council Meeting Schedule – Resolution No. 19735

The City Manager reviewed that each year, City Council has cancelled and/or rescheduled routine first and third meetings of the month to avoid conflicts with various holidays.

Councilmembers discussed meeting dates including not having meetings on January 16 due to Martin Luther King Day, April 3 due to Petoskey Schools' last day of spring break and July 3 due to July 4 holiday; reviewed the need for a work session at 5:30 P.M., on Monday, January 9, 2023; and reviewed January meeting dates to include January 9 and January 23.

Councilmember Shiels moved that, seconded by Councilmember Walker adoption of the following resolution:

WHEREAS, Section 4.4 of the City Charter governing City Council meetings requires the City Council to meet regularly, preferably in the City Council Chambers in the City Hall, on the first and third Mondays of each month; and

WHEREAS, due to the holidays certain scheduling conflicts preclude the City Council from holding meetings on the first and third Mondays of each month; and

WHEREAS, the City Council desires to establish a regular meeting schedule in accordance with the requirements of Section 4.4 of the City Charter for the 2023 calendar year:

NOW, THEREFORE, BE IT RESOLVED that the City Council shall hold its regular meetings in the City Council Chambers in the City Hall on the following dates in 2023:

Monday, January 9	Monday, July 17
Monday, January 23	Monday, August 7
Monday, February 6	Monday, August 21
Monday, February 20	Monday, September 18
Monday, March 6	Monday, October 2
Monday, March 20	Monday, October 16
Monday, April 17	Monday, November 6
Monday, May 1	Monday, November 20
Monday, May 15	Monday, December 4
Monday, June 5	Monday, December 18
Monday, June 19	

Said resolution was adopted by the following vote:

AYES: DeMoore, Shiels, Walker, Murphy (4)

NAYS: None (0)

Council Comments

Mayor Murphy asked for Council comments and Councilmember Walker appreciated tonight's dialogue and commented that it is a privilege to be part of process when differing opinions arise amongst Councilmembers. Councilmember Shiels has concerns on the management and care of 800+ acres of natural lands listed in the Parks and Recreation Master Plan and hopes to have a future discussion with the Parks and Recreation Director. Councilmember DeMoore echoed Councilmember Walker's comments and appreciates the civil, constructive dialogue. Mayor Murphy applauded the Downtown Director on the holiday open house and the unbelievable amount of people that gathered for the tree lighting.

Adjourn to Closed Session – Resolution No. 19736

City Council was being asked to adjourn to a closed session pursuant to Section 8(e) and 8(h) of the Michigan Open Meetings Act, to consult with its attorney regarding strategy in connection with specific pending litigation and consider material exempt from disclosure.

Councilmember DeMoore moved that, seconded by Councilmember Walker adoption of the following resolution:

WHEREAS, the City Manager has requested that the City Council adjourn to a closed session, pursuant to Section 8(e) and 8(h) of the Michigan Open Meetings Act, to consult with the City Attorney concerning pending litigation and to consider material exempt from disclosure, at the City Council's regular meeting of December 5, 2022:

NOW, THEREFORE, BE IT RESOLVED that the City Council does and hereby authorizes to adjourn to a closed session, to consult with the City Attorney concerning pending litigation and to consider material exempt from disclosure.

Said resolution was adopted by the following vote:

AYES: DeMoore, Shiels, Walker, Murphy (4)

NAYS: None (0)

City Council adjourned into closed session at 8:29 P.M. and reconvened in to open session at 9:57 P.M.

There being no further business to come before the City Council, this December 5, 2022, meeting of the City Council adjourned at 9:58 P.M.

John Murphy, Mayor

Sarah Bek, City Clerk