



City of Petoskey

Agenda

CITY COUNCIL

October 14, 2019

Special Meeting

1. Call to Order – 5:30 P.M. - City Hall Community Room
2. Recitation - Pledge of Allegiance to the Flag of the United States of America
3. Roll Call
4. New Business – Discussion on status of 2018 Action Plan and possible identification of future City goals
5. Adjournment



City of Petoskey

Agenda Memo

BOARD: City Council

MEETING DATE: October 14, 2019 @ 5:30 P.M. **PREPARED:** October 11, 2019

AGENDA SUBJECT: Status of 2018 Action Plan & Possible Identification of Future Goals

RECOMMENDATION: That the City Council discuss with possible identification of future City goals

Summary City Council has requested a special meeting to discuss the status of the City's 2018 Action Plan as well as possibly identifying new goals for the City to pursue over the next 2-3 years. The meeting will be held in the upstairs Community Room at City Hall. Enclosed is the 2018 Action Plan with a brief description of the status of each of the City goals.

Please be ready to discuss specific, measurable, attainable and relevant goals for this special meeting. Pizza, salad and cookies will be provided at 5:15 P.M. if you wish to come early.

Action Discussion with direction to Staff.

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Enclosure

**City of Petoskey
2018 Final Action Plan**

Goal One Insure a Long-Term Sustainable City Budget

<u>Strategies</u>	<u>Responsibility</u>	<u>Notes</u>	<u>Estimated Timeline/ Status</u>
<u>Highest priority strategies</u>			
1. Create a parks/trails 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 up-keep associated with parks/trails and City buildings.	City Council City Manager Director of Finance Director of Parks and Recreation City Planner	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 and buildings.	Discussion in 2019 Status – Initial discussions have occurred on the Staff level. A Capital Needs Assessment Study for Parks and Special Facilities has been budgeted for in 2020.
2. Develop a long-term fire equipment needs assessment and financial plan to fund long-term fire equipment needs in future years. Consider “right sizing” the Public Safety Department’s fire vehicle fleet by possibly consolidating/downsizing fire truck apparatus. Any “right sizing” of fire response vehicles should consider impacts on the City’s Insurance Service Office (ISO) ratings while retaining the highest safety standards for local firefighters. Additionally, the City should explore creating a Fire Capital Equipment Reserve Fund to be used for future purchases of firefighting vehicles.	City Council City Manager Director of Finance Director of Public Safety	According to past reports, in the next 8-12 years the City will need to consider replacing both a 70’ ladder truck (est. costs \$800,000-\$1million) and possibly two rescue pumpers (est. costs \$1million-\$1.2million). City Staff will develop options on how to pay for these costly capital equipment purchases for City Council’s consideration.	Will be addressed in 2019 Motor Pool and each year forward Status – City Council approved purchase of two demo rescue pumpers in 2019 and scheduled a refurbishment of the current 70’ ladder truck for 2021 extending useful life another 10 years. This approach will greatly reduce future replacement and maintenance costs negating any need to extend the public safety mill levy that sunsets in 2020. A Fire Capital Reserve Fund has been established in the Motor Pool with \$50,000 earmarked for the fund in 2019. A contribution to this line item is scheduled for 2020.

<p>3. Achieve 90% funding for all employee divisions pertaining to the Michigan Employment Retirement System (MERS) defined benefit plans. On an annual basis, review the MERS Annual 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 Director of Finance</p>	<p>Over the last 2-3 years, MERS 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> <p>Status – City is making great strides in reducing the MERS Unfunded Accrued Liability (UAL) through changes in the defined benefits program as well as substantial contributions towards the UAL over the last three years. According to the 2018 MERS Actuarial Report, the funding level is at 85%. In 2015, the percent funded was at 73%.</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/ Status</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 Director of Public Works Director of Finance Director of Parks and Recreation City Planner City Manager</p>	<p>Currently, City officials annually develop a six-year CIP 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.</p>	<p>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. Starting in the 2019 Budget process, City Staff will create a list of critical capital improvements needed for an additional 10 years.</p> <p>Status – The 2020-2025 Capital Improvement Plan (CIP) has been expanded to include “Projects/Capital Items Lacking Funding” that includes a backlog of maintenance items such as building repairs, new roofs, HVAC systems, etc.</p>
<p>2. Aggressively pursue grants to support specific infrastructure needs, including Bureau of Indian Affairs funding for streets where appropriate</p>	<p>City Council Director of Public Works Director of Finance Director of Parks and Recreation City Planner City Manager</p>	<p>A master list of past awarded grants along with deadline dates would assist Staff in maximizing grant dollars awarded to the City.</p>	<p>On-going</p> <p>Status – The City was awarded over \$1,582,000 in grant funding in 2018/2019. Master lists of past grants and deadline dates have been developed by Staff.</p>

<p>3. Consider specific revenue sources for infrastructure and building repair and maintenance. For example, a mill levy for improvements to City Hall and/or repaving the Little Traverse Wheelway could be considered when the Public Safety Equipment millage sunsets in 2020.</p>	<p>City Council Director of Public Works Director of Finance Director of Parks and Recreation City Planner City Manager</p>	<p>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.</p>	<p>2018-2020</p> <p>Status – Initial discussions have occurred on the Staff level. Anticipate more detailed discussions with City Council in latter part of 2019. Strategy is similar to #1 under Goal 1 “Insure a Long-Term Sustainable City Budget”.</p>
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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 the City's Redevelopment Ready Communities (RRC) Program Economic Development Strategy. Focus on the viability of identified redevelopment sites as well as appropriate economic incentives.</p>	<p>City Council City Manager City Planner</p>	<p>Through the RRC Economic Development Plan, the City has identified three sites on which to focus economic redevelopment efforts. The sites include 200 East Lake Street, the Darling Lot and 900 Emmet Street.</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.</p>	<p>Starting in early 2019 and each year thereafter</p> <p>Status – The RRC Economic Development Strategy has been reviewed by City Council on May 6, 2019. No changes were made to the document.</p>
<p>2. Through a competitive Request for Qualifications (RFQ) process, hire a consultant to develop a conceptual plan for a mixed-use development at the City-owned Darling Lot based upon comments by the Planning Commission, City Council and general public.</p>	<p>City Council City Manager City Planner DMB Director</p>	<p>A mixed-use development that includes commercial, residential and some form of covered parking on the Darling Lot will require a private/public partnership. The City should be proactive in developing conceptual plans that adhere to current local planning and zoning regulations to better market the site to prospective developers.</p>	<p>Complete conceptual drawings of a mixed-use development in 2019. Market the site to prospective developers in the future.</p> <p>Status – Through the RRC program, the City was awarded \$25,000 in consulting services to develop conceptual plans consistent with local regulations for the Darling Lot. Process began this Spring and we anticipate finalizing whether City Council would like to proceed with a Request for Qualifications (RFQ) in October.</p>

Goal Four

Identify and Address Downtown Development Issues

<u>Strategies</u>	<u>Responsibility</u>	<u>Notes</u>	<u>Estimated Timeline/ Status</u>
<u>Highest priority strategies</u>			
<p>1. Using past studies 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 Director of Public Works DMB Director</p>	<p>Focus is to increase the number of covered parking spots as well as optimize downtown street parking options.</p>	<p>April, 2019</p> <p>Status – Through the RRC program, Darling Lot conceptual plans have been developed this summer. Developer for 200 East Lake Street has submitted an application for a Preliminary Planned Unit Development (PUD) rezoning request in June that includes underground parking. The zoning change was denied by the Planning Commission. At this time Emmet County elected officials have not voiced an interest in starting initial discussions on constructing a parking structure at Division and Lake Streets.</p>
<p>2. Examine and remove to the extent feasible obstacles to downtown residential uses.</p>	<p>City Council City Planner City Manager 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.</p>	<p>On-going</p>
<p>3. Consider whether property code enforcement should be expanded and encourage all business owners to participate in the voluntary self-inspection fire safety program.</p>	<p>City Council City Manager Public Safety Director DMB Director</p>	<p>Encourage all property owners to maintain their properties, given the importance to the City’s economy and property valuations. Currently, the Public Safety Department offers a voluntary fire inspection services for free.</p>	<p>On-going</p> <p>Status – Every other year Public Safety Officers visit all downtown commercial businesses regarding fire safety issues. Business owners are given a self-inspection fire safety 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.</p>

Goal Five

Develop and Promote Community Sustainability Measures

<u>Strategies</u>	<u>Responsibility</u>	<u>Notes</u>	<u>Estimated Timeline/ Status</u>
<u>Highest priority strategies</u>			
<p>1. In 2018, pursue Silver certification through the Michigan Municipal League’s Michigan Green Community (MGC) Challenge program. Strive for Gold Certification in 2019 and maintain gold certification levels for futures years.</p>	<p>City Council City Manager City Planner Director of Public Works 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 bronze 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>Silver Certification in 2018/2019</p> <p>Status – City has achieved Silver Certification in 2018 and 2019. Gold Certification should be accomplished with completion of both a Forestry Plan and solar demonstration project in 2020.</p>
<p>2. Working in partnership with the C.S. Mott Foundation and Petoskey/Harbor Springs Community Foundation, develop initiatives to advance the use of clean and renewable energy within both the City and regionally.</p>	<p>City Council City Planner City Manager Public Works Director Parks and Recreation Director</p>	<p>Key activities associated with the C.S. Mott initiative include:</p> <ul style="list-style-type: none"> • Expanding and diversifying stakeholders engaged in clean energy efforts; • Support efforts to integrate energy management into organizational plans; • Promote a broader understanding of the value of clean energy efforts. 	<p>On-going</p> <p>Status:</p> <ul style="list-style-type: none"> • Staff received training and has downloaded energy consumption and building data information into the Energy Star Portfolio software program. • Exploring options for a solar array project on both a regional level and for a potential demonstration project on City Hall. Working with project architects to incorporate solar panels into the design of a new Public Works Facility.

			<ul style="list-style-type: none">• City Council passed a resolution in June to partner with MPPA in the transition to 100% renewable energy by 2035.• Received over \$12,000 to perform energy audits on five City buildings.• City Council to consider incorporating an Energy Efficiency Revolving Loan Fund into the 2020 budget.• Petoskey/Harbor Springs Community Foundation recently awarded a \$25,000 grant to hire an energy consultant from Groundworks Center to assist the City of Petoskey in pursuing our renewable energy goals.• Earmarked funds in the draft 2020 Budget for a solar array feasibility study for the Howard Road Landfill.• Earmarked funds in the draft 2020 Budget for a solar array demonstration project on the City Hall roof.
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Goal Five

Develop and Promote Community Sustainability Measures continued

<u>Strategies</u>	<u>Responsibility</u>	<u>Notes</u>	<u>Estimated Timeline/ Status</u>
<u>Highest priority strategies</u>			
<p>3 Develop a Request for Proposal to hire a consultant in drafting a Sustainability Plan on the focus areas of social equity, economic prosperity and environmental integrity. Bring forth proposals for City Council's consideration awarding a contract to the most qualified consultant.</p>	<p>City Council City Manager City Planner Public Works Director Finance Director Parks and Recreation Director</p>	<p>A Sustainability Plan could include but is not limited to the following:</p> <ul style="list-style-type: none"> • Fiscal sustainability; • City enhancing high quality municipal services and infrastructure at a fair tax rate; • Protect and preserve high air and water quality standards within the City; • Measures to further preserve and protect natural resources and recreation assets. • Transitioning to green infrastructure for environmental and cost-saving considerations; • Conserve energy and promote energy efficiencies and use of clean and renewable energy. • Increase recycling while reducing waste generation. 	<p>2018-2019</p> <p>Status – Awarded a \$6,000 grant through the Mott Foundation-Petoskey/Harbor Springs Community Foundation to utilize consultants from the Land Information Access Association (LIAA) to incorporate sustainability and resiliency measures into the update of the Petoskey Master Plan. Grant dollars will also be used to facilitate discussions with grade school students on resiliency and sustainable measures.</p>