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According to the Attorney General, interrupting a public meeting in Michigan with hate speech or profanity could result in criminal charges under several State statutes relating to Fraudulent Access to a Computer or Network (MCL 752.797) and/or Malicious Use of Electronics Communication (MCL 750.540).

According to the US Attorney for Eastern Michigan, Federal charges may include disrupting a public meeting, computer intrusion, using a computer to commit a crime, hate crimes, fraud, or transmitting threatening communications.

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

CITY COUNCIL

May 4, 2020

1. Call to Order - 7:00 P.M. – Virtual meeting from remote locations
2. Recitation - Pledge of Allegiance to the Flag of the United States of America
3. Roll Call
4. Proclamation – Hear proclamation declaring May 4 as Arbor Day in the City of Petoskey
5. Consent Agenda – Adoption of a proposed resolution that would confirm approval of the following:
 - (a) April 20, 2020 regular session City Council meeting minutes
 - (b) Acknowledge receipt of a report concerning certain administrative transactions since April 20, 2020
6. City Manager Updates
7. Old Business
 - (a) Discuss Bay and Howard Street proposed development including a proposed air easement over the Saville Lot
 - (b) Consider adopting an update to the Economic Development Strategic Plan

- (c) First reading of a proposed ordinance that would conditionally rezone properties at 112, 116, 118 and 124 East Mitchell Street from B-1 Local Business and O-S Office Service Districts to B-2A Transitional Business
- (d) Second reading of a proposed ordinance that would amend Sections 1704(c) Off-street Parking Exception to General Provision and 2903(3) Site Requirements in the B-2A Transitional Business District of Appendix A, Zoning Ordinance

- 8. Miscellaneous Public Comments
- 9. City Council Comments
- 10. Adjournment



Arbor Day

WHEREAS, in 1872, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees; and

WHEREAS, the holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska; and

WHEREAS, Arbor Day is now observed throughout the nation and the world; and

WHEREAS, trees can reduce the erosion of our precious topsoil by wind and water, lower our heating and cooling costs, moderate the temperature, clean the air, produce oxygen and provide habitat for wildlife; and

WHEREAS, trees are a renewable resource giving us paper, wood for our homes, fuel for our fires and countless other wood products; and

WHEREAS, trees in our city increase property values, enhance the economic vitality of business areas, and beautify our community; and

WHEREAS, trees, wherever they are planted, are a source of joy and spiritual renewal:

NOW, THEREFORE, I, John Murphy, Mayor of the City of Petoskey, do hereby proclaim May 4, 2020 as Arbor Day in the City of Petoskey. I urge all citizens to celebrate Arbor Day and to support efforts to protect our trees and woodlands; and

FURTHER, I urge all citizens to plant and care for trees to gladden the heart and promote the well-being of this and future generations.

Dated this 4th day of May, 2020

Mayor John Murphy



City of Petoskey

Agenda Memo

BOARD: City Council

MEETING DATE: May 4, 2020

PREPARED: April 30, 2020

AGENDA SUBJECT: Consent Agenda Resolution

RECOMMENDATION: That the City Council approve this proposed resolution

The City Council will be asked to adopt a resolution that would approve the following consent agenda items:

- (1) Draft minutes of the April 20, 2020 regular session City Council meetings; and
- (2) Acknowledge receipt of a report from the City Manager concerning all checks that have been issued since April 20, 2020 for contract and vendor claims at \$252,022.81, intergovernmental claims at \$0, and the April 30 payroll at \$191,346.61 for a total of \$443,369.42.

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Enclosures



CITY COUNCIL

April 20, 2020

A regular meeting of the City of Petoskey City Council was held from virtual locations on Monday, April 20, 2020. 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
Suzanne Shumway, City Councilmember
Brian Wagner, City Councilmember
Lindsey Walker, City Councilmember

Absent: None

Also in attendance were City Manager Rob Straebel, Clerk-Treasurer Alan Terry, Public Works Director Mike Robbins, Parks and Recreation Director Kendall Klingelsmith, City Planner Amy Tweeten and Executive Assistant Sarah Bek.

Hear Earth Day Proclamation

Mayor Murphy read the following proclamation:

WHEREAS, in this year of 2020 as we celebrate the 50th anniversary of Earth Day, most scientific research, both here and abroad, informs us that our global community now faces extraordinary challenges such as increasingly numerous extreme weather events, environmental and climate changes, food and water shortages and global health issues; and

WHEREAS, Earth Day was founded in 1970 as an American day of education and action regarding environmental issues, but which is now celebrated with a global focus on green issues of importance to all peoples, regardless of race, gender, income or geography who have a moral right to a healthy, sustainable environment; and

WHEREAS, it is understood that the citizens of our global community must step forward and take action to create positive change to combat these global changes; and

WHEREAS, a sustainable environment can be achieved on the individual level through educational efforts, public policy and consumer behavioral changes; and

WHEREAS, it is necessary to broaden and diversify the environmental movement to achieve maximum success:

NOW, THEREFORE, BE IT RESOLVED, that I, John Murphy, Mayor of the City of Petoskey, hereby declare to use this Earth Day, April 22, 2020, as a reminder of our duty to serve in the best interests of our constituents by supporting environmental initiatives in the City of Petoskey and encourage others to undertake similar actions.

Hear Essential Workers Proclamation

Mayor Murphy read the following proclamation:

WHEREAS, it is recognized that some employees are essential and must continue to work to keep and protect our community's strength and well-being regardless of the circumstances that we are currently presented with; and

WHEREAS, there exists a State of Emergency in our nation, state and municipality that is affecting all our communities because of the COVID-19 novel coronavirus; and

WHEREAS, some examples of essential workers include but are not limited to: health care/public health workers; EMS and first responders; public safety officers; postal workers; public transit employees; farmers/agricultural workers; news media employees; grocery store employees; restaurant staff; custodian and sanitation workers; banks and financial institution personnel; truck drivers/delivery services workers; and gas station/convenience store personnel; and

WHEREAS, workers in our community place themselves at risk each day for the good of all; and

WHEREAS, the people of the City of Petoskey are grateful for the efforts of all essential workers and in their debt:

NOW, THEREFORE, in consideration of the foregoing, as Mayor of the City of Petoskey, I hereby proclaim the week beginning April 20, 2020 as essential worker's week. On behalf of the citizens of Petoskey I sincerely thank all essential workers for the vital work they do during the coronavirus pandemic.

Hear District Library Presentation

District Library Director Val Meyerson made a brief presentation concerning the Petoskey District Library and reviewed 2019 statistics and operations. Ms. Meyerson reviewed that overall circulation was up 6%; number of patrons up 4%; attendance per program up 32%; and reviewed news for 2020 including website updates, re-branding, township millage renewals, building updates to Carnegie building and re-opening plans once executive orders are lifted related to the coronavirus pandemic.

City Councilmembers inquired on who manages the Carnegie building; how many full-time and part-time staff at the Library; how debt payments are repaid; and heard comments that library staff is very helpful and commends the Director and staff with all of their new ideas.

Ms. Meyerson responded that there is a proposed agreement in the works concerning Carnegie building operations; that there are seven full-time staff members; and that debt payments are made from the City millage, not townships' millage.

Consent Agenda - Resolution No. 19394

Following introduction of the consent agenda for this meeting of April 20, 2020, City Councilmember Marshall moved that, seconded by City Councilmember Walker adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby confirms that the draft minutes of the April 9, 2020 special 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 April 9, 2020 for contract and vendor claims at \$532,202.06, intergovernmental claims at \$71,104.96, and the April 16 payroll at \$195,712.32, for a total of \$799,019.34 be and is hereby acknowledged.

Said resolution was adopted by the following vote:

AYES: Marshall, Shumway, Wagner, Walker, Murphy (5)

NAYS: None (0)

Hear City Manager Updates

The City Manager reported that MDOT postponed landscaping the north side of the highway from Lake Street to Boulder Lane until the Executive Order for “Stay Home, Stay Safe” is rescinded or revised to allow for landscaping work; that staff and the City Attorney have been working with project developers on conditional zoning language for the Family Video property and will be discussed at a meeting in May; commented on the importance to continue to abide by all social distancing requirements and follow the “Stay Home, Stay Safe” mandate in response to the COVID-19 crisis; that the Clerk’s Office has received three medical marijuana provisioning center applications with the deadline being 5:00 P.M., Wednesday, April 22; that staff has begun hydrant flushing throughout the community and signs will be posted in neighborhoods when flushing is occurring; that there is a May 5 Special Election to vote on a millage renewal for the Char-Em ISD and will be completed by mail-in ballots only; that the Little Traverse Wheelway coastal bluff collapsed last week; that MDOT is sending a team of geo-technicians from Lansing to install ground instrumentation to monitor any further movement on the bluff; that chain link fencing will be installed to keep the public out of this dangerous area; and that additional highway signage and reducing the speed by 10mph on U.S. 31 will be completed in early May.

City Councilmembers were glad to see Family Video redevelopment project moving forward; inquired when the Economic Development Strategic Plan would be discussed after postponing in March; inquired if proposed changes for parking requirements will still be discussed; inquired on why the Health Department doesn’t communicate publicly the number of COVID-19 cases being treated at the hospital vs. at home; heard from those in favor of discussing the two zoning ordinance proposals at the May 4 meeting; and inquired on bike trail status and if there were any possible alternatives.

Acknowledge Voter-Approved Ballot Language to Recreational Marijuana Opt-Out Ordinance 769 – Resolution 19395

The City Manager reviewed that on March 10, 2020, voters approved additional language for the City’s recreational marijuana opt-out ordinance; reviewed the language approved by voters; that the new language became effective 10 days after the Emmet County Board of Canvassers certified the election results; and that the new ordinance language needed to be acknowledged by City Council.

City Councilmember Wagner moved that, seconded by City Councilmember Walker acknowledgement of amendments to the following ordinance:

ORDINANCE NO. 769

AN ORDINANCE TO AMEND CHAPTER 8 OF THE PETOSKEY CODE OF ORDINANCES, BUSINESSES AND BUSINESS REGULATIONS, ARTICLE VI- MARIJUANA ESTABLISHMENTS, WITHIN THE CITY OF PETOSKEY PURSUANT TO INITIATIVE PETITION

The City of Petoskey ordains pursuant to an Initiative Petition passed by the majority of the electorate voting thereon:

ARTICLE 8

SECTION 8-169

PROHIBITION OF RECREATIONAL MARIJUANA

Section 8-169 of Article VI of Chapter 8 of the Code of Ordinances is amended to read as follows:

8-169. Prohibition of recreational marijuana.

The Michigan Regulation and Taxation of Marihuana Act (“the Act”) was initiated by the voters of the State of Michigan pursuant to Proposal 1, the Marijuana Legalization Initiative, on November 6, 2018. The Act authorizes cities, villages, and townships to completely prohibit recreational marihuana establishments within their boundaries. Pursuant to that authority, recreational marihuana establishments as defined in the Act are hereby prohibited within the City. No recreational marihuana establishment shall be allowed within the City without first securing the approval of the majority of voters of the City voting on the question in any general or special election.

Pursuant to Michigan law, this ordinance is effective March 22, 2020.

Said motion was adopted by the following vote:

AYES: Marshall, Shumway, Wagner, Walker, Murphy (5)

NAYS: None (0)

Hear Livable Petoskey Master Plan Update

The City Planner reviewed that the Master Plan information presented is in draft form; that Council received a copy of the Sustainability Framework for the master plan update at their March 2 meeting; that the framework incorporates public input, acknowledges where existing planning documents address community sustainability and resiliency and identifies additional actions to further progress; that public health and safety is a focus area, but clearly weren’t anticipating that to be the driver in this process that it may become due to the coronavirus pandemic; that the plan will continue to recommend climate resilience actions even though the City is already experiencing serious infrastructure impacts due to rising water levels; that the Planning Commission has held five special master plan meetings to review the current plan chapters and supplemental documents, updating goals, objective and strategies; that the next special meeting of the Planning Commission is May 6 where discussion will be on infrastructure and resource use reduction focus areas; and staff’s goal is to have an initial draft of the document to the Planning Commission in June.

City Councilmembers had concerns about the first three paragraphs on COVID-19, which is negative and nebulous; inquired on the first paragraph, and if it should read systematic or systemic; expressed appreciation of framework and look forward to public input; heard from those that were in favor of having ALICE population concerns included; and that public comment is always valuable as part of the process.

Approve Standard Pole Attachment License Agreement Amendment – Resolution No. 19396

The City Manager reviewed that Public Act 365 – Small Wireless Communications Facilities Deployment Act, which became effective March 12, 2019, provides for access to the right-of-way by wireless providers to place small cell wireless facilities with a very limited ability of the municipal to regulate the access or the fees that may be charged for that access; that last October, Council approved through resolution a Standard Pole Attachment License Agreement that set forth the process and terms for carriers and providers, including wireless, to attach to City utility poles; that the agreement primarily focuses on pole sharing and colocation of wireless antenna’s on utility poles, not the installation of stand-alone poles or new support structures for wireless facilities within City right-of-way; reviewed that staff along with the City Attorney reviewed current agreement and feel it is necessary to amend the agreement to include conditions and procedures for wireless providers placing new poles or structures in City right-of-way.

City Councilmembers inquired if there will be 5G tower issues; inquired if equipment is placed on City poles if it is still ok for City to continue underground lines; and inquired on design cost share on page 2 of addendum.

City staff reviewed that wireless providers would have the ability to place their own poles and anticipates undergrounding could continue.

Mayor Murphy asked for public comment and heard an inquiry if the City would retain rights to add to pole. The Public Works Director responded that the City is going underground.

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

RESOLUTION REVISING THE PROCESS FOR REQUESTS
BY WIRELESS PROVIDERS TO INSTALL NEW POLES AND STRUCTURES
PURSUANT TO THE TERMS AND CONDITIONS OF A STANDARD POLE
ATTACHMENT AGREEMENT IN COMPLIANCE WITH THE SMALL WIRELESS
COMMUNICATIONS FACILITIES DEPLOYMENT ACT, ACT 365 OF 2018

WHEREAS, the City of Petoskey operates a municipally owned electrical utility; and

WHEREAS, the City uses and controls utility poles for electric delivery service; and

WHEREAS, the Small Wireless Communications Facilities Deployment Act (the "Act"), being Act 365 of 2018 requires that the City permit the collocation of small cell wireless facilities on City poles on a nondiscriminatory basis; and

WHEREAS, the City previously adopted processes and established and adopted terms and conditions consistent with the authorizations and requirements of the Act; and

WHEREAS, the City requires an attaching entity to execute an agreement for collocation of small cell wireless facilities; and

WHEREAS, the City determined that additional clarification and processes concerning Wireless Support Structures and stand-alone poles was needed:

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That City adopts the process as set forth in the attached Standard Pole Attachment License Agreement and all Addenda thereto, (the "Agreement") as revised, and as may be amended by resolution of City from time to time.
2. That City continues to allow collocation of small cell wireless facilities on City poles as set forth in the Agreement and again confirms as follows:
 - a. Decorative light poles as defined in the Agreement are not designed or desired to support small cell wireless facilities.
 - b. Decorative light poles are not used for electric delivery service as defined in MCL 460.10y(13)(a).
3. That all other processes delineated in the Agreement are hereby adopted and confirmed as indicated by prior resolution and by this resolution.
4. That City continues to require all entities requesting collocation of small cell wireless facilities to execute the Agreement prior to making application for a permit to attach to Utility Poles and/or install Wireless Support Structures or stand-alone poles.

BE IT FURTHER RESOLVED that this Resolution shall be effective immediately.

Said resolution was adopted by the following vote:

AYES: Marshall, Shumway, Wagner, Walker, Murphy (5)

NAYS: None (0)

Authorize Tree Inventory and Management Plan Contract – Resolution No. 19397

The Parks and Recreation Director reviewed that the City's 2020 Annual Budget included approximately \$30,000 for a tree inventory and management plan; that the investment the City makes in forestry and also with the designation of a "Tree City, USA" having these important components completed will assist staff with future planning; that the tree inventory will consist of having each street tree and dedicated park trees evaluated, identified and inventoried in a GIS software, which can be accessed by staff; that the City received an \$11,500 grant through the Urban Community Forestry Program to assist in funding the inventory and management plan; that the project needs to be completed by September 1, 2020 to meet grant requirements; and that only one bid was submitted and opened on March 24, 2020.

City Councilmembers inquired if the grant was a matching grant; if program was similar to an asset management plan for trees; and inquired on the low bidder and if it was a reputable company.

The Parks and Recreation Director responded that the grant was a matching grant and the City was responsible for 50% of the cost; and that the company has completed a lot of work throughout the State, specifically in Traverse City, and staff contacted six references in Michigan.

City Councilmember Shumway moved that, seconded by City Councilmember Marshall to authorize contracting with Davey Resource Group, Inc., Kent, Ohio, in the amount of \$15,600 to perform a tree inventory and management plan.

Said motion was adopted by the following vote:

AYES: Marshall, Shumway, Wagner, Walker, Murphy (5)

NAYS: None (0)

Hear Public Comment

Mayor Murphy asked for public comments and heard an inquiry if the City has a pulse on business conditions in relation to the ongoing health crisis.

The City Manager responded that the Petoskey Regional Chamber of Commerce started a weekly round table discussion on various topics relating to effects of the pandemic. Nikki Devitt, Chamber Director, responded that the Paycheck Protection Program for small businesses is being funded and touched on a variety of other related issues.

Council Comments

Mayor Murphy asked for Council comments and Councilmember Wagner thanked the Petoskey Regional Chamber of Commerce for their efforts and ongoing webinars concerning resources for businesses during the pandemic. Councilmember Shumway commented that Petoskey is a great place to live and appreciates the City staff and residents' efforts and hope during these uncertain times. Mayor Murphy thanked the City Manager and all City staff who continues to work from City Hall or remotely during these unprecedented times and encouraged residents to check on their neighbors and support local businesses.

There being no further business to come before the City Council, this April 20, 2020, meeting of the City Council adjourned at 8:36 P.M.

John Murphy, Mayor

Alan Terry, Clerk-Treasurer

GL Period	Check Issue Date	Check Number	Payee	Invoice GL Account	Check Amount
04/20	04/29/2020	88787	Michigan Public Power Agency	582-576-920.000	227,588.77- V
04/20	04/21/2020	88812	Aflac	701-000-230.180	728.62
04/20	04/21/2020	88813	Airgas USA LLC	661-598-785.000	27.33
04/20	04/21/2020	88813	Airgas USA LLC	661-598-785.000	58.45
04/20	04/21/2020	88814	American Waste	582-593-930.000	170.00
04/20	04/21/2020	88814	American Waste	592-551-806.000	325.00
04/20	04/21/2020	88814	American Waste	101-770-802.000	79.20
04/20	04/21/2020	88814	American Waste	101-756-802.000	32.40
04/20	04/21/2020	88814	American Waste	101-789-802.000	36.00
04/20	04/21/2020	88814	American Waste	101-754-802.000	82.80
04/20	04/21/2020	88814	American Waste	101-268-802.000	50.40
04/20	04/21/2020	88814	American Waste	101-265-802.000	79.20
04/20	04/21/2020	88814	American Waste	101-773-931.000	72.49
04/20	04/21/2020	88814	American Waste	101-265-802.000	72.49
04/20	04/21/2020	88814	American Waste	101-770-802.000	72.50
04/20	04/21/2020	88814	American Waste	101-754-802.000	72.50
04/20	04/21/2020	88815	AT&T	592-538-850.000	249.94
04/20	04/21/2020	88816	AT&T Long Distance	101-345-850.000	232.40
04/20	04/21/2020	88817	Beckett & Raeder Inc.	101-770-970.000	17,660.00
04/20	04/21/2020	88817	Beckett & Raeder Inc.	101-770-802.000	3,770.00
04/20	04/21/2020	88817	Beckett & Raeder Inc.	101-770-802.000	600.00
04/20	04/21/2020	88817	Beckett & Raeder Inc.	204-481-802.000	1,140.00
04/20	04/21/2020	88817	Beckett & Raeder Inc.	101-770-970.000	11,150.00
04/20	04/21/2020	88817	Beckett & Raeder Inc.	247-751-802.000	360.00
04/20	04/21/2020	88818	Bell Equipment Company	661-598-932.000	1,487.20
04/20	04/21/2020	88819	Cintas Corp #729	101-268-802.000	15.54
04/20	04/21/2020	88819	Cintas Corp #729	582-593-930.000	33.72
04/20	04/21/2020	88819	Cintas Corp #729	204-481-767.000	60.04
04/20	04/21/2020	88819	Cintas Corp #729	582-588-767.000	60.25
04/20	04/21/2020	88819	Cintas Corp #729	592-560-767.000	30.89
04/20	04/21/2020	88819	Cintas Corp #729	592-549-767.000	30.89
04/20	04/21/2020	88819	Cintas Corp #729	592-554-802.000	45.45
04/20	04/21/2020	88819	Cintas Corp #729	582-593-930.000	9.07
04/20	04/21/2020	88819	Cintas Corp #729	204-481-767.000	56.53
04/20	04/21/2020	88819	Cintas Corp #729	582-588-767.000	56.73
04/20	04/21/2020	88819	Cintas Corp #729	592-560-767.000	34.40
04/20	04/21/2020	88819	Cintas Corp #729	592-549-767.000	34.41
04/20	04/21/2020	88819	Cintas Corp #729	582-593-930.000	33.72
04/20	04/21/2020	88819	Cintas Corp #729	204-481-767.000	60.04
04/20	04/21/2020	88819	Cintas Corp #729	582-588-767.000	60.25
04/20	04/21/2020	88819	Cintas Corp #729	592-560-767.000	30.89
04/20	04/21/2020	88819	Cintas Corp #729	592-549-767.000	30.89
04/20	04/21/2020	88819	Cintas Corp #729	592-554-802.000	45.45
04/20	04/21/2020	88820	Consumers Energy	592-558-920.000	174.05
04/20	04/21/2020	88820	Consumers Energy	592-558-920.000	181.71
04/20	04/21/2020	88820	Consumers Energy	592-558-920.000	609.68
04/20	04/21/2020	88820	Consumers Energy	592-558-920.000	123.99
04/20	04/21/2020	88820	Consumers Energy	592-558-920.000	207.02
04/20	04/21/2020	88820	Consumers Energy	592-558-920.000	213.34
04/20	04/21/2020	88820	Consumers Energy	592-558-920.000	211.45
04/20	04/21/2020	88820	Consumers Energy	202-475-920.000	94.80
04/20	04/21/2020	88820	Consumers Energy	592-558-920.000	93.30
04/20	04/21/2020	88821	David L Hoffman Landscaping & Nursery	204-550-802.000	630.00
04/20	04/21/2020	88822	Dell Marketing L.P.	101-756-751.000	671.10
04/20	04/21/2020	88823	Demco	271-790-751.000	133.84
04/20	04/21/2020	88824	Derrer Oil Co.	661-598-759.000	519.38

GL Period	Check Issue Date	Check Number	Payee	Invoice GL Account	Check Amount
04/20	04/21/2020	88825	Dunn's Business Solutions	204-481-751.000	23.34
04/20	04/21/2020	88825	Dunn's Business Solutions	582-593-751.000	23.34
04/20	04/21/2020	88825	Dunn's Business Solutions	582-588-751.000	23.34
04/20	04/21/2020	88825	Dunn's Business Solutions	592-549-751.000	23.34
04/20	04/21/2020	88825	Dunn's Business Solutions	592-560-751.000	23.34
04/20	04/21/2020	88825	Dunn's Business Solutions	661-598-751.000	23.35
04/20	04/21/2020	88825	Dunn's Business Solutions	101-268-775.000	85.54
04/20	04/21/2020	88826	Emmet Co. Dept of Public Works	101-529-802.000	3,587.40
04/20	04/21/2020	88827	Gempler's	101-770-775.000	95.38
04/20	04/21/2020	88828	Great Lakes Energy	592-538-920.000	80.72
04/20	04/21/2020	88828	Great Lakes Energy	592-558-920.000	73.44
04/20	04/21/2020	88828	Great Lakes Energy	101-345-920.100	400.06
04/20	04/21/2020	88828	Great Lakes Energy	592-538-920.000	325.81
04/20	04/21/2020	88828	Great Lakes Energy	592-558-920.000	131.77
04/20	04/21/2020	88829	Greenwell Machine Shop	101-770-775.000	23.52
04/20	04/21/2020	88830	Haviland Products Company	592-540-775.000	1,714.95
04/20	04/21/2020	88831	Hubbell Roth & Clark Inc.	592-549-802.000	796.80
04/20	04/21/2020	88831	Hubbell Roth & Clark Inc.	592-560-802.000	548.00
04/20	04/21/2020	88832	Jerry's Garage	661-598-932.000	92.00
04/20	04/21/2020	88832	Jerry's Garage	661-598-932.000	92.00
04/20	04/21/2020	88832	Jerry's Garage	661-598-932.000	92.00
04/20	04/21/2020	88832	Jerry's Garage	661-598-932.000	92.00
04/20	04/21/2020	88833	KSS Enterprises	101-770-775.000	2,961.51
04/20	04/21/2020	88833	KSS Enterprises	101-773-775.000	1,184.61
04/20	04/21/2020	88833	KSS Enterprises	101-789-775.000	1,776.91
04/20	04/21/2020	88833	KSS Enterprises	101-265-775.000	1,184.61
04/20	04/21/2020	88833	KSS Enterprises	101-268-775.000	1,184.61
04/20	04/21/2020	88833	KSS Enterprises	101-754-775.000	1,184.60
04/20	04/21/2020	88833	KSS Enterprises	101-756-775.000	1,184.60
04/20	04/21/2020	88833	KSS Enterprises	582-593-930.000	1,184.60
04/20	04/21/2020	88833	KSS Enterprises	101-770-775.000	1,014.77
04/20	04/21/2020	88833	KSS Enterprises	101-773-775.000	405.91
04/20	04/21/2020	88833	KSS Enterprises	101-789-775.000	608.86
04/20	04/21/2020	88833	KSS Enterprises	101-265-775.000	405.91
04/20	04/21/2020	88833	KSS Enterprises	101-268-775.000	405.91
04/20	04/21/2020	88833	KSS Enterprises	101-754-775.000	405.90
04/20	04/21/2020	88833	KSS Enterprises	101-756-775.000	405.90
04/20	04/21/2020	88833	KSS Enterprises	582-593-930.000	405.90
04/20	04/21/2020	88833	KSS Enterprises	101-265-775.000	346.81
04/20	04/21/2020	88833	KSS Enterprises	101-268-775.000	346.81
04/20	04/21/2020	88833	KSS Enterprises	101-754-775.000	346.81
04/20	04/21/2020	88833	KSS Enterprises	101-756-775.000	346.81
04/20	04/21/2020	88833	KSS Enterprises	101-770-775.000	867.02
04/20	04/21/2020	88833	KSS Enterprises	101-773-775.000	346.81
04/20	04/21/2020	88833	KSS Enterprises	101-789-775.000	520.22
04/20	04/21/2020	88833	KSS Enterprises	582-593-930.000	346.81
04/20	04/21/2020	88833	KSS Enterprises	101-789-775.000	192.92
04/20	04/21/2020	88833	KSS Enterprises	101-265-775.000	32.76
04/20	04/21/2020	88833	KSS Enterprises	101-268-775.000	32.76
04/20	04/21/2020	88833	KSS Enterprises	101-754-775.000	32.76
04/20	04/21/2020	88833	KSS Enterprises	101-756-775.000	32.76
04/20	04/21/2020	88833	KSS Enterprises	101-770-775.000	81.90
04/20	04/21/2020	88833	KSS Enterprises	101-773-775.000	32.76
04/20	04/21/2020	88833	KSS Enterprises	101-789-775.000	49.14
04/20	04/21/2020	88833	KSS Enterprises	582-593-930.000	32.76
04/20	04/21/2020	88833	KSS Enterprises	101-770-771.000	100.00

GL Period	Check Issue Date	Check Number	Payee	Invoice GL Account	Check Amount
04/20	04/21/2020	88833	KSS Enterprises	101-789-775.000	100.00
04/20	04/21/2020	88834	MACKINAW AREA PUBLIC LIBRARY	271-790-955.000	23.95
04/20	04/21/2020	88835	Michigan AgriBusiness Solutions	592-551-806.000	423.18
04/20	04/21/2020	88836	Michigan Officeways Inc.	101-268-775.000	185.20
04/20	04/21/2020	88837	North Country IT	271-790-802.000	386.00
04/20	04/21/2020	88838	Northern A-1 Environmental Services	592-556-802.000	2,983.25
04/20	04/21/2020	88839	Nye Uniform	101-345-775.000	131.98
04/20	04/21/2020	88839	Nye Uniform	101-345-775.000	299.96
04/20	04/21/2020	88840	OTEC Radio Comm. Equipment	661-020-142.000	2,368.01
04/20	04/21/2020	88841	Peninsula Fiber Network LLC	271-790-850.000	133.80
04/20	04/21/2020	88841	Peninsula Fiber Network LLC	101-228-850.000	446.00
04/20	04/21/2020	88842	Petoskey Machining & Hydraulic	661-598-932.000	155.30
04/20	04/21/2020	88843	Petoskey Rotary Club	101-345-915.000	125.50
04/20	04/21/2020	88844	Power Line Supply	582-586-775.000	509.00
04/20	04/21/2020	88844	Power Line Supply	582-586-775.000	70.44
04/20	04/21/2020	88845	Range Telecommunications	204-481-850.000	75.00
04/20	04/21/2020	88845	Range Telecommunications	101-756-850.000	25.00
04/20	04/21/2020	88845	Range Telecommunications	582-593-850.000	47.50
04/20	04/21/2020	88845	Range Telecommunications	592-560-850.000	50.00
04/20	04/21/2020	88845	Range Telecommunications	661-598-850.000	20.00
04/20	04/21/2020	88845	Range Telecommunications	592-549-850.000	50.00
04/20	04/21/2020	88846	RECORDED BOOKS INC	271-790-762.000	1,500.00
04/20	04/21/2020	88847	Safety-Kleen Systems Inc.	661-598-785.000	309.70
04/20	04/21/2020	88848	Spectrum Business	101-172-850.000	131.89
04/20	04/21/2020	88848	Spectrum Business	101-201-850.000	70.34
04/20	04/21/2020	88848	Spectrum Business	101-208-850.000	43.96
04/20	04/21/2020	88848	Spectrum Business	101-257-850.000	43.96
04/20	04/21/2020	88848	Spectrum Business	101-215-850.000	35.17
04/20	04/21/2020	88848	Spectrum Business	101-345-850.000	96.71
04/20	04/21/2020	88848	Spectrum Business	101-400-850.000	43.96
04/20	04/21/2020	88848	Spectrum Business	101-441-850.000	79.13
04/20	04/21/2020	88848	Spectrum Business	101-756-850.000	52.75
04/20	04/21/2020	88848	Spectrum Business	204-481-850.000	26.38
04/20	04/21/2020	88848	Spectrum Business	204-481-850.000	26.38
04/20	04/21/2020	88848	Spectrum Business	582-588-850.000	87.92
04/20	04/21/2020	88848	Spectrum Business	582-593-850.000	35.17
04/20	04/21/2020	88848	Spectrum Business	592-549-850.000	52.75
04/20	04/21/2020	88848	Spectrum Business	592-560-850.000	52.75
04/20	04/21/2020	88848	Spectrum Business	101-345-850.000	66.65
04/20	04/21/2020	88848	Spectrum Business	514-587-802.100	122.10
04/20	04/21/2020	88848	Spectrum Business	582-593-850.000	37.04
04/20	04/21/2020	88848	Spectrum Business	101-345-850.100	178.60
04/20	04/21/2020	88849	Spok	204-481-850.000	42.22
04/20	04/21/2020	88849	Spok	582-588-850.000	42.22
04/20	04/21/2020	88849	Spok	592-549-850.000	42.23
04/20	04/21/2020	88849	Spok	592-560-850.000	42.23
04/20	04/21/2020	88849	Spok	661-598-850.000	42.23
04/20	04/21/2020	88850	Standard Electric Company	582-590-775.000	545.28
04/20	04/21/2020	88851	Traffic & Safety Control Systems Inc.	514-587-802.000	81.00
04/20	04/21/2020	88852	Utility Financial Solutions LLC	582-588-802.000	1,091.25
04/20	04/21/2020	88853	Walters Sharpening Service Inc.	101-770-775.000	45.00
04/20	04/24/2020	88854	Blue Care Network	101-172-724.000	364.12
04/20	04/24/2020	88854	Blue Care Network	101-201-724.000	3,422.78
04/20	04/24/2020	88854	Blue Care Network	101-215-724.000	364.12
04/20	04/24/2020	88854	Blue Care Network	101-265-724.000	502.49
04/20	04/24/2020	88854	Blue Care Network	101-268-724.000	1,081.45

GL Period	Check Issue Date	Check Number	Payee	Invoice GL Account	Check Amount
04/20	04/24/2020	88854	Blue Care Network	101-345-724.000	10,341.18
04/20	04/24/2020	88854	Blue Care Network	101-400-724.000	582.60
04/20	04/24/2020	88854	Blue Care Network	101-441-724.000	1,529.33
04/20	04/24/2020	88854	Blue Care Network	101-754-724.000	491.57
04/20	04/24/2020	88854	Blue Care Network	101-756-724.000	1,347.26
04/20	04/24/2020	88854	Blue Care Network	101-770-724.000	2,366.81
04/20	04/24/2020	88854	Blue Care Network	101-773-724.000	371.41
04/20	04/24/2020	88854	Blue Care Network	101-789-724.000	757.38
04/20	04/24/2020	88854	Blue Care Network	271-790-724.000	4,151.02
04/20	04/24/2020	88854	Blue Care Network	514-587-724.000	364.12
04/20	04/24/2020	88854	Blue Care Network	582-588-724.000	4,515.16
04/20	04/24/2020	88854	Blue Care Network	592-549-724.000	1,092.38
04/20	04/24/2020	88854	Blue Care Network	592-560-724.000	1,092.38
04/20	04/24/2020	88855	BLUE CROSS\BLUE SHIELD - MICH.	101-172-724.000	943.69
04/20	04/24/2020	88855	BLUE CROSS\BLUE SHIELD - MICH.	101-208-724.000	764.75
04/20	04/24/2020	88855	BLUE CROSS\BLUE SHIELD - MICH.	101-345-724.000	7,655.49
04/20	04/24/2020	88855	BLUE CROSS\BLUE SHIELD - MICH.	101-441-724.000	1,572.82
04/20	04/24/2020	88855	BLUE CROSS\BLUE SHIELD - MICH.	204-481-724.000	2,909.72
04/20	04/24/2020	88855	BLUE CROSS\BLUE SHIELD - MICH.	271-790-724.000	393.21
04/20	04/24/2020	88855	BLUE CROSS\BLUE SHIELD - MICH.	514-587-724.000	786.42
04/20	04/24/2020	88855	BLUE CROSS\BLUE SHIELD - MICH.	592-549-724.000	3,517.18
04/20	04/24/2020	88855	BLUE CROSS\BLUE SHIELD - MICH.	592-560-724.000	393.21
04/20	04/24/2020	88856	Dearborn Life Insurance Co	701-000-230.190	2,018.01
04/20	04/24/2020	88856	Dearborn Life Insurance Co	101-172-724.000	19.16
04/20	04/24/2020	88856	Dearborn Life Insurance Co	101-201-724.000	44.89
04/20	04/24/2020	88856	Dearborn Life Insurance Co	101-208-724.000	19.16
04/20	04/24/2020	88856	Dearborn Life Insurance Co	101-215-724.000	21.35
04/20	04/24/2020	88856	Dearborn Life Insurance Co	101-265-724.000	4.79
04/20	04/24/2020	88856	Dearborn Life Insurance Co	101-268-724.000	11.98
04/20	04/24/2020	88856	Dearborn Life Insurance Co	101-345-724.000	523.22
04/20	04/24/2020	88856	Dearborn Life Insurance Co	101-400-724.000	11.50
04/20	04/24/2020	88856	Dearborn Life Insurance Co	101-441-724.000	32.57
04/20	04/24/2020	88856	Dearborn Life Insurance Co	101-754-724.000	5.27
04/20	04/24/2020	88856	Dearborn Life Insurance Co	101-756-724.000	16.29
04/20	04/24/2020	88856	Dearborn Life Insurance Co	101-770-724.000	35.45
04/20	04/24/2020	88856	Dearborn Life Insurance Co	101-773-724.000	5.75
04/20	04/24/2020	88856	Dearborn Life Insurance Co	101-789-724.000	10.54
04/20	04/24/2020	88856	Dearborn Life Insurance Co	204-481-724.000	66.24
04/20	04/24/2020	88856	Dearborn Life Insurance Co	271-790-724.000	69.25
04/20	04/24/2020	88856	Dearborn Life Insurance Co	514-587-724.000	32.77
04/20	04/24/2020	88856	Dearborn Life Insurance Co	582-588-724.000	54.13
04/20	04/24/2020	88856	Dearborn Life Insurance Co	592-549-724.000	56.32
04/20	04/24/2020	88856	Dearborn Life Insurance Co	592-560-724.000	19.16
04/20	04/24/2020	88856	Dearborn Life Insurance Co	101-345-724.000	.10
04/20	04/24/2020	88857	Delta Dental	101-172-724.000	49.97
04/20	04/24/2020	88857	Delta Dental	101-201-724.000	70.24
04/20	04/24/2020	88857	Delta Dental	101-208-724.000	15.87
04/20	04/24/2020	88857	Delta Dental	101-215-724.000	76.68
04/20	04/24/2020	88857	Delta Dental	101-265-724.000	19.79
04/20	04/24/2020	88857	Delta Dental	101-268-724.000	31.78
04/20	04/24/2020	88857	Delta Dental	101-345-724.000	821.97
04/20	04/24/2020	88857	Delta Dental	101-400-724.000	13.40
04/20	04/24/2020	88857	Delta Dental	101-441-724.000	161.01
04/20	04/24/2020	88857	Delta Dental	101-754-724.000	24.88
04/20	04/24/2020	88857	Delta Dental	101-756-724.000	35.76
04/20	04/24/2020	88857	Delta Dental	101-770-724.000	96.04

GL Period	Check Issue Date	Check Number	Payee	Invoice GL Account	Check Amount
04/20	04/24/2020	88857	Delta Dental	101-773-724.000	9.97
04/20	04/24/2020	88857	Delta Dental	101-789-724.000	17.96
04/20	04/24/2020	88857	Delta Dental	204-481-724.000	81.71
04/20	04/24/2020	88857	Delta Dental	271-790-724.000	170.80
04/20	04/24/2020	88857	Delta Dental	514-587-724.000	26.47
04/20	04/24/2020	88857	Delta Dental	582-588-724.000	142.81
04/20	04/24/2020	88857	Delta Dental	592-549-724.000	126.11
04/20	04/24/2020	88857	Delta Dental	592-560-724.000	64.38
04/20	04/24/2020	88857	Delta Dental	701-000-230.110	2,214.18
04/20	04/24/2020	88858	VSP	101-172-724.000	26.88
04/20	04/24/2020	88858	VSP	101-201-724.000	85.12
04/20	04/24/2020	88858	VSP	101-208-724.000	19.88
04/20	04/24/2020	88858	VSP	101-215-724.000	39.76
04/20	04/24/2020	88858	VSP	101-265-724.000	11.98
04/20	04/24/2020	88858	VSP	101-268-724.000	23.32
04/20	04/24/2020	88858	VSP	101-345-724.000	448.58
04/20	04/24/2020	88858	VSP	101-400-724.000	16.46
04/20	04/24/2020	88858	VSP	101-441-724.000	80.53
04/20	04/24/2020	88858	VSP	101-754-724.000	13.24
04/20	04/24/2020	88858	VSP	101-756-724.000	36.57
04/20	04/24/2020	88858	VSP	101-770-724.000	65.24
04/20	04/24/2020	88858	VSP	101-773-724.000	8.06
04/20	04/24/2020	88858	VSP	101-789-724.000	15.62
04/20	04/24/2020	88858	VSP	204-481-724.000	66.64
04/20	04/24/2020	88858	VSP	271-790-724.000	117.04
04/20	04/24/2020	88858	VSP	514-587-724.000	31.92
04/20	04/24/2020	88858	VSP	582-588-724.000	114.24
04/20	04/24/2020	88858	VSP	592-549-724.000	117.88
04/20	04/24/2020	88858	VSP	592-560-724.000	39.76
04/20	04/29/2020	88859	ACH-CHILD SUPPORT	701-000-230.160	160.23
04/20	04/29/2020	88860	ACH-EFTPS	701-000-230.200	11,590.53
04/20	04/29/2020	88860	ACH-EFTPS	701-000-230.100	18,967.08
04/20	04/29/2020	88860	ACH-EFTPS	701-000-230.200	11,590.53
04/20	04/29/2020	88860	ACH-EFTPS	701-000-230.200	2,710.68
04/20	04/29/2020	88860	ACH-EFTPS	701-000-230.200	2,710.68
04/20	04/29/2020	88861	ACH-ICMA 457	701-000-230.700	2,141.26
04/20	04/29/2020	88861	ACH-ICMA 457	701-000-230.700	5,025.00
04/20	04/29/2020	88862	ALTEC INDUSTRIES INC.	661-020-140.000	203,386.00
04/20	04/29/2020	88863	Amazon Credit Plan	101-228-802.000	6,467.59
04/20	04/29/2020	88863	Amazon Credit Plan	101-770-934.000	742.35
04/20	04/29/2020	88863	Amazon Credit Plan	101-215-751.000	36.07
04/20	04/29/2020	88863	Amazon Credit Plan	101-770-775.000	510.20
04/20	04/29/2020	88864	APX INC.	582-588-915.000	106.17
04/20	04/29/2020	88865	Culbertson, Linda K	271-790-802.000	660.00
04/20	04/29/2020	88866	Derrer Oil Co.	661-598-759.000	621.28
04/20	04/29/2020	88867	DeWolf & Associates	101-345-913.000	745.00
04/20	04/29/2020	88868	DTE Energy	592-538-920.000	58.13
04/20	04/29/2020	88868	DTE Energy	101-265-924.000	538.36
04/20	04/29/2020	88868	DTE Energy	582-593-924.000	1,555.28
04/20	04/29/2020	88868	DTE Energy	101-773-924.000	37.48
04/20	04/29/2020	88868	DTE Energy	101-265-924.000	169.23
04/20	04/29/2020	88868	DTE Energy	592-538-920.000	88.48
04/20	04/29/2020	88868	DTE Energy	271-790-924.000	628.00
04/20	04/29/2020	88868	DTE Energy	101-268-924.000	1,001.59
04/20	04/29/2020	88868	DTE Energy	101-770-924.000	247.53
04/20	04/29/2020	88868	DTE Energy	514-587-802.100	117.00

GL Period	Check Issue Date	Check Number	Payee	Invoice GL Account	Check Amount
04/20	04/29/2020	88868	DTE Energy	592-538-920.000	189.26
04/20	04/29/2020	88868	DTE Energy	101-345-920.000	958.37
04/20	04/29/2020	88868	DTE Energy	592-551-920.000	2,098.05
04/20	04/29/2020	88868	DTE Energy	592-551-920.000	2,783.48
04/20	04/29/2020	88868	DTE Energy	271-790-924.000	428.33
04/20	04/29/2020	88868	DTE Energy	592-555-920.000	42.03
04/20	04/29/2020	88868	DTE Energy	592-558-920.000	38.08
04/20	04/29/2020	88868	DTE Energy	592-538-920.000	72.69
04/20	04/29/2020	88868	DTE Energy	101-345-920.100	705.32
04/20	04/29/2020	88869	Dunn's Business Solutions	101-268-775.000	52.55
04/20	04/29/2020	88870	Environmental Resource Assoc.	592-553-801.000	719.07
04/20	04/29/2020	88870	Environmental Resource Assoc.	592-553-801.000	876.56
04/20	04/29/2020	88871	EPS Inc.	101-268-802.000	134.50
04/20	04/29/2020	88872	HARBOR HOUSE PUBLISHERS	271-790-905.000	345.00
04/20	04/29/2020	88873	Haviland Products Company	592-551-783.000	4,927.88
04/20	04/29/2020	88874	Hayes Precision Inc.	101-770-775.000	77.17
04/20	04/29/2020	88875	ICMA-ROTH	701-000-230.900	695.00
04/20	04/29/2020	88876	K & J Septic Service LLC	592-554-802.000	450.00
04/20	04/29/2020	88876	K & J Septic Service LLC	592-558-802.000	325.00
04/20	04/29/2020	88877	LexisNexis Risk Data Management Inc.	101-208-802.000	150.00
04/20	04/29/2020	88878	McLaren Northern Mich Hospital	101-345-802.000	18.39
04/20	04/29/2020	88879	McLean & Eakin Booksellers	271-790-760.400	160.00
04/20	04/29/2020	88880	Michigan Water Environment Assoc.	592-560-915.000	77.00
04/20	04/29/2020	88881	Petoskey Rotary Club	101-756-880.000	413.00
04/20	04/29/2020	88882	Power Line Supply	582-586-775.000	580.00
04/20	04/29/2020	88882	Power Line Supply	582-010-111.000	3,685.59
04/20	04/29/2020	88883	Proclean North	592-554-802.000	831.50
04/20	04/29/2020	88884	R.J. THOMAS MFG. CO.	101-770-985.000	1,449.00
04/20	04/29/2020	88885	Rasmussen, Derek	101-773-931.000	12.93
04/20	04/29/2020	88886	Spartan Distributors Inc.	661-598-931.000	94.07
04/20	04/29/2020	88887	Spectrum Business	101-770-850.000	104.98
04/20	04/29/2020	88887	Spectrum Business	582-588-850.000	94.99
04/20	04/29/2020	88887	Spectrum Business	582-588-850.000	94.99
04/20	04/29/2020	88888	Standard Electric Company	582-010-111.000	23,045.39
04/20	04/29/2020	88888	Standard Electric Company	582-010-111.000	2,973.45
04/20	04/29/2020	88888	Standard Electric Company	582-586-775.000	593.86
04/20	04/29/2020	88888	Standard Electric Company	582-010-111.000	420.27
04/20	04/29/2020	88888	Standard Electric Company	582-590-775.000	190.13
04/20	04/29/2020	88889	State of Michigan-Dept of LARA	101-268-802.000	185.00
04/20	04/29/2020	88890	Tele-Rad Inc.	661-598-932.000	539.63
04/20	04/29/2020	88890	Tele-Rad Inc.	661-020-142.000	270.00
04/20	04/29/2020	88890	Tele-Rad Inc.	661-020-142.000	270.00
04/20	04/29/2020	88890	Tele-Rad Inc.	661-020-142.000	504.85
04/20	04/29/2020	88890	Tele-Rad Inc.	661-020-142.000	1,273.00
04/20	04/29/2020	88890	Tele-Rad Inc.	661-020-142.000	1,800.00
04/20	04/29/2020	88891	Trace Analytical Laboratories LLC	592-553-801.000	331.00
04/20	04/29/2020	88891	Trace Analytical Laboratories LLC	592-553-802.000	331.00
04/20	04/29/2020	88892	Up North Service LLC	514-587-802.000	1,175.00
04/20	04/29/2020	88893	Gulig, Anthony	101-266-802.000	66.19
04/20	04/29/2020	88893	Gulig, Anthony	204-481-802.000	66.19
04/20	04/29/2020	88893	Gulig, Anthony	582-588-802.000	66.19
04/20	04/29/2020	88893	Gulig, Anthony	592-549-802.000	66.19
04/20	04/29/2020	88893	Gulig, Anthony	592-560-802.000	66.19
04/20	04/29/2020	88893	Gulig, Anthony	101-266-802.000	719.04
04/20	04/29/2020	88893	Gulig, Anthony	101-266-802.000	.01
04/20	04/29/2020	88894	Char-Em United Way	701-000-230.800	75.00

GL Period	Check Issue Date	Check Number	Payee	Invoice GL Account	Check Amount
Grand Totals:					251,227.36

Report Criteria:

Check.Check issue date = 04/18/2020-04/29/2020

Check.Check number = 88804-88811

Check Number	Check Issue Date	Name	GL Account	Amount
88804	04/22/2020	Armstrong, Barbara	582081642300	50.00
88805	04/22/2020	Cassidy, Nancy	582081642300	40.87
88806	04/22/2020	Community Recovery Alliance Inc	101081494000	400.00
88807	04/22/2020	Franklin, Jason & Amy	582081642300	32.95
88808	04/22/2020	Maple Village Apts	582081642300	32.02
88809	04/22/2020	O'Brien, John & Teri	582081642300	56.38
88810	04/22/2020	Traverse Woods Apts	582081642300	25.58
88811	04/22/2020	West, Alan & Patricia	582081642300	157.65
Grand Totals:				795.45



BOARD: City Council

MEETING DATE: May 4, 2020

PREPARED: April 30, 2020

AGENDA SUBJECT: Discussion Regarding the Bay and Howard Street Proposed Development Including a Proposed Air Easement over the Saville Lot

RECOMMENDATION: That the City Council discuss and provide direction to staff

Background Developers for the project, Ira Green and Melanie Libby, continue to finalize plans for a 50 room boutique hotel at 322 Bay Street and 200 Howard Street. The hotel as proposed, would be under one ownership and not include sale of individual units that are common in hotel/condo projects. See enclosed conceptual sheets and letter from Ira Green and Melanie Libby.

The developer would like the City to consider granting a 20' air easement on the west side of their proposed development. The 20' easement is needed to construct a commercial hotel building allowing windows and decks on the west side of the property instead of a firewall that would be required per building codes if the air easement was not granted. The air easement would start at a height of 18' at grade on Bay Street and encompass an area 20' x 24' x 138'. This easement would allow the City at some point in the future to construct a two-story parking platform as long as the parking structure did not intrude into the proposed easement area.

Per the City Attorney, the City would need to be compensated for the proposed easement area. See enclosed letter from City Attorney Jim Murray. The most accurate and objective manner in which to place a value on the easement would be through a professional appraisal. If Council is receptive to granting an air easement, we recommend an agreement is crafted for Council's future consideration requiring the developer to pay for the appraisal with the appraiser working directly for the City.

The developers are not requesting Brownfield funding on the project nor any other economic incentive. The developer is offering to work with the City on any potential Brownfield plans in the future. Typically, Brownfield funding is used to spur development and is a source of local funding in cases of "if not for Brownfield funding, the project would not occur." This does not seem to be the case with the boutique hotel development as the developer is not requesting Brownfield funding. There is also the question of whether economic incentives for a downtown hotel have a "public benefit" and whether City Council wants to specifically earmark tax increment dollars towards a parking platform or use future property tax increases from the project for more general uses such as shoreline repairs.

The City Planner states the development appears to be in compliance with all downtown development codes. Nevertheless, there is concern from staff on the proposed access to the on-site underground parking through the Saville Lot. If this is allowed, there would be a reduction of a minimum of three parking spaces. A better access point may be directly off of Bay Street but this would require a variance from the ZBA. The developer may also have an option to enter the private underground parking via the alley on the south side of the proposed building. It may be prudent for City Council to send the development proposal to the Planning Commission for their review and recommendations.

Action The project would increase hotel rooms within our downtown district and be a strong economic boon to the community. If City Council initially supports the conceptual plan and would like to further consider dedicating a 20' easement on the Saville Lot, a motion could be made to *“direct the City Attorney to develop an agreement for City Council’s consideration requiring the developer pay for the costs of an appraisal in the determination of fair market value for the proposed easement area.”*

rs
Enclosures

Main Dock 7271 LLC

P.O. Box 1420
Mackinac Island

April 24, 2020

Robert Straebel
City Manager
City of Petoskey
101 E. Lake St.
Petoskey, MI 49770

Rob,

Evaluation seeking the best use of the Bay Street Development property has led to the proposed hotel. This use also brings the most benefit to Downtown Petoskey. Herein, we are proposing a 50 room boutique hotel with supporting spaces. (A public restaurant and bar will not be included as there are many excellent choices within the neighborhood.) The hotel will be a boutique hotel with a single owner and operator.

The Bay Street Development complies with the B-2 Zoning Design Requirements. In addition, the hotel includes ample guest parking as not to burden the existing downtown spaces.

The Bay Street Project offers two options to move forward:

OPTION A: With option A the hotel development will be completed as a standalone project without a Brownfield plan for either The City of Petoskey or the hotel development. This option requires the project to obtain a 20' no build easement along the east edge of the City's Saville parking lot property from The City. The no-build easement will still allow for the City to construct a second level of parking on the Saville site. We propose the City hire an appraiser to determine the value of the 20' easement and allow us to pay the City of Petoskey for the easement. The easement is needed to allow for us to build up to our west property line abutting the City's Saville lot. Michigan Building Code would otherwise not allow openings along that side of the building.

OPTION B: Option B is an opportunity for the City to create a Brownfield Plan that includes both the City's Saville Lot and to a limited extent our development site. The Brownfield Plan would allow for the City to capture new tax revenue created by the hotel to make improvements to Bay Street and to the Saville lot, including the addition of a second level of parking on the site. With a Brownfield Plan we would only seek reimbursements for turning our site into the equivalent of a Greenfield site (Brownfield eligible activities to give us a clean start: demolition, lead and asbestos and soil contamination.)


Attached is a brief overview of what a possible Brownfield Plan might look like.

With our proposed timeline demolition and site work would commence in September of this year and have the hotel building shell up and complete before June 1, 2021 so as to minimize disruptions to the "summer season".

Despite the current conditions we are all living with we are excited for this opportunity to invest in Petoskey and create a new vibrant downtown hotel.

Respectfully submitted,



Ira Green

Melanie Libby

Brownfield Tax Increment Financing (TIF) Plan Support Request

Proposed Bay Street Development Project, Petoskey Michigan

April 24, 2020

REQUEST

Main Dock 7271, LLC (Developer) is requesting that the City of Petoskey consider the proposed Bay Street Development (Project) Project and possible City's Public Parking Structure planned request to seek approval of a Brownfield Tax Increment Financing (TIF) Plan with the City of Petoskey, Emmet County (including its Brownfield Redevelopment Authority), the State of Michigan Department of Environment, Great Lakes and Energy (EGLE), and the Michigan Strategic Fund (MSF) {through the Michigan Economic Development Corporation (MEDC)}. A Brownfield Plan

BROWNFIELD PLAN TIF GOALS

Developer will make improvements to the property, which in turn will raise the taxable value and increases the tax revenue available for tax increment revenue capture collected solely from the proposed Project's private investment. New tax increment is the driving force that makes the Brownfield TIF Plan work. If there is no tax increment, there is no tax capture. Tax capture to support this proposed Brownfield Plan is planned to include State and Local incremental taxes. Debt mills are not allowed to be captured.

Developer – Support the Project with eligible activities to the extent needed to clean the site and level the playing field between a Brownfield Site and Greenfield Site. No private infrastructure or private parking structures will be requested by the Developer to be included in the Brownfield Plan.

City – Clean the site with eligible activities and create a funding opportunity for the City to finance the proposed adjacent "Public" Parking Structure and Bay Street Improvements.

BROWNFIELD ELIGIBLE ACTIVITY COSTS ESTIMATED

Estimated Eligible Activities and Costs (Developer/City) State/Local Tax Increment Revenue Capture	Total Estimated Cost	City Portion	Developer Portion
Environmental Eligible Activities Subtotal	\$ 275,288	\$ 68,213	\$ 207,075
Non-Environmental Eligible Activities (Demolition, Lead & Asbestos, Site Preparation) Subtotal	\$ 234,440	\$ -	\$ 234,440
Non-Environmental Eligible Activities (Infrastructure Improvements {i.e. Parking Structure}) Subtotal	\$ 3,078,173	\$ 3,078,173	\$ -
PROPOSED BROWNFIELD PLAN GRAND TOTAL (ENVIRONMENTAL & NON-ENVIRONMENTAL ELIGIBLE ACTIVITIES)	\$ 3,587,900	\$ 3,146,386	\$ 441,514

BROWNFIELD PLAN CAPTURE DURATION ESTIMATED

Based upon the Project's estimated Projected Future Taxable Value upon construction completion and the above Total Estimated Cost, the Brownfield Plan should expire in less than 15 years.



April 22, 2020

Rob Straebel, City Manager
City of Petoskey
101 E. Lake Street
Petoskey, MI 49770

Re: Air Easement

Dear Rob:

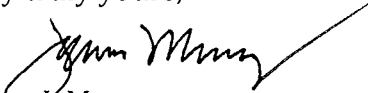
You inquired about whether the City of Petoskey may grant a 20-foot air easement on the West side of the building over the Seville lot. More specifically, your question was whether the grant of easement could be done without compensation in favor of the City.

Be advised that it has been held that a gift or donation of money **or property** by a city would constitute a violation of constitutional provisions forbidding the credit to be granted in the aid of any person, association or corporation and forbidding any city to lend its credit for other than a public purpose. *Kaplan v City of Huntington Woods*, 357 Mich 612; 99 NW2d 514 (1959). The making of gifts is also inconsistent with Michigan Constitution Article 8, §25 and Article 10, § 12.

In the *Kaplan* case, the City of Huntington Woods entered into an agreement with property owners where the City agreed to restrict the use of its property to single-family dwelling purposes. The Court found that valuable property rights were disposed of by the City and the action was considered a gift contrary to constitutional limitations.

In short, granting an air easement (or any other type of easement) is considered a property right. As such, the City is limited as outlined above and is precluded from granting an easement for no consideration.

Very truly yours,


James J. Murray
Plunkett Cooney
Direct Dial 231-348-6413

JJM/tll

Open.18288.52780.24000915-1

ATTORNEYS & COUNSELORS AT LAW

406 Bay Street, Ste. 300 • Petoskey, MI 49770 • T: (231) 347-1200 • F: (248) 901-4040 • plunkettcooney.com

BAY STREET DEVELOPMENT

322 BAY STREET & 200 HOWARD STREET
PETOSKEY, MICHIGAN 49770

DEVELOPER: MAIN DOCK 7271
3660 AURORA
PETOSKEY, MI 49770

ARCHITECT: BARRY J. POLZIN ARCHITECTS
101 N LAKESHORE BLVD
MARQUETTE, MI 49855



VIEW FROM CORNER OF BAY AND HOWARD

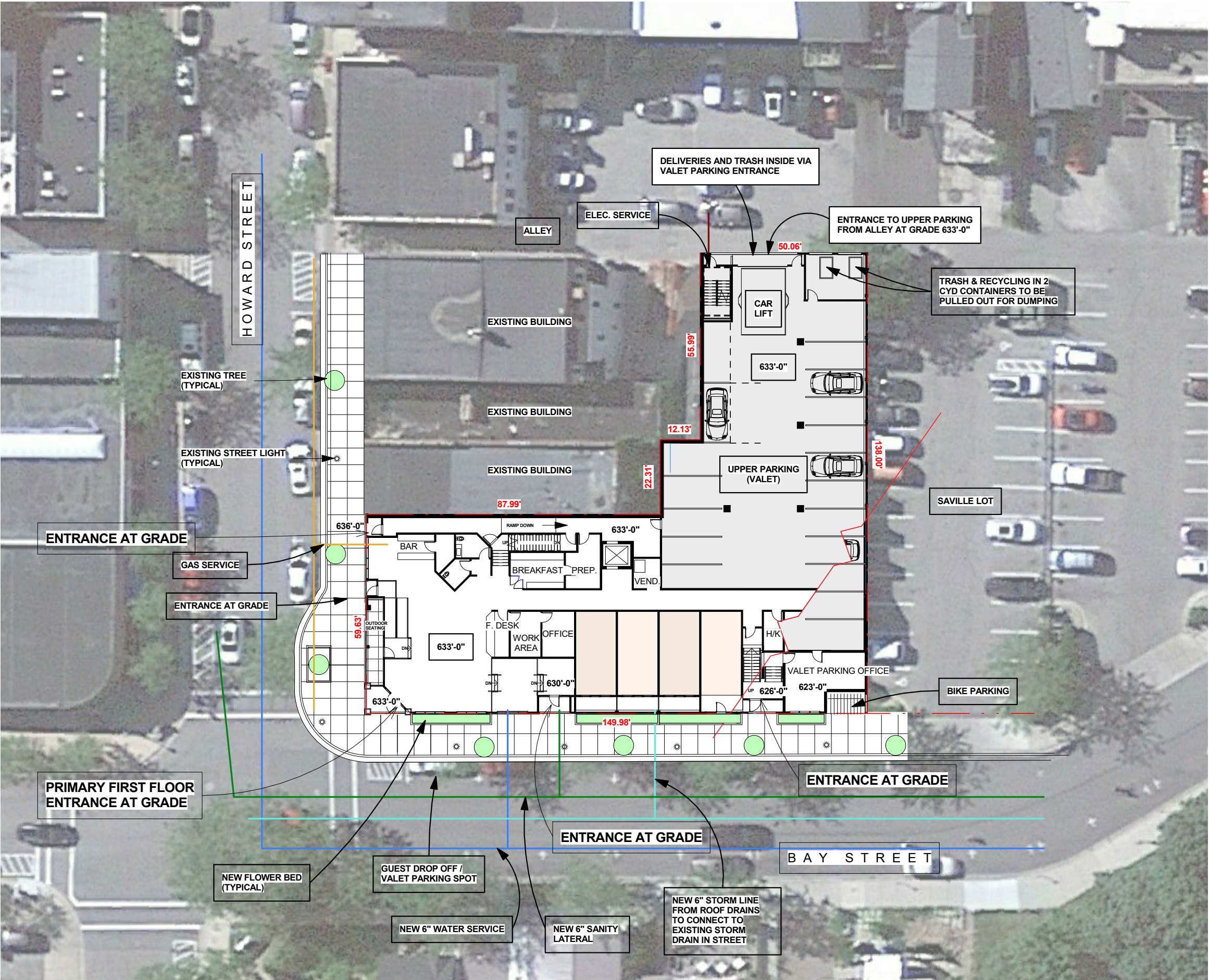
DRAWING INDEX	
COVER	
SITE PLAN	AS1
BASEMENT PLAN	A1
FIRST FLOOR PLAN	A2
SECOND FLOOR PLAN	A3
THIRD FLOOR PLAN	A4
ELEVATIONS	A5
RENDERINGS	A6



4/28/2020



BAY STREET DEVELOPMENT
PETOSKEY, MICHIGAN
4/28/2020



SITE DATA	
LOT AREA	13,131 S.F.
LOT COVERAGE	100%
50 HOTEL ROOMS	
SET BACKS REQUIRED	0
SET BACKS PROVIDED	0

CURRENT PROPERTY USE:	
-RETAIL	
-OFFICE	
PROPOSED PROPERTY USE:	
-HOTEL	

GROSS BUILDING AREA	
LOWER PARKING / BASEMENT	11,959 S.F.
UPPER PARKING / FIRST FLOOR	13,131 S.F.
SECOND FLOOR	13,153 S.F.
THIRD FLOOR	13,153 S.F.
TOTAL	51,396 S.F.

NET BUILDING AREA	
LOWER PARKING	7,613 S.F.
HOTEL BACK OF HOUSE	3,164 S.F.
UPPER PARKING	5,487 S.F.
FIRST FLOOR	6,691 S.F.
SECOND FLOOR	11,885 S.F.
THIRD FLOOR	11,443 S.F.
PARKING TOTAL	46,283 S.F.

REQUIRED PARKING	0 SPACES
PARKING PROVIDED WITHIN BUILDING	45 VALET SPACES

STORM WATER FROM ROOF TO BE PIPED TO EXISTING STORM WATER SYSTEM IN STREET (PENDING PAPPROVAL). THE ROOF STRUCTURE WILL BE DESIGNED TO BE ABLE TO RETAIN 4" OF RAIN ON ROOF DURING PEAK RAINFALL PERIODS.

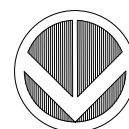
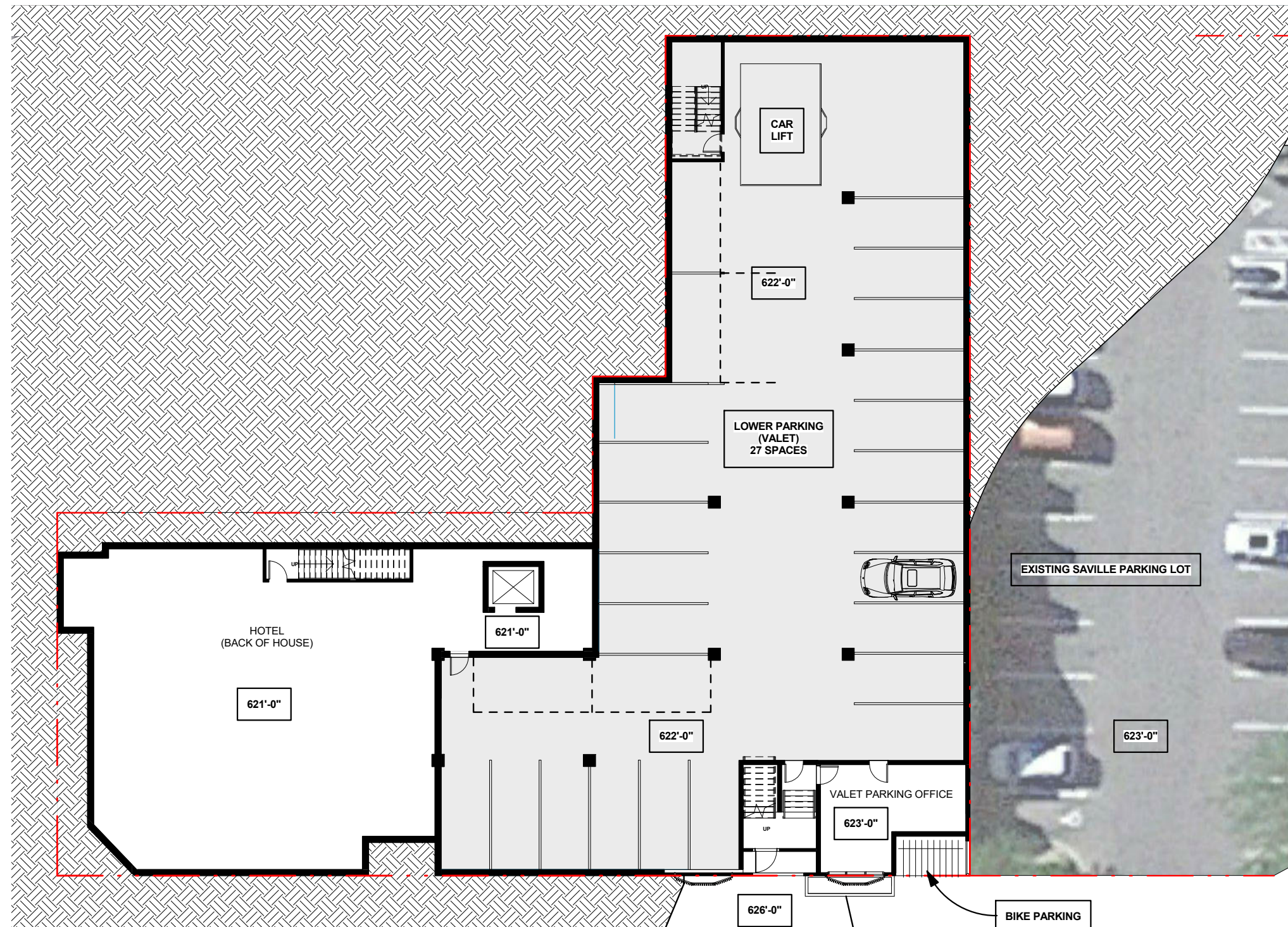


SITE PLAN
1" = 30'-0"

BAY STREET DEVELOPMENT

PETOSKEY, MICHIGAN

4/28/2020



BASEMENT PLAN/ LOWER PARKING
1" = 20'-0"

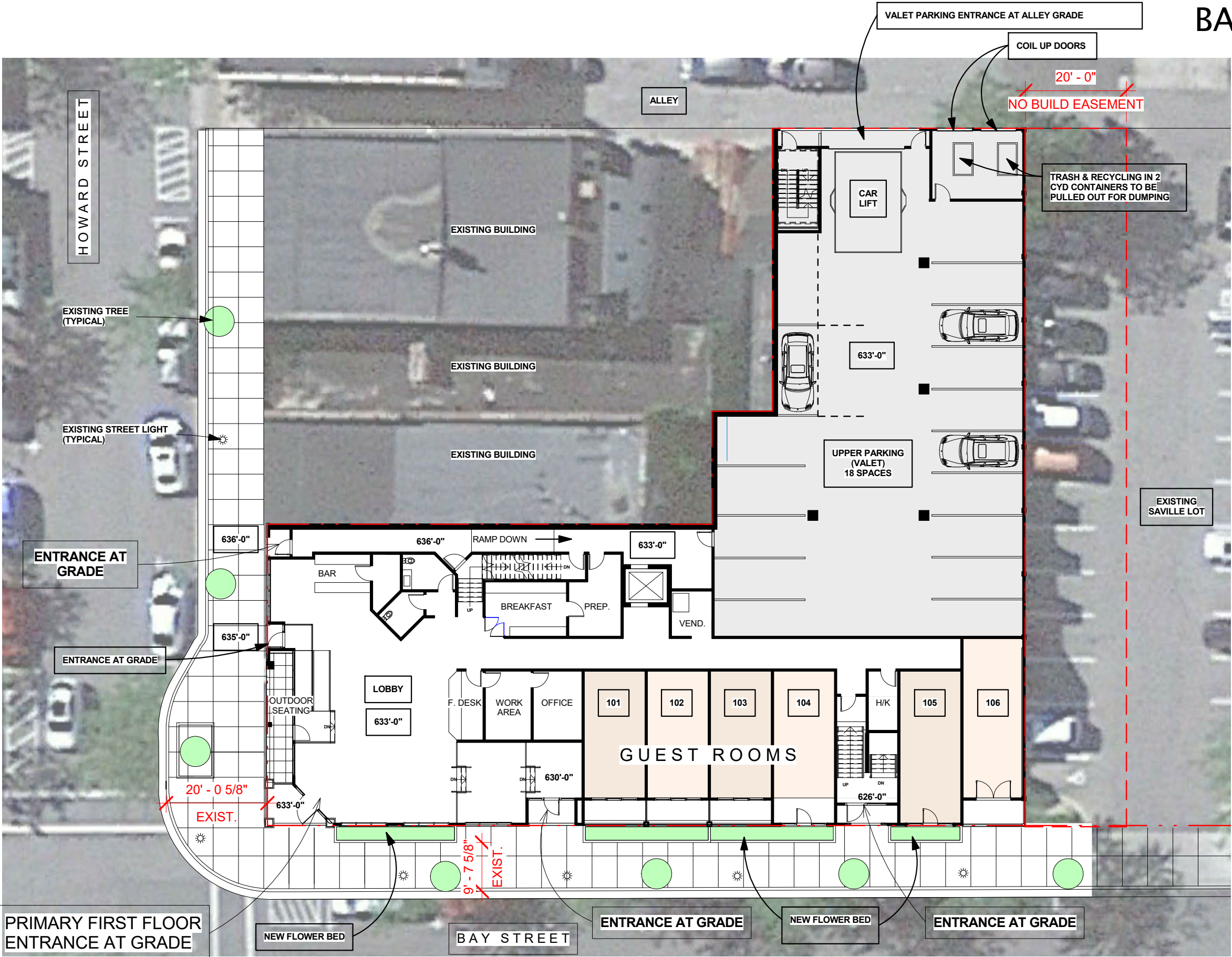


A1

BAY STREET DEVELOPMENT

PETOSKEY, MICHIGAN

4/28/2020



- NOTES:**
- PROPOSED RAISED FLOWER BEDS TO BE PLANTED WITH SEASONAL DECORATIVE PLANTINGS PENDING R.O.W. PERMIT APPROVAL
 - ALL EXTERIOR LIGHTING IN ENTRANCES, PATIO, BALCONIES TO BE 60 DEGREE CUT OFF DOWNLIGHTING
 - ROOF TOP EQUIPMENT TO BE PLACED TO BE NOT SEEN FROM HOWARD AND BAY STREET

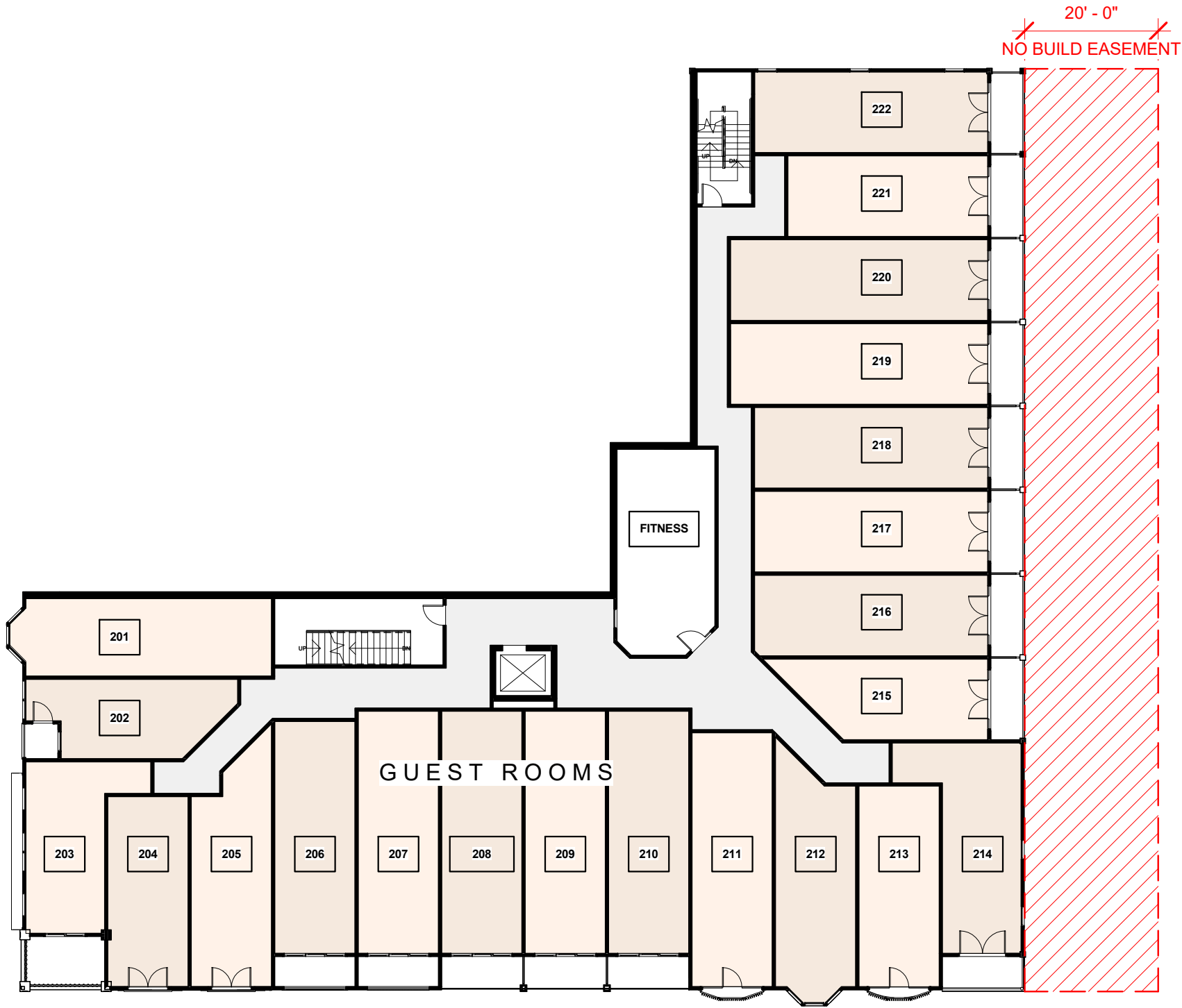


FIRST FLOOR PLAN
1" = 20'-0"

BAY STREET DEVELOPMENT

PETOSKEY, MICHIGAN

4/28/2020

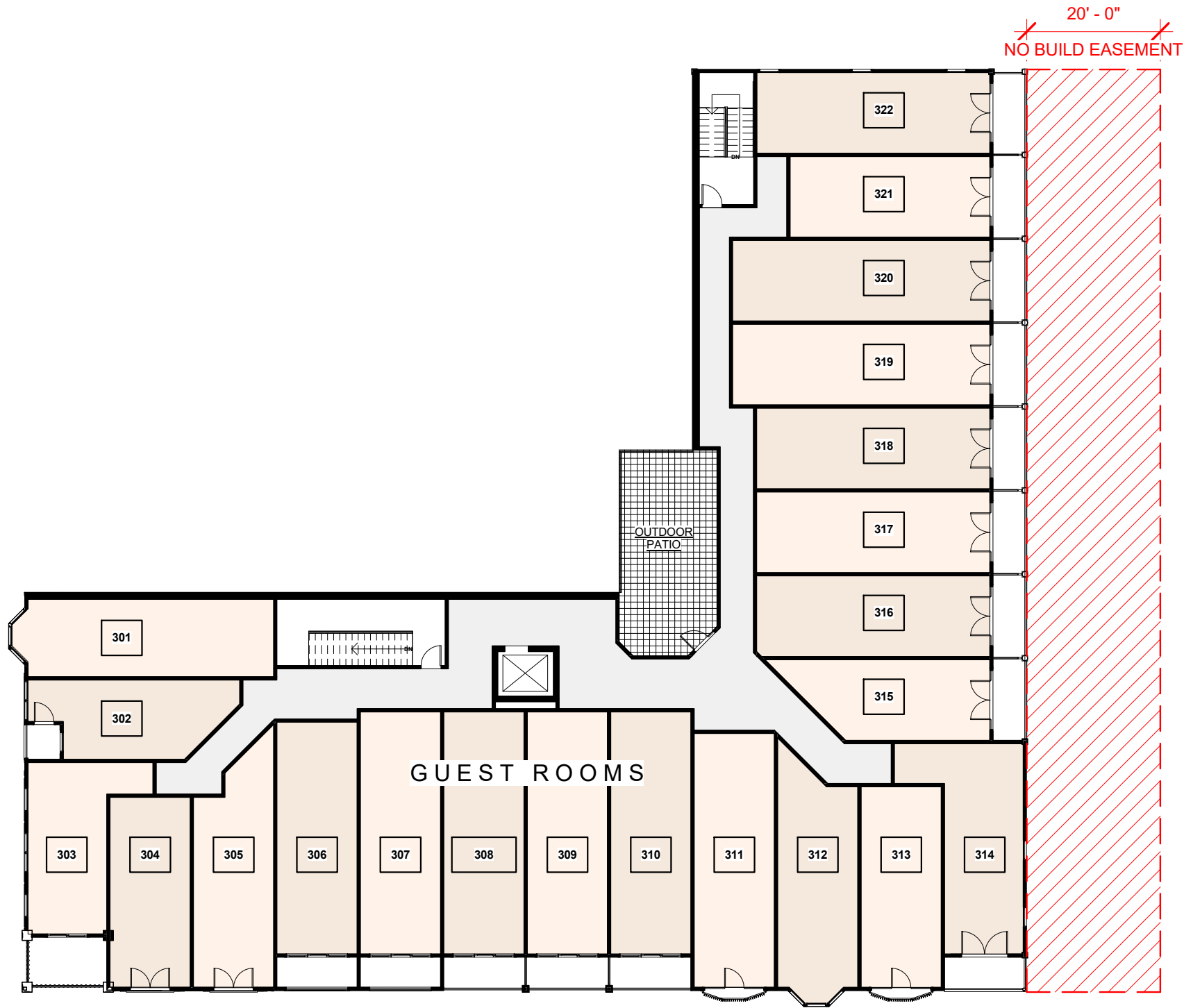


SECOND FLOOR PLAN
1" = 20'-0"

BAY STREET DEVELOPMENT

PETOSKEY, MICHIGAN

4/28/2020

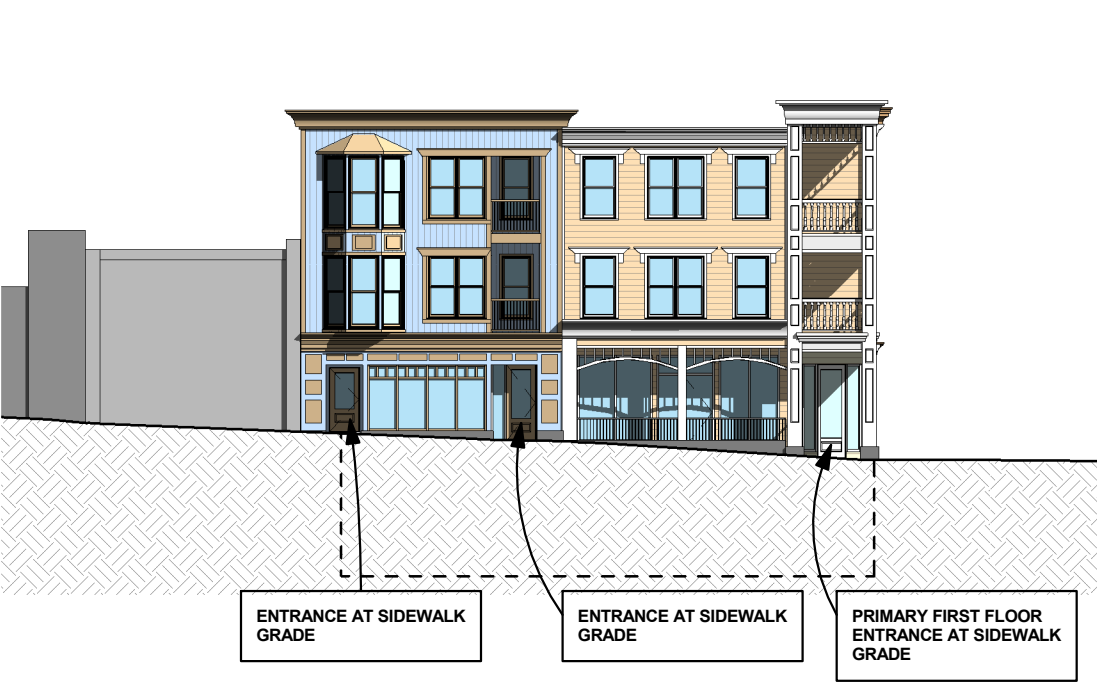


THIRD FLOOR PLAN
1" = 20'-0"

BAY STREET DEVELOPMENT

PETOSKEY, MICHIGAN

4/28/2020



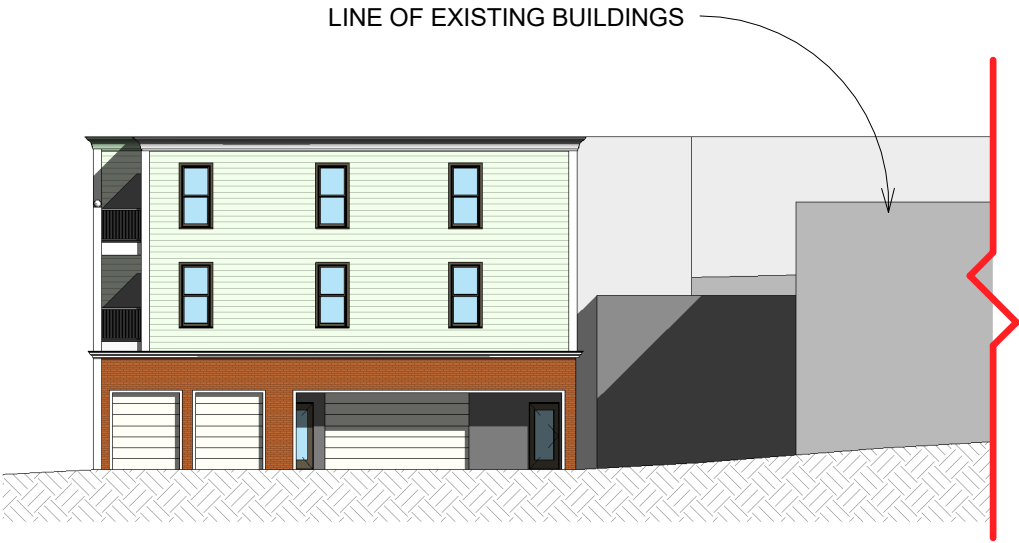
EAST ELEVATION (HOWARD STREET)
1" = 20'-0"



NORTH ELEVATION (BAY STREET)
1" = 20'-0"



WEST ELEVATION (SAVILLE LOT)
1" = 20'-0"



SOUTH ELEVATION (ALLEY)
1" = 20'-0"

BAY STREET DEVELOPMENT

PETOSKEY, MICHIGAN

4/28/2020



VIEW FROM BAY ST LOOKING S.E.



20' NO BUILD
EASEMENT

AERIAL VIEW WITH 20
NO BUILD EASEMENT



City of Petoskey

Agenda Memo

BOARD: City Council

MEETING DATE: May 4, 2020

PREPARED: April 21, 2020

AGENDA SUBJECT: Update of Economic Development Strategy

RECOMMENDATION: That the City Council discuss and adopt update

Background At its February 17 meeting, City Council heard the annual progress report on the Economic Development Strategy adopted on February 20, 2017 as one of the requirements of the Redevelopment Ready Communities® (RRC) certification process. Council gave direction on the priority sites and indicated they wanted the Baptist Church at 502 Michigan Street to be added as a priority site and other necessary updates made due to implementation progress.

Progress Enclosed is a marked-up copy of the Strategy with the following changes (new language is highlighted and removed language is ~~stricken~~):

- Updates to Census and property assessment data;
- Changes to priority redevelopment sites including addition of Baptist Church and removal of 900-1000 Bayview Road; and
- Updates to public projects (removal of completed and addition of future projects).

Action Staff recommends that the updated Strategy be adopted.

at
Enclosure



City of Petoskey

Economic Development Strategic Plan

A Framework for
Creating
Businesses, Jobs
and Housing

_____, 2020

Overview

This **update to the 2017** Economic Development Strategic Plan, hereafter referred to as the Strategy, is the result of the City of Petoskey's desire to better define **its role in improving** local economic conditions ~~that affect the community and our overall economic development efforts.~~ Stakeholder involvement in the development of this document included the Petoskey Regional Chamber of Commerce and the Downtown Management Board, as well as the Planning Commission and City Council.

The **ultimate** ~~primary~~ goal of the Strategy is the creation and retention of ~~new~~ private sector jobs and housing opportunities. ~~that will bring new wealth and drive economic growth. The City will work with the private sector to accomplish this goal by vigorously pursuing many economic development and redevelopment activities throughout the City.~~

Our economy reaches far beyond our corporate limits, so while there is much out of our control, it is imperative that we leverage our strengths and capitalize on unique opportunities to grow our piece of the economic pie. The City will ~~must also~~ encourage, assist and partner with institutions and businesses, large and small **to this end** ~~achieve the same. And, while we recognize we may not have all the necessary resources to achieve every objective, we also realize we must undertake the implementation of this Strategy sooner than later.~~

An effective Economic Development Strategy should **establish predictable development procedures,** promote economic development and opportunity, foster effective transportation access, enhance and protect the environment, expand and diversify the housing stock to help businesses succeed. **This Strategy will be integrated into other community documents, including the goals and objectives of the City Master Plan,** ~~should take into account, and where appropriate, incorporate other planning efforts in the community. It is~~ **should be useful as a guide for local decision making that requires engagement with and support of community partners from business, education, labor, and other governmental entities for successful implementation.** ~~encouraging broad-based public engagement and commitment of partners.~~

To provide clear direction, the document includes ~~More specifically, this Strategy will articulate a clear economic development direction providing five simple, but significant elements:~~

1. Articulating a vision/mission (Why do it?)
2. Defining strategy and tactics (What to do?)
3. Describing projects, initiatives, methods and means (How to do it?)
4. Identifying priorities (When to do it?)
5. Assignment of responsibility (Who will do it?)

Implementation of this Strategy will be integrated into daily operations of the City and ~~—The Strategy is supported and implemented by the active involvement of the entire City organization, including elected officials, management and all City departments. The City's employees understand the~~ **value of their actions in achieving the vision** ~~contributions to the strategies and will align their work to support the City's economic growth. The City strongly recognizes the connection between capital projects and successful implementation of the Strategy and an economic development strategy and a capital improvement.~~ **to this end, the City will identify capital improvement projects that are catalytic and support private investment in priority areas and for priority initiatives.** ~~in the sense that they signal public sector support for private development in an area that may also link up with other initiatives. The City also recognizes that the Petoskey's high quality environment that is Petoskey takes the collective effort of the private and public sector through development processes and regulations that create a predictable expectation for excellence. Additionally, regional partners from business, education, labor,~~

~~government and the community collectively play important roles in advancing the prosperity of the City.~~

The City of Petoskey and greater region have many economic strengths and opportunities. To fully succeed, the community must harness the City's resources and put competitive strengths to work while addressing any competitive disadvantages. With alignment, cooperation and clear direction we can fully realize our economic potential.

Economic Vision/Mission Statement

Petoskey has historically been and will continue to be a resort community. Our abundant natural resources and historically significant places are our greatest assets. We will continue to protect and enhance these assets to maintain our position as a place for economic opportunity. From traditional employment options to entrepreneurial endeavors and development opportunities, Petoskey will be a fully supportive partner in private efforts to create local and regional prosperity. Where necessary, Petoskey will take steps to help create the physical and social environment conducive to economic success and wealth creation.



Economic and Demographic Data

As a resort community within a larger regional economy, the basic demographic information provided by the U.S. Census only gives a partial picture of the Petoskey economy due to the amount of seasonal population and demand. Data from the most recent American Community Survey (2013-2017 five year estimates) and Networks Northwest's Benchmark Northwest document provides a basic assessment of economic development related issues. Also included are tables from the Darling Lot Market Study completed by Mission North and available on the City

As indicated by the data below, the regional population growth is occurring outside the City limits. While the trend nationwide is for movement back to city centers, there is little new housing construction within the Petoskey city limits. A 2020 Target Market Analysis¹ performed for Housing North indicates that there is potential market demand for 621 new housing units, with 87 percent of those as rental units (the full report can be found [here](#)). Limited land availability in the City core will require redevelopment of existing under-utilized properties, as well as allowing for increased density in residential neighborhoods to address the need for attainable/workforce housing. The other area for future residential growth is Bay Harbor, which will be predominately high-end resort residential.

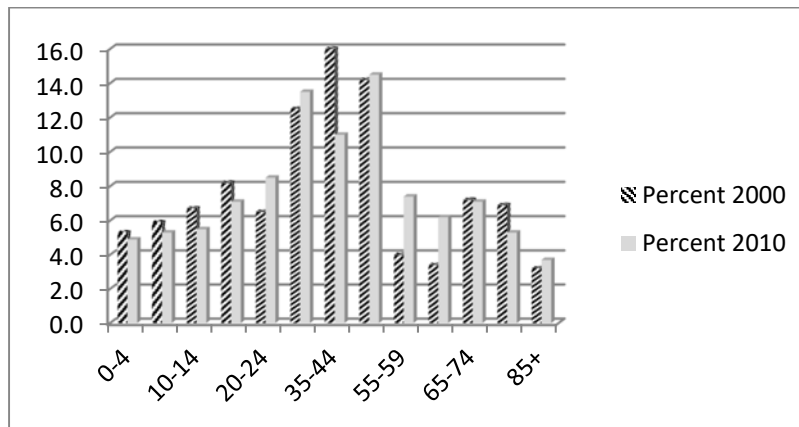
¹ LandUse USA Urban Strategies, Emmet County, Michigan Residential Target Market Analysis Annual Market Potential- Year 2020.

Population and Housing Trends

Community	2000	2010	2013-2017 Estimate*
City of Petoskey	6,080	5,670	5,696
Bear Creek Township	5,269	6,201	6,259
Resort Township	2,479	2,697	2,727
Emmet County	31,437	32,694	32,978

Source: Census 2010; *ACS 2013-2017 Five-year estimates

National demographic changes are impacting the City and regional ability to maintain a workforce. As shown in the chart below the 55-64 age groups increased from 7.5 percent of the City's population in 2000 to 13.6 percent in 2010. The most current estimate (2013-2017 American Community Survey) puts this cohort at 17.6 percent, while the estimate of population over 65 years of age is 19 percent.



Source: US Census 2010

The data below illustrate demographic changes that are impacting housing trends, including smaller households and a scarcity of units sized for those households.

	Petoskey
Median Age	44.7
65 Years and Older	19%
Householder living alone owner-occupied	38.4%
Householder living alone renter-occupied	53.4%
Studio units	4%
One bedroom units	12.4%
Average Size of household owner-occupied (55% of all HH)	2.03
Average Size of household renter-occupied (45% of all HH)	1.57
Percent of Housing units single unit detached	49.2%
Median HH Income	\$37,639
% HH with Social Security	33.1%
Median Family Income	\$64,722
Female headed HH with children under five whose income in past 12 months below poverty line	30.2%

Source: ACS Five-year Estimates 2013-2017

The City appears to have a competitive regional advantage for attracting an educated population as indicated by the table below, but also has a comparably low median household income, which points to an issue of under-employment. That is, we are an attractive community to an educated workforce, however, the jobs available do not pay well.

The scarcity of professional positions in the area has been identified as a major challenge by large employers trying to recruit employees of dual-professional households, including McLaren Northern Michigan.

	Petoskey	Harbor Springs	Emmet County	Boyne City	City of Charlevoix
Population 65+	19%	32.1%	20.2%	18.1%	28.8%
Median Age	44.7	55.8	45	42.5	50.7
Percent Bachelor's Degree or higher	40.1%	38.9%	32.9%	30%	36.2%
Median HH income	\$37,639	\$46,875	\$51,475	\$50,956	\$34,484

Source: ACS Estimates 2013-2017

The 2013-2017 ACS estimates indicate a small decrease in employment numbers over the 2011-2015 estimate (approximately 4.5 percent), which likely corresponds to the increase in population of retirement age.

Class of Worker – City of Petoskey

Class of Worker	Number	Percent
Private Wage and Salary	2,573	85%
Government	201	6.6%
Self-employed in Own Un-Incorporated Business	234	7.8%
Unpaid Family Workers	10	<1%

Source: 2013-2017 American Community Survey 5-Year Estimates

Highest Employment Industries – Emmet County

Industry	Percent of Emmet County Population Employed
Health Care and Social Assistance	20%
Retail Trade	19%
Accommodation and Food Service	16%
Manufacturing	9%
Construction	7%

Source: *Benchmarks Northwest: A Collection of Data Resources for Northwest Michigan*

The following tables and chart come directly from the *Darling Lot Market Study* completed by Mission North in January of 2020 and provide additional information on employment levels, payroll trends and comparative data on income to home value ratios. The full study can be found [here](#).

Table 6 - 2016 Employment

Place	Businesses	Employees	Payroll (\$1,000)	Payroll/Employee
USA	7,757,807	126,752,238	\$6,435,142,055	\$50,769
Michigan	220,412	3,805,578	\$183,192,569	\$48,138
Zip Code	Businesses	Employees	Payroll (\$1,000)	Payroll/Employee
49770	665	9,878	\$341,398	\$34,561

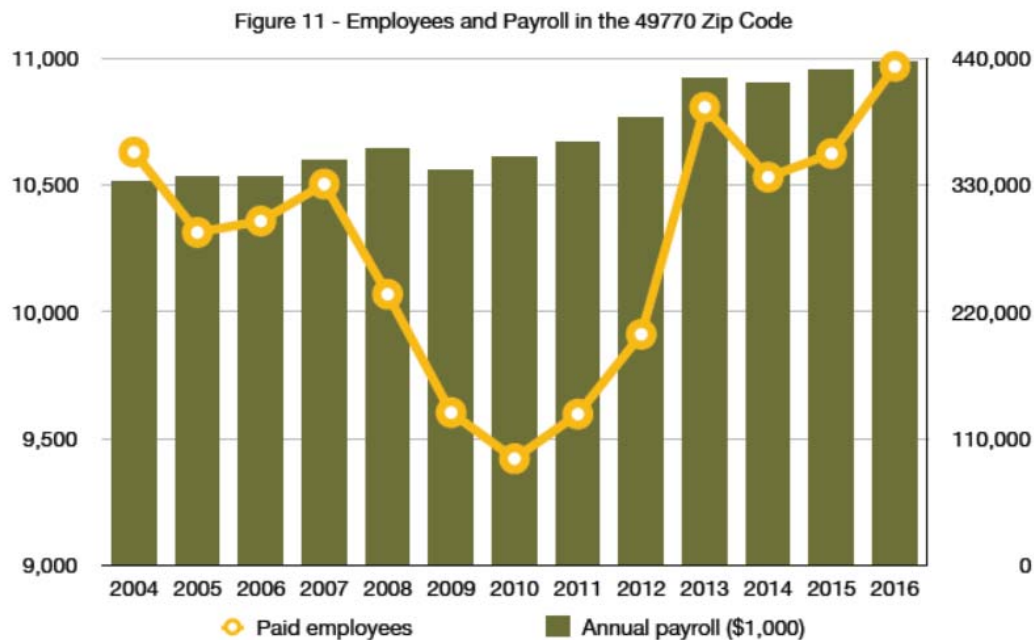
Source: 2016 Economic Census

Table 7 - Employment by Occupation

	Petoskey		Emmet County		PMA	
Management	1,206	40.0%	5,676	35.0%	3,580	38.8%
Service	832	27.6%	3,574	22.0%	2,025	22.0%
Sales and Office	569	18.9%	3,730	23.0%	2,076	22.5%
Construction, Farming and Mining	175	5.8%	1,672	10.3%	794	8.6%
Production and Transportation	236	7.8%	1,585	9.8%	750	8.1%

Source: 2017 American Community Survey

PMA is the Primary Market Area: City of Petoskey, Resort Township, Bear Creek Township, Little Traverse Township and the City of Harbor Springs.



Source: "Darling Lot Market Study", Mission North, January 2020

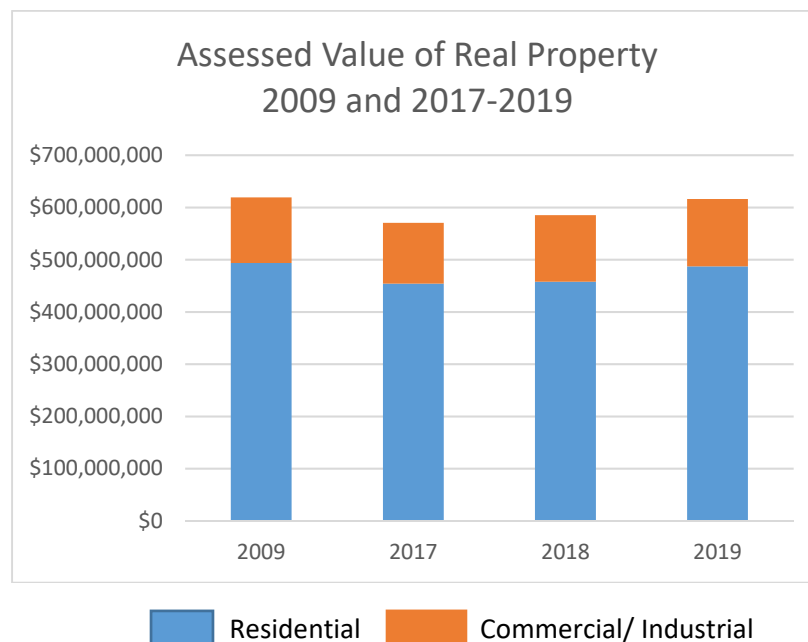
Table 9 - Income and Home Value Comparison for Various Michigan Cities

	Population	Median Household Income	Average Household Income	Median Home Value	Value/Med. Income Ratio
Boyne City, MI	3,747	\$50,959	\$62,626	\$129,500	2.54
Charlevoix, MI	2,457	\$34,484	\$59,435	\$173,100	5.02
St. Joseph, MI	7,233	\$55,975	\$75,210	\$166,300	2.97
Marquette, MI	21,081	\$38,998	\$58,470	\$172,900	4.43
Petoskey, MI	5,696	\$37,639	\$65,834	\$178,900	4.75
Traverse City, MI	15,550	\$53,237	\$78,497	\$216,800	4.07
Michigan	9,925,568	\$52,668	\$72,091	\$136,400	2.59
U.S.	321,004,407	\$57,652	\$81,283	\$193,500	3.36

Source: 2017 American Community Survey

The value to income ratio provided in Table 9 is an indicator of the ability of residents to purchase a home. That is, a lower ratio means that households with median income are more likely able to purchase a home.

A frequently used measurement of community economic condition is an increase in assessed value. The charts below illustrate that property values are improving and our strong reliance on residential property as a resort community. The City's assessed value of real property increased 8 percent since 2017 and is 16 percent of Emmet County's assessed value.



Source: Emmet County Equalization Reports

Opportunities

Given the strong showing of the hospitality industry, Petoskey has a wide variety of unique attributes and opportunities for which the City can collaboratively partner with the private sector to leverage a wealth of natural resources, historic downtown authenticity, high quality infrastructure and unique sense of place to continue to serve and grow the service economy.

One such asset is the Petoskey Downtown Historic District consisting of commercial properties occupying portions of ten blocks in the central business district. Taken together, the community's districts and properties on the National Register Historic District are critical resources that define the physical history and heritage of the community. Conscious preservation efforts and adherence to the City-adopted International Property Management Code (IPMC) will continue to ensure these resources remain viable for future generations creating that unique sense of place for both residents and visitors to enjoy.

Petoskey's rich arts and cultural resources continue to grow with the opening of the Great Lakes Center for the Performing Arts in 2018. The venue adds to the area's ability to draw national and international acts, and received public support through the approval of a brownfield tax increment financing plan.

Pristine natural resources and high quality recreational opportunities abound throughout the community. Bayfront Park, with its spectacular vistas of Little Traverse Bay, is easily accessible from the downtown area by a five minute walk. Bayfront Park offers many green open space areas, a City marina, softball diamonds, picnic areas and many walkable trails. The park trail system serves as a pedestrian/bicyclists hub connecting to the Little Traverse Wheelway, Downtown Greenway Corridor, Bear River Valley Recreation Area and the North Country National Scenic Trail. This comprehensive trail system contributes to the City designation as "highly walkable" through Walkscore®, a national rating system. Lastly, Pennsylvania Park is also situated in the central downtown area and offers a quiet, shaded place for respite, picnics or community events.



Transportation

Proximity to two major state highways, U.S. 131 and U.S. 31, is also a key economic driver for the community. On average, 27,900 motorists per day travel the U.S. 31 Highway adjacent to the downtown area.

Groundwork Center for Resilient Communities is a driving force for the reestablishment of passenger rail service from Ann Arbor to Traverse City, with an ancillary route to Cadillac and Petoskey. Though repairs to the tracks may be necessary, the tracks are already in place and owned by the State, which significantly reduces startup costs and increases the likelihood of the success. There appears to be widespread public support for the conceptual passenger line and it is marked as a goal by State transportation plans. With the removal of tracks during recent road reconstruction, a new train depot south of downtown will need to be created.

Capitalizing on Petoskey's strong railroading history, the current railroad network could be a springboard for future growth of manufacturing. An inexpensive option for freight, rail plays an important role for industries within the Petoskey region. The existing Clarion Road Transfer Station is currently used only by Petoskey Plastics, but is available for future industrial needs.



For alternative forms of transportation, the City has been a leader in non-motorized trail development, with portions of the Little Traverse Wheelway through Bayfront Park reaching 25 years of age. As part of the U.S. 131 Corridor Economic Strategy, we will work with neighboring communities and organizations such as the North Country Trail Chapters to make connections to larger regional trail systems such as the Iron Belle and market our trail resources. The infrastructure is in place, the next step will be to increase use of the system for transportation as well as recreational purposes.

The City Master Plan also contemplates the creation of a Little Traverse Bay passenger ferry that could connect the City with Harbor Springs and Bay Harbor. City Council recently approved a license agreement with Little Traverse Bay Foundation that is projecting ferry service to begin in the summer of 2020.

Entrepreneurial Spirit

Petoskey is an entrepreneurial community. Many small businesses have started in Petoskey and grown to be national in scope (e.g., Kilwin's and American Spoon Foods, Petoskey Plastics), while others open a downtown storefront and stay for generations (Cutlers, Grandpa Shorters, Circus Shop, Reid Furniture). We believe that being accessible and responsive as a local government helps these types of businesses thrive and we will continue to work with the Chamber of Commerce and Northern Lakes Economic Alliance to support entrepreneurs. The Petoskey Area Chamber of Commerce is actively working to identify, nurture and promote businesses that follow the "Conscious Capitalism" business model and we have many area examples of businesses that value the "Triple-Bottom-Line" value system (measure of sustainability that includes, social, environmental and financial factors). From the public side, we will continue to strengthen those aspects of Petoskey that make a high-quality place, creating an environment where our place-based businesses can succeed and in turn reinvest in the community they value.

Education

In addition to a strong education network through our private and public K-12 schools, Petoskey is home to North Central Michigan College that adds educational, cultural and recreational facilities to the community. The college has been instrumental in identifying and training the workforce needed by area industry through its FabLab, as well as providing the University Center partnership program that allows students to complete the first two or three years of a bachelor degree program at substantial cost savings.

The City has worked with the school system, college, Little Traverse Bay Bands of Odawa Indians, and Emmet County Road Commission to improve access to these campuses.

Health Care

There are many changes occurring in the health care industry, but the Petoskey area is fortunate to have a regional referral center in McLaren Northern Michigan. With nearly 1,900 employees, the presence of a high quality medical center in a community of our size is a great economic asset. The \$150 million expansion currently underway will create 92 private patient rooms, 12 observational beds, a new operating room and lobby improvements.

The City has worked closely with the hospital on utility and roadway extensions for the expansion and will continue to support the efforts of McLaren Northern Michigan to update its facilities and grow its portion of the regional health care economy.

Public Utilities

With the exception of natural gas, the City is the local utility provider. The local ownership of the electric utility has enabled the City to convert almost half of the electric lines to underground, improving reliability. The City has an Insurance Services Office (ISO) 4 rating, which puts the City in the top 15% of communities nationally and helps residents and business receive lower insurance rates.

Local control of public utilities can also serve as an opportunity to provide incentives for desired economic development projects, or green infrastructure projects such as solar arrays or electric car charging stations.

Challenges

The most immediately pressing issue for the City is the rising water levels of Lake Michigan. The City has been and will continue to address issues related to embankment erosion and potential impacts on the municipal marina. Given the waterfront is one of our greatest assets, ensuring long-term recreational use will be a necessary investment.

National retail trends have greatly impacted Downtown Petoskey, but it continues to be a strong economic engine for the City and region. The seasonality of our economy has impacted the types of businesses locating in downtown storefronts, with service businesses and restaurants that are a draw for year-round residents occupying an increasing number of spaces. While downtown certainly has vacancies, it continues to have an enviable occupancy rate of 91 percent.² The Downtown Management Board, Chamber of Commerce and Petoskey Visitor's Bureau work to mitigate some of the seasonal impacts by promoting the "shoulder seasons" as well as outdoor winter events, promotion of the City's Winter Sports Park and various marketing efforts to attract visitors to the downtown area during the winter months.

A challenge for downtown is lack of a covered public parking deck. Various parking studies cite a shortage of public parking for tourists in the busy summer months. Additionally, developers have anecdotally stated that a lack of covered parking in the wintertime is a main obstacle to investing in downtown housing opportunities. Construction of a covered parking deck would spur rehabilitation and investment in many now vacant or underutilized second and third-stories. Creating more year-around downtown housing options will stimulate the downtown economy and help to alleviate the seasonal nature of Downtown Petoskey, but structured parking is necessary both from a supply standpoint and a practical standpoint of covered parking in winter. A mixed-use concept was developed for the Darling Lot and a conceptual two level deck at the combined City and County lots on E. Lake Street but the development of structured parking has not yet occurred.

A shortage of housing-particularly rentals- that are affordable or available to all income levels continues to impact the ability of businesses and industry to recruit skilled workers to the community. Petoskey's housing market is also heavily impacted by the seasonality of its economy whereby vacation rentals and seasonal housing take rentals and other housing stock off the year-round market. Even when seasonal homes are rented on a short-term lease basis during the winter months to families and the workforce, these homes come off the long-term rental market

² As of March 6, 2020 there are 16 vacant downtown storefront spaces.

in the summer, as property owners move to the area for the summer and/or rent the property on a daily or weekly basis. This creates added pressure on the rental market, creating additional difficulties for those seeking affordable rental housing. Identifying locations for new housing development and working with potential developers is a role the City can play, as well as identifying possible incentive programs to develop affordable housing. However, affordable housing is an issue that truly needs to be addressed at the regional level given employee commuting patterns.

Public transportation is the other challenge identified by employers that goes hand-in-hand with the affordable housing crisis given the rural nature of the majority of Emmet County. Emmet County created EMGO Ride for a year but funding through the budget process continues to be precarious. A dedicated funding source such as a voter-approved transportation millage would be a more reliable long-term solution and should continue to be explored.

The City will continue to strongly invest in community-wide infrastructure to spur future business opportunities, job creation and local tax base expansion. Over the years, the City has invested millions of dollars in the road network, parking amenities, parklands and local utilities. Future planned infrastructure improvements downtown include an extension of the Greenway Corridor to connect downtown and the Old Town Emmet Neighborhood, construction of a parking deck, and widening of the Park Avenue sidewalk in Pennsylvania Park to accommodate outdoor dining options.

Strategy and Tactics Summary

As the regional economic and cultural center, Petoskey has unique challenges and opportunities that economic development efforts need to address. Efforts in all areas will focus on promoting economic development that protects, enhances, and keeps relevant the community's natural, historic, social and cultural resources. These will include continuing support for our first-class park system and downtown area that define the community's unique sense of place, working with developers on priority redevelopment sites to address needed housing and infrastructure such as a parking structure, and partnering with other units of government to improve our regional transportation system. A summary of the many economic development tools the City has used in the past is attached as Appendix A, and the City is open to other programs as they present themselves.

The public sector will continue its investment in the downtown to create an appealing public realm. Public investments in physical improvements and other programmatic commitments are intended to set the stage for the high quality environment that defines Petoskey, providing opportunities for new private investments where there exists under-utilized or vacant land or buildings.

Future development will contribute to the unique sense of place, reflecting the culture and history of the community while promoting a wide array of mixed uses, quality pedestrian environments and scale of buildings. Redevelopment and in-fill development will be sensitive to their context relative to scale, character and placement and should have high community appeal and acceptance.

Redevelopment Priorities

Through public meetings with both the Planning Commission and City Council, City officials agreed to focus on two (2) main geographical areas within the City for economic redevelopment efforts. These areas could enhance the area's ability to absorb future growth in the hospitality sector, allow for small scale manufacturing and create various levels of housing. The areas and specific priority sites are detailed further in Appendix B.

1. **Downtown Petoskey and Periphery** – Downtown Petoskey is generally bounded by Michigan Street on the south, Emmet Street and U.S. 31 on the west, Rose Street on the North and Division Street and Waukazoo Avenue on the east. However, the Downtown Development Authority boundary actually extends from Winter Park Lane to the north and to Emmet Street on the south along the Downtown Greenway Corridor. The following projects will be undertaken over the next six years as detailed in 2018-2022 Downtown Strategic Plan and the 2020-2025 Capital Improvements Plan to support further economic development activity. The following projects will work to achieve our Strategy by enhancing downtown park and business amenities.



- Engineering and construction of a parking structure;
- Repaving of existing parking lots and installation of pay stations where appropriate; and
- Streetscape study to include exploration of snow-melt installation throughout the downtown to make downtown more walkable all year around.

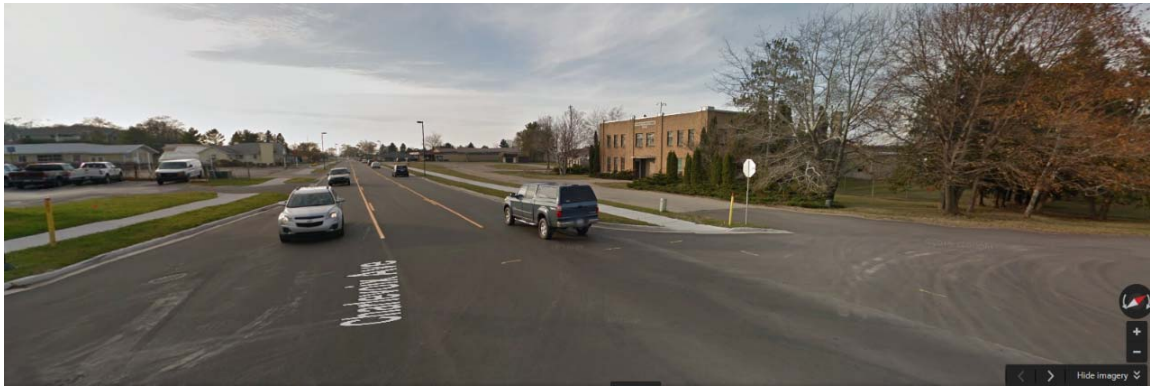
On the periphery of downtown there are also properties that are ideal for walkable mixed use or multiple family development.

2. **Old Town Emmet Neighborhood** – Generally bordered by Michigan Street on the north, Petoskey Street to the east, the Bear River to the west and Standish Avenue to the south. The neighborhood has a wide mix of uses from residential to industrial, and thus holds great potential for redevelopment. Projects anticipated in future years include:

- Expansion of the Downtown Greenway Corridor to Washington Street;
- Repaving of Fulton and Bridge Streets; and
- Improved access and amenities for Washington Park.



3. ~~**US 31 and US 131 Corridor**~~ — In recent years the City has worked closely with MDOT on implementation of an access management plan for the US 31 Corridor that was created in collaboration with Emmet County, Bear Creek Township and MDOT. Reconstruction of Charlevoix Avenue, and West Mitchell Street have improved traffic flow while enhancing pedestrian.



~~Charlevoix Avenue/U.S. 31~~

The City is currently coordinating with MDOT on the 2019 reconstruction and realignment of U.S. 31 from East Mitchell Street to the east City Limit. Given the Average Annual Daily Traffic (AADT) of these principal arterials ranges between 12,000 and 20,000, they are attractive locations for commercial development and therefore potential redevelopment areas. The City will continue to encourage mixed use environments when working with property owners in these areas.

Monitoring Progress

In addition to completing the projects identified, progress toward achieving the Strategy will be measured through collection of the following variables. Several of these are already tracked for the DDA District. The City Planner will coordinate collection of the following information:

- Building permits – residential and commercial;
- New and closing businesses;
- Job creation and loss;
- Home sales- number and values;
- Demographics including population, income, poverty rates; and
- Public investment in parks, arts and culture.

Monitoring efforts will be a critical component of evaluating the effectiveness of this Economic Development Strategy. Staff will track progress of the aforementioned variables throughout the year and develop a final progress report for City Council's review. Based upon overall yearly progress and completion of several capital improvements projects, the Economic Development Strategy may be updated in future years to focus efforts on other areas of the City.

APPENDIX A

ECONOMIC DEVELOPMENT TOOLS UTILIZED BY THE CITY OF PETOSKEY

UTILIZED	YEAR	PROJECT	OUTCOME
Downtown Streetscape	1995-1996 2007	Downtown Streetscape; East Mitchell Street islands	Continual efforts at improving pedestrian and biking amenities
Downtown Cooperative Advertising	1992		
Downtown Development Authority Created	1993		
Principal Shopping District/DMB Created	1994		Downtown Assessment created to fund activities
Downtown Wayfinding	2004		
Downtown Branding & Marketing	2008		
Tax Increment Finance Authority	1985 2004	Waterfront TIF; Downtown Parking Structures TIF	Redevelopment of Bayfront Park and Bear River Valley
Downtown Façade Grants	2009	Façade improvements throughout downtown	\$93,400 expended from Parking Fund to achieve \$382,900 in building improvements
Economic Enhancement Study and Downtown Plans	1997 2007 2013	Hyett Palma; Downtown Blueprint (Cool Cities designation); Downtown Strategic Plan	
PILOT (Payment in Lieu of Taxes)	1977 1991 2008 2010 2019	Riverview Terrace; Harbor Village Senior and Family; Little Traverse Woods	172 senior and 114 family affordable units
Brownfield TIF	2000 2004 2016	Petoskey Manufacturing site; Great Lakes Center for the Performing Arts	Superfund site reclamation into 17 condominium units. Beginning value \$97,000, current taxable value \$2.25M
Waterfront Redevelopment Grants; Brownfield Grants	2000 2016	200 West Lake Street Condos; Petoskey Pointe	See above
DDA Redevelopment Liquor License	2011		5 licenses issued (Beacon Bistro, Twisted Olive, Thai Orchid, Ernestos Cigar Bar, Sam's Graces)

<u>UTILIZED</u>	<u>YEAR</u>	<u>PROJECT</u>	<u>OUTCOME</u>
Rental Rehab	2014	Rehab existing housing units	7 rental units renovated on Waukazoo Ave.
CDBG for Blight Elimination	2015	Grant Application for 316-318 East Lake Street; applicant withdrew	Rehab vacant upper story to 6 units
Industrial Facilities Tax Exemptions (IFTs)	2007 2009	Cygnus, Demmer, Kilwins	Jobs retained/created
Personal Property Exemptions	2009	Kilwins	Jobs retained/created
Site Conceptual Plans Developed	2007 2015 2019	Blueprint Petoskey Charrett; Old Town Emmet Neighborhood Workshops; Darling Lot	Conceptual plans developed for redevelopment sites
<i><u>Grants for Placemaking</u></i>			
Natural Resources Trust Fund		Little Traverse Wheelway; Downtown Greenway Corridor; Skyline Trail acquisition	
TEA Programs through MDOT		Little Traverse Wheelway; Waterfront Redevelopment including pedestrian tunnel	
Water and Land Conservation		Marina	
<i><u>Programs Explored but not enacted</u></i>			
Neighborhood Enterprise Zone	Discussed in 2011	To encourage new residential development downtown and in Old Town Emmet Neighborhood	
Main Street	2007	Declined invitation to be grandfathered in 2007	
Corridor Improvement District	2010	Discussed with Resort Township for US 31	
Local Historic Districts	2019	Recommendation in Downtown Plans since 2007	City Council appointed a Local Historic District Study Committee for downtown; Study report in process

Appendix B

Priority Redevelopment Sites

Downtown Petoskey

There are two main focus areas for downtown redevelopment: 200 East Lake Street and the Michigan Street Parking Lot (Darling Lot). Although these two distinct sites both have unique challenges and opportunities, development on one of the sites may spur investment on the other. Both sites are critical to future economic development and growth in downtown Petoskey that may complement other current economic initiatives, including rehabilitation of upper story units for residential uses.

200 East Lake Street

Zoning:	PUD
Allowed uses:	Mixed residential, commercial
Adjacent uses:	Commercial
Approximate Size:	City block, just under 2 acres
Utilities:	All stubbed to property lines
Location attributes:	Anchor to Downtown Petoskey, located on US 31, views of Little Traverse Bay



This critical two-acre site serves as an important gateway to the downtown area and has been partially developed or vacant for many years before the Petoskey Pointe proposal was approved in 2004. It is the top development priority for both the Planning Commission and City Council. The City is open to a wide variety of uses consistent with the downtown area and may consider economic incentives to spur development based upon a mixed-use proposal. Some development ideas brought forward from City officials include mixed income housing, areas for public art, green infrastructure and underground public and private parking.

A review of the site's history may be beneficial to prospective developers. Based upon a mixed-use development that was approved in 2004, a former developer excavated several thousand cubic yards in anticipation of constructing an underground parking facility to serve both the mixed-use development and some of downtown public parking needs. As a result of the 2008-09 recession, the developer's funding was lost and the project has been inactive ever since. Water, sewer and electric utilities are adjacent to the site and ready for connection.

The City executed an agreement to utilize a DDA TIF Plan for the original development that would have dedicated tax increment dollars for the purchase of a level of underground public parking.

The site now also qualifies for a **Brownfield TIF** and the City may entertain tax increment financing to fund eligible activities including an underground parking deck. The number of needed parking spaces for both private and public uses will be dependent upon the overall development and cannot be fully determined at this time. The City may consider a variety of parking options that include private, public and possibly shared parking.

Michigan Economic Development Council (MEDC) representatives have stated there may be **Community Revitalization Program (CRP)** dollars available in the form of grants, loans, or other economic assistance. This State funding program promotes community revitalization that will accelerate private investment in areas of:

- Historical disinvestment;
- Contribute to job creation;
- Foster redevelopment of functionally obsolete or historic properties;
- Reduce blight and protect the natural resources of the State.

Eligible parties for CRP assistance include two or more individuals that may apply to the Michigan Strategic Fund for economic assistance. Loans are available up to \$10 million or grants up to \$1 million. The State considers many factors when reviewing applications such as job creation, private investment amount, need for a loan or grant, environmental contamination, promotion of mixed-uses and the importance of the project to the community.

The City became Redevelopment Ready Communities™ certified in 2018. The RRC certification signals that a community has effective development practices in place, such as well-defined development procedures, a community-supported vision, an open and predictable review process, and compelling sites for developers to locate projects.

The 200 East Lake Street property is the highest priority redevelopment site for the City with the City Manager, City Planner and DMB Director fully committed to working with developers in a cooperative manner to expedite development in this area.

The Darling Lot

Zoning:	B2 Central Business District
Allowed uses:	Commercial, residential, parking
Adjacent uses:	Commercial
Approximate Size:	1.1 acres
Utilities:	All utilities available
Location attributes:	Southern end of CBD, adjacent to Downtown Greenway Corridor



Also a priority site in the Downtown Development Area is the public parking lot at the corner of Michigan and Petoskey Streets. The site was chosen because of its central location to the downtown and its size. There is some grade to the site that might help with parking structure design. The location could also help to spur redevelopment south of downtown along the Downtown Greenway Corridor.

Geotechnical work has been completed on the site to determine structural loading capacities for a future parking deck. Soil studies were also completed showing the site contains contaminated soils that may qualify the land for **Brownfield Tax Increment Financing (TIF)**. Officially declaring the site a Brownfield will also make it eligible for State funding. ~~An additional option may be to use tax increment financing from future development at the 200 East Lake Street site to fund parking improvements at the Michigan Lot. This option may or may not be pursued and is dependent upon future parking demands associated with development at 200 East Lake Street. Once the parking study has been completed, the City Council, DMB and City Staff will explore planning and possible funding options to construct a future parking deck.~~

A conceptual plan for the property was developed in 2019 with pre-development assistance through the Michigan Economic Development Corporation that incorporated structured parking and housing, but the direction from City Council was that the site should be primarily for parking. Plans to build a covered, structured parking lot on the site of the Michigan Street Parking Lot (Darling Lot) have also been on-going for many decades. The site is viewed as a strong catalyst

for both downtown economic development/job creation and investment in second and third story downtown housing opportunities.

Adjacent to Downtown

First Baptist Church

Zoning:	OS Office Service
Allowed uses:	Office and residential
Adjacent uses:	Office and single family residential
Approximate Size:	Lot is 8,400 square feet; building is approximately 25,000 square feet
Utilities:	All utilities available
Location attributes:	Adjacent to the CBD, near schools

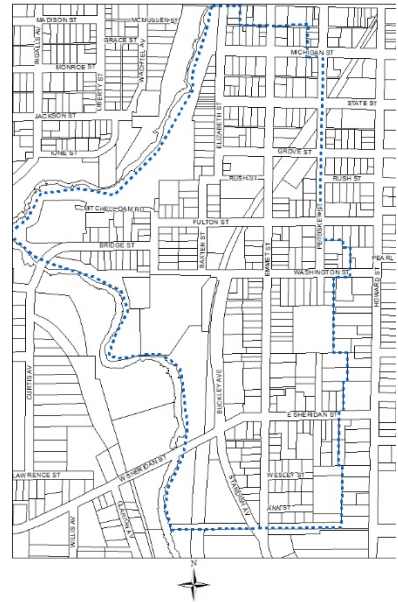
The historic church was built in 1910 and has had the same congregation for its life. The church congregation is building a new facility and looking to sell the historic structure. The site is constrained without the possibility of on-site parking.

Preservation of the historic structure, in addition to removal of previously identified contamination, would likely qualify the site as a brownfield. Given the proximity of the site to the downtown, the desired development outcome could be housing or office use, which are both permitted uses in the O-S District.



Old Town Emmet Neighborhood

The area south of downtown, the Old Town Emmet Neighborhood is another area the City will encourage redevelopment. Historically, the Old Town Emmet Neighborhood held many industries that took advantage of the Bear River, including several mills and power generating plants. The area has ten properties currently listed on the National Register of Historic Places, with many others that meet the criteria to be placed on the register. Emmet Street bisects the neighborhood and was historically the main road into Petoskey from the south. As a major collector thoroughfare, the street continues to carry significant traffic with an average of 5,400 vehicles daily. The “four corners” of Emmet and Washington Streets is the commercial center of the neighborhood and has most recently been known for its cluster of resale shops. The corner also houses a convenience store.



Emmet Street was fully reconstructed in 2017, and the Downtown Greenway Corridor was extended to Emmet Street, as well as the sidewalk widened on the east side to 8 feet. Neighborhood pedestrian orientation has greatly improved, with connections to downtown, the Little Traverse Wheelway at the waterfront, Bear River Valley Recreation Area, and the North Country National Scenic/ Iron Belle Trail.

The infrastructure is now in place that will enhance future redevelopment of the neighborhood.

The current zoning of Mixed Use Corridor aligns accurately with the overall concept of balancing future residential and commercial development that contributes to the unique sense of place while reflecting the culture and history of the neighborhood. Redevelopment should include a quality pedestrian environment with buildings built on a similar scale to the existing neighborhood that preserve the unique residential aspect of the Emmet Corridor. This current zoning district promotes commercial and retail businesses on the first floor with housing opportunities for second and third floor buildings. The City strongly encourages development of a wide range of housing-both type and price- to cater to diverse populations of future residents.



Before Reconstruction



After Reconstruction

Incentive programs that may be available to property owners include the **Neighborhood Enterprise Zone (NEZ)** program which provides a tax incentive for the development and rehabilitation of residential housing to spur development and rehabilitation of residential housing where it may not otherwise occur. This program can reduce the taxes on property for up to 15 years in designated areas to promote the revitalization of those neighborhoods by creating a NEZ. The City would need to initially approve the NEZ District before any tax incentives are executed. Of specific interest for redevelopment in the next 2-5 years is the property at 900 Emmet Street that formerly housed Hankey Lumber Company and is now owned by Gruler's Pet Supplies.

900 Emmet Street (Gruler Property)

Zoning:	B-2B Mixed Use Corridor
Allowed uses:	Mixed residential, commercial
Adjacent uses:	Residential, commercial, industrial
Approximate Size:	~ 1.3 acres
Utilities:	All utilities available in adjacent streets
Location attributes:	Adjacent to high volume collector and rail; mixed-use site concept developed; potential for expansion of Downtown Greenway Corridor along tracks between Fulton and Washington Streets.



The one block area has been the focus of economic development efforts for many years and is poised for private redevelopment. In 2013, the City developed, *“The Old Town Emmet Neighborhood Plan”* that addressed several challenges and opportunities for economic growth and creates a specific road map for private/public investments.

Further south and adjacent to the river is a large tract of former industrial land-the Poquette property and former Continental Structural Plastics building that is currently home to several contractor businesses, but is seen as a longer-term redevelopment site given the success of the Bear River Valley Recreation Area across the river. It is a site that would likely have significant remediation costs and would therefore be a priority location for a Brownfield TIF.

The Old Town Emmet Neighborhood has many attributes to be built upon creating great potential to transform the neighborhood to a vibrant, pedestrian-friendly and diverse neighborhood where small shops and a wide array of housing opportunities exist side by side. The City will continue to prioritize this area to incentivize development through economic development initiatives and strong investment in public infrastructure. The Public Works Director, City Planner and City Manager are committed to seeing this area reach its full potential.



BOARD: City Council

MEETING DATE: May 4, 2020

DATE PREPARED: April 27, 2020

AGENDA SUBJECT: First reading of an ordinance to conditionally rezone properties at 112, 116, 118, and 124 East Mitchell Street from B-1 Local Business and O-S Office Service Districts to B-2A Transitional Business

RECOMMENDATION: That City Council conduct a first reading of the proposed ordinance

Background A public hearing was held by the Planning Commission on December 12, 2019 on the request to rezone the subject property to B-2A Transitional Business from B-1 Local Business and O-S Office Service.

The concerns raised at the hearing were regarding parking needs of uses allowed in the B-2A District, which resulted in 4-4 vote on the request. However, the Commission did find there were benefits of the rezoning to B-2A and therefore worked to address the parking issues by proposing changes to the parking exempt district and parking requirements in the B-2A District.

Based on comments made at the first reading of the ordinance, the following background is provided.

The subject properties were first proposed for rezoning in 2004, when Family Video wanted to enlarge its store. At that time, the concern of the neighbors and Planning Commission was that the site would be too suburban and was not an appropriate entrance for an historic downtown. Since that time, the Planning Commission spent significant time in discussion of form-based codes and the importance of ensuring that the historic form of downtown was maintained, as well as a mix of uses that enhanced pedestrian orientation. Ultimately, a hybrid ordinance was created for the B-2 Central Business District (adopted in 2013). The separation of uses and single use zoning promotes vehicle use rather than pedestrian-oriented, dense urban cores, which is why a wide mix of uses is allowed in the district.



When the Planning Commission was developing the B-2A Transitional Business District and B-2B Mixed Use Corridor (2013-2014), this block was again discussed. At that time, the lot with the Family Video store was zoned B-1 Local Business and the remainder of the block was zoned O-S Office Service. The discussion at the Commission level was that the Family Video properties should be rezoned to B-2 Central Business District to require redevelopment of the site consistent with the form of downtown – buildings built to the property line, a minimum of two stories and a mix of uses- rather than allowing the type of development that had been proposed for the Family Video expansion. At the same time, the Commission recommended rezoning the remainder of the block to RM-2 Multiple Family from O-S Office Service to discourage commercial creep into the Old Town Emmet Neighborhood (the neighborhood boundary does not include the Family Video parcels).



At the same time, the Commission recommended rezoning the remainder of the block to RM-2 Multiple Family from O-S Office Service to discourage commercial creep into the Old Town Emmet Neighborhood (the neighborhood boundary does not include the Family Video parcels). City Council only adopted the rezoning to RM-2 as they had concerns with rezoning the Family Video property because there was no pending development and concerns were raised with the possible uses of the B2 District.

The City Planner met with Mr. Pattullo, the new owner's architect in October, 2019, to discuss options for the property. As the property was in two zoning districts, a rezoning would be required for effective redevelopment. The concept was a two story residential building with parking underneath and potentially some ground floor commercial space. Staff suggested a rezoning to the B-2A for several reasons. First and foremost, this property is at the entrance of downtown and therefore its redevelopment should enhance that entrance by having a form indicating one has arrived to the historic commercial core of the community and is leaving the auto-oriented development pattern of West Mitchell Street. The B-2A District restricts building setbacks to a maximum of 15 feet and allows a building to be placed up to street-fronting property lines, while the current zoning of the block has no setback maximum and allows drive-through uses with no restriction that they be placed to the rear of a structure. Second, the B-2A District does not have a residential density limit based on lot size so the critical need for housing could be better addressed. Third, the site has limited site access and could effectively use the alley to the south of the property if the building is placed up to the East Mitchell Street property line, similar to buildings in the B-2 District. Fourth, the B-2A is a mixed-use district with building form that enhances pedestrian orientation. Finally, the maximum height of the B-2A District is three (3) stories, 33 feet, which is the same height limit as the zoning of the remainder of the block (RM-2), and in fact, a similar height to many of the two-story downtown buildings.

Discussion

The intent of the B-2A District is to complement the historic urban core of the Central Business District, while providing a transition area to adjacent neighborhoods. The district has a less intensive development pattern than the Central Business District in that it allows for single story buildings and ground floor residential, but still allows for a zero lot-line building along street-fronting sides and a wide mix of permitted uses.

A unique attribute to the site is the greenspace that was created when East Mitchell Street was realigned to create a perpendicular intersection with US-31. A zero-lot line building on the site would be between 20 and 60 feet from the curb, rather than within eight (8) feet of the curb as existing zero-lot line buildings on West or East Mitchell Streets. The corner property has two front yards and two side yards.



The Future Land Use Map identifies these properties as Neighborhood Mixed Use, while the south end of the block is identified as Mixed Residential. City Council should consider whether the zoning of this property should enable development more compatible with the remainder of the block that is a mix of single and multiple family dwellings, or more compatible with the Central Business District.

Based on concerns raised by City Council regarding the uses allowed in the B-2A District, the Applicant's representative, Michael Pattullo, AIA, of Shoreline Architecture Design, suggested during the public meeting that the Applicant would likely agree to certain conditions should Council agree to re-zone the subject property. The Michigan Zoning Enabling Act, at MCL 125.3405, allows for conditional rezoning should an owner voluntarily offer, in writing, certain use and development of land as a condition to a rezoning. The conditions must be approved by the City and the City may establish a time period during which the conditions apply to the land. On April 8, 2020, Mr. Pattullo, on behalf of the Applicant, wrote a letter to the City Planner voluntarily offering proposed zoning conditions (see enclosed). Subsequently on April 17, 2020, Mr. Pattullo clarified the terms of the conditions. Based on the Applicant's offer, the City Attorney attempted to clarify Applicant's position pursuant to his correspondence dated April 27, 2020, which included an outline of the Voluntary Offer of Conditions pursuant to MCL 125.3405 (copy enclosed). The applicant signed the Voluntary Offer of Conditions to be effective April 27, 2020, which conditions are included in the revised version of the proposed Ordinance Amendment (copy enclosed). The revised version of the Ordinance, which now incorporates Applicant's Voluntary Conditions, would constitute a first reading.

Recommendation That City Council conduct a first reading on the conditional rezoning ordinance.

at
Enclosures

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April 8, 2020

DRAFT

Amy Tweeten
City Planner
City of Petoskey
101 East Lake Street
Petoskey, MI 49770

Re: Proposed Site Use Conditions for 124 Mitchell Street

Amy,

I am writing to request an amendment to the application we prepared on behalf of Howard Property Partners, LLC (Owner) seeking rezoning of 112, 116, 118 and 124 E. Mitchell Street to B-2A Transitional Business District. The proposed amendment shall impose limitations regarding the permitted use(s) of the property and a commitment by the Owner to provide multi-family housing on the upper floors of the proposed building to be constructed on the site.

As such, it is proposed that the following uses be excluded from the Permitted and Special Condition Uses identified in Table 2901.1 of the City of Petoskey Code of Ordinances:

- Brewpub, microbrewery, winery
- Food service with or without alcohol service
- Open-air business
- Public Assembly

Furthermore, the Owner commits to provide multi-family housing on the upper two floors of the proposed building to be initially constructed on the site. However, should future market conditions or a subsequent building owner determine that a change of use is warranted, this change of use shall be permitted subject to a) applicable zoning restrictions imposed at the time of the potential change and b) the excluded uses identified above.

As the Applicant, we request that these proposed conditions be placed on the rezoning request currently before the City Council.

Feel free to contact me if you have any questions or need additional information.

Regards,

Michael H. Pattullo, AIA
President



April 27, 2020

Michael H. Pattullo, AIA
Shoreline Architecture Design
8 Pennsylvania Plaza
Petoskey, MI 49770
VIA EMAIL: mike@shorelinearchitecture.com

RE: Proposed Site Use Conditions for 124 Mitchell Street

Dear Mr. Pattullo:

I've reviewed your letter of April 8, 2020 and your email of April 17, 2020, both of which discussed proposed voluntary conditions and restrictions with regard to the rezoning of the properties commonly known as 112, 116, 118, and 124 E. Mitchell Street.

As these conditions were transmitted from Mr. Berg of Howard Property Partners, LLC to you and then to the City, I want to make sure that the City is clear as to what's being offered by your client. To that end, I've attached a summary of what I believe to have been presented in your letter and email as proposed voluntary conditions.

Please have Mr. Berg review this document carefully and confirm that I have understood the offer correctly and that I have included all of his conditions. If the document is complete and accurate, please have Mr. Berg or the appropriate authorized representative of Howard Property Partners, LLC sign and date the document and return a copy to me. If the document is incorrect in any respect – if I have misunderstood the conditions offered or if the document is incomplete or deficient in any way - please clarify the conditions (if any) that are being offered by Howard Partners, LLC for consideration by the City.

We want to emphasize again that the attached document contains my understanding based on the statements of offers of conditions contained in your letter of April 8, 2020 and your email of April 17, 2020, all of which were strictly voluntary in nature. The City is not requiring that any conditions be offered as a requirement for rezoning.

We look forward to hearing from you and appreciate your assistance in clarifying the City's understanding of your client's offer.

Very truly yours,

James J. Murray
Plunkett Cooney
(231) 348-6413
jmurray@plunkettcooney.com

ATTORNEYS & COUNSELORS AT LAW

303 Howard Street • Petoskey, MI 49770 • T: (231) 347-1200 • F: (231) 347-2949 • plunkettcooney.com

VOLUNTARY OFFER OF CONDITIONS

I, Robert S. Berg, as authorized by and on behalf of Howard Property Partners, LLC, hereby voluntarily offer the following conditions consistent with MCL 125.3405 with respect to my rezoning request of 112, 116, 118, and 124 E. Mitchell Street to B-2A Transitional Business District:

- The following uses will be excluded from the Permitted and Special Condition Uses identified in Table 2901.1 of the City of Petoskey Code of Ordinances with regard to this property:
 - Brewpub, microbrewery, winery
 - Food service with or without alcohol service
 - Open-air business
 - Public assembly
- The property will be cleared (with the existing building demolished) and graded within two years, absent an extension by the City at the request of the owner
- The owner shall provide multi-family housing on the upper two floors of the proposed building to be constructed on the site; however, should future market conditions or a subsequent building owner determine that a change of use is warranted, a change of use shall be permitted subject to:
 - Applicable zoning restrictions imposed at the time of the change of use; and
 - The excluded uses set forth above
- This offer, if accepted by the City, shall be enforceable by the City as a zoning or contract matter.



Robert S. Berg, as Member and
Authorized Representative of
Howard Property Partners, LLC

Dated effective: April 27, 2020

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE ZONING DISTRICT MAP OF THE CITY OF PETOSKEY AS SET FORTH IN ORDINANCE NO. 451, THE ZONING ORDINANCE OF THE CITY OF PETOSKEY TO RE-ZONE SPECIFIC PROPERTIES FROM THE O-S OFFICE SERVICE DISTRICT AND THE B-1 LOCAL BUSINESS DISTRICT TO THE B-2A TRANSITIONAL BUSINESS DISTRICT.

WHEREAS, a request to rezone 112, 116, 118, 124 E. Mitchell Street from O-S Office Service and B-1 Local Business to B-2A Transitional Business was made on November 8, 2019; and

WHEREAS, the subject properties are located at the entrance to downtown and adjacent to US 31 and hold a single-story structure and three vacant lots within two different zoning districts; and

WHEREAS, successful redevelopment of the property necessitates that all parcels have the same zoning; and

WHEREAS, rezoning of the subject properties to B-2A is consistent with the City of Petoskey Master Plan objectives of guiding development and redevelopment in a manner that will maintain high quality living and working environments for current and future residents, ensuring that future infill development or redevelopment is compatible with and enhances existing residential areas, and maintaining and enhancing Downtown Petoskey as the regional economic and cultural center of the community; and

WHEREAS, the proposed rezoning is consistent with the Future Land Use Map of the Petoskey Master Plan; and

WHEREAS, the Petoskey Planning Commission held a public hearing on the rezoning request at its December 19, 2019 meeting; and

WHEREAS, after the public hearing, the Petoskey Planning Commission had a tie vote (4-4) on the request and therefore failed to make a recommendation to City Council that the Zoning District Map be amended to add the subject properties to the B-2A Transitional Business District due to the concern of the property being located in the parking exempt district; and

WHEREAS, the Planning Commission held a public hearing at its February 20, 2020 meeting, and recommended to City Council that Sections 1704(c) and 2903(3) be amended to reduce the size of the parking exempt district, removing the subject properties from said district, and decreasing the parking requirements to 75% of full requirements in the B-2A Transitional Business District to promote a more pedestrian-oriented development pattern; and

WHEREAS, the concern of the Planning Commission with the rezoning of 112, 116, 118, 124 E. Mitchell to B-2A Transitional Business has been addressed should the proposed changes to Sections 1704(C) and 2903(3) be approved by City Council; and

WHEREAS, upon hearing the concerns raised by City Council regarding the entirety of uses allowed in the B-2A District, the property owner subsequently and voluntarily submitted conditions for the rezoning; and

WHEREAS, the City has considered the voluntary conditions and determined that the conditions further the above goals of enhancing existing residential areas and the community and are additionally consistent with anticipated future land uses;

NOW THEREFORE, the City of Petoskey ordains:

1. City Council accepts the conditions offered by the property owner with respect to Lots 1, 2, 3 and 4 of Block 3, Ignatius Petoskey's Addition to the Village of Petoskey City recorded in Liber 1 of Plats, Page 7, Emmet County Records.
2. Lots 1, 2, 3 and 4 of Block 3, Ignatius Petoskey's Addition to the Village of Petoskey City recorded in Liber 1 of Plats, Page 7, Emmet County Records are rezoned to B-2A Transitional Business District, subject to all applicable zoning usages, standards, regulations, requirements, and conditions of that district, except as modified herein.
3. In addition to the zoning provisions applicable to B-2A Transitional Business District properties, the above properties shall be subject to the following additional conditions:
 - a. The upper two stories of the building will be restricted to multi-family residential housing; and
 - b. The following commercial uses listed in Table 2901.1 shall not be allowed: brewpub, microbrewery, winery, food service with or without alcohol service, open air businesses, and public assembly.
4. The conditional rezoning is subject to the following timing considerations:
 - a. The properties will be cleared, including the demolition of any existing structures, and the land graded within twenty-four (24) months, absent an extension by the City at the request of the owner. Should this process not be completed in this time period, the zoning will revert to the previous zoning districts.
 - b. The condition that the upper two stories of the building be restricted to multi-family residential housing shall exist until such

time that the City determines to rezone said properties to remove or modify this restriction in light of a change in conditions rendering a change to the zoning ordinance appropriate.

- c. The condition not to allow brewpub, microbrewery, winery, food service with or without alcohol service, open air businesses, and public assembly shall exist until such time that the City determines to rezone said properties to remove or modify this restriction in light of a change in conditions rendering a change to the zoning ordinance appropriate.

5. The Zoning District Map of the City of Petoskey shall be, and the same hereby is, amended in order that the following described property be shown as located in the B-2A Transitional Business District and the Zoning classification hereafter for said property shall be B-2A Transitional Business. The property hereby re-zoned, subject to the above conditions, is described as follows:

All of Lots 1, 2, 3 and 4 of Block 3, Ignatius Petoskey's Addition to the Village of Petoskey City recorded in Liber 1 of Plats, Page 7, Emmet County Records.

5. 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. 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.

Adopted, enacted and ordained by the City of Petoskey City Council this _____ day of _____ 2020.

John Murphy
Its Mayor

Alan Terry
Its Clerk



BOARD: City Council

MEETING DATE: May 4, 2020

DATE PREPARED: April 27, 2020

AGENDA SUBJECT: Second reading of an ordinance to amend Sections 1704(c) Off-street Parking Exception to General Provision and 2903(3) Site Requirements in the B-2A Transitional Business District

RECOMMENDATION: Conduct Second Reading/ Possible Action

Background

At its February 20, 2020 meeting, the Planning Commission unanimously (with one abstention) recommended two changes to the Zoning Ordinance related to parking requirements adjacent to the Central Business District, Sections 1704(c) Off-street Parking Exception to General Provision and 2903(3) Site Requirements in the B-2A Transitional Business District.

Changes to Section 1704(c) Off-street Parking Exception to General Provision

The current parking exempt area is defined in Section 1704(c) of the Zoning Ordinance and includes the area inside the red line as well as the two blue areas on the map below. However, the two blue areas on the map below are primarily residential properties, do not have parking meters, nor are they monitored or enforced by the Parking Services Office.

The two properties in the northeast corner have been zoned RM-2 Multiple Family for many years, while the properties at the southwest corner – with the exception of the Family Video property were rezoned to RM-2 Multiple Family from O-S Office Service in 2014. The Planning Commission recommended that rezoning to keep the properties residential, rather than encourage redevelopment into office uses.

There would only be an impact on these residential structures from the proposed ordinance change if an owner wanted to add units to any of the existing buildings. At that point, the sufficiency of parking would be evaluated. As many of the lots do not meet current zoning standards for size or lot coverage- even for single family dwellings- parking is down on the list of reasons additional units could not be created.



Map created with Emmet County
and City data (alt 2-21-20)

In the event that a property did have sufficient size to add units and they could show that the ordinance amendment (i.e., the change to the parking exempt district boundary) created a practical difficulty, a variance request would be the correct remedy pursuant to Section 2004(a) of the Petoskey Zoning Ordinance.

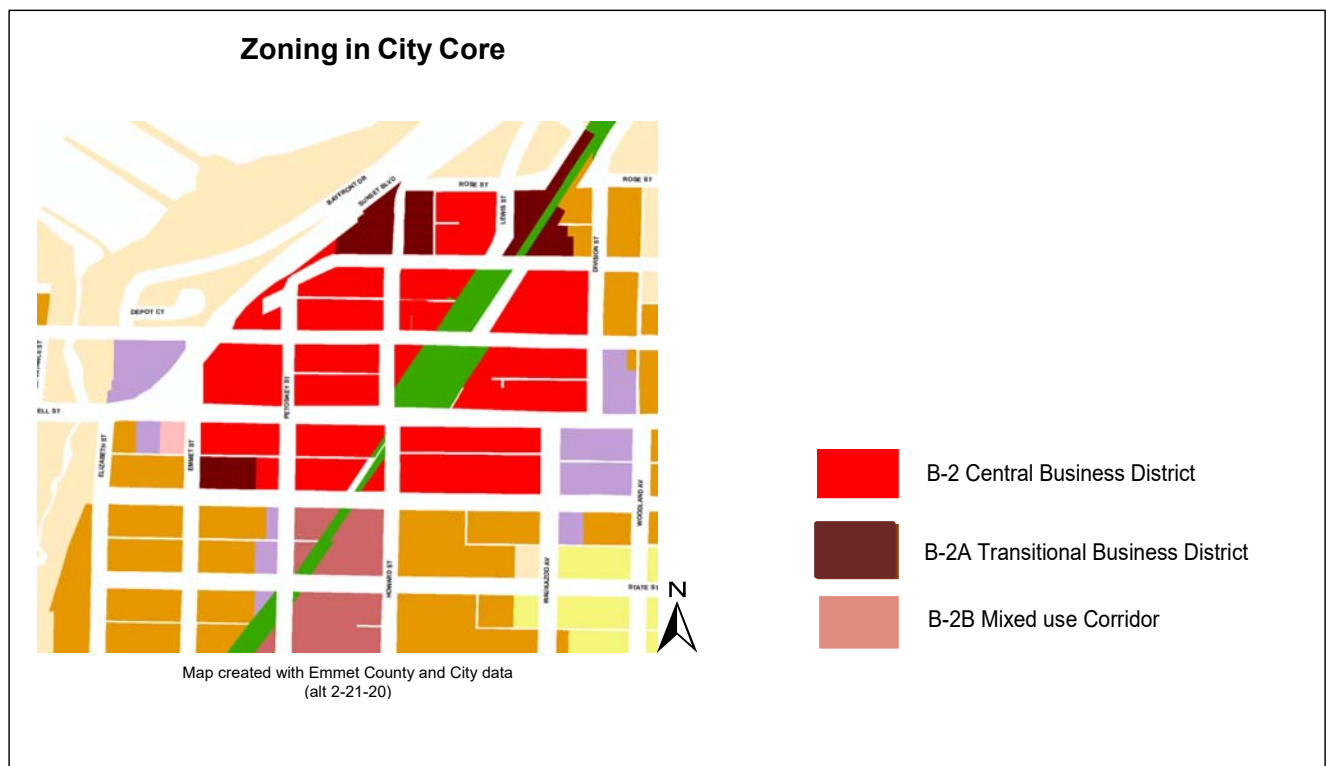
To be clear, the properties would be grandfathered as they are today – sale of property does not require properties to be brought into compliance with current zoning regulations.

For the properties zoned B-1 Local Business and O-S Office Service along E. Mitchell Street, the ordinance change would require any redevelopment to provide on-site parking.

Change to Section 2903(3) Site Requirements in the B-2A Transitional Business District

The second proposed change to Section 2903(3) would amend the B-2A Transitional Business District to allow a reduction in the amount of on-site parking to no less than 75% of the full parking requirements per Section 1704 of the Zoning Ordinance, which would be consistent with the B-2B Mixed Use Corridor, the other district provided as a “step-down” district from the Central Business District. The intent of both districts is to provide a transition area to adjacent neighborhoods that maintains and promotes a pedestrian-friendly environment.

This change is recommended at this time because of the proposed rezoning of 112, 116, 118 and 124 from B-1 Local Business and O-S Office Service to B-2A Transitional Business, which is a separate ordinance and will be explained further in that agenda memo.

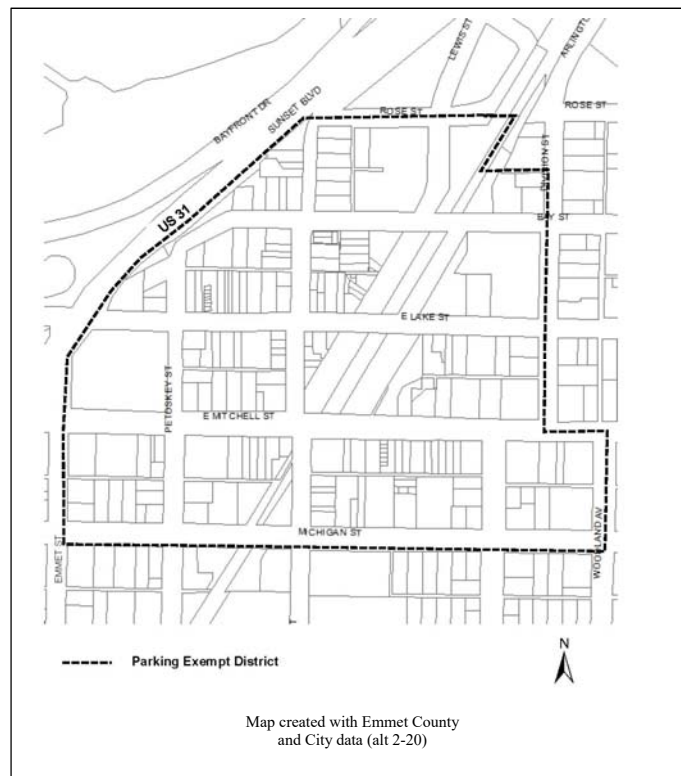


Summary

The two proposed text amendments with highlighted changes are below.

Section 1704(c) *Exception to general provisions*. The area delineated as the Central Business Parking Exempt District is exempt from providing off-street parking, but if off-street parking and loading requirements are provided, the lot shall meet all applicable design standards of this Zoning Code. The Central Business Parking Exempt District is defined as the area bounded by Michigan Street on the south, Rose Street on the north, U.S. 31 and Emmet Street on the west, and on the east, it follows Woodland and Division streets to a point 138 feet north of the Bay Street right-of-way to an east-west

alley, thence west to the former railroad corridor now identified as the Downtown Greenway Corridor, thence northeast until it reaches the Rose Street right-of-way as illustrated below:



2903(3) Site Requirements:

- (a) Parking shall only be permitted as accessory to an immediately adjacent principal use.
- (b) Parking lot development is only allowed in the rear or side yards and screened with a hedge or finished wall of at least three feet and no more than four feet in height from view of any public street, alley, parkland or adjacent residential property.
- (c) Parking spaces shall be set back a minimum of three feet from the property line.
- (d) Off-street parking requirements in the B2-A District are no less than 75 percent of the requirements of Table 1704(h).

Recommendation

Based on public comment, the recommendation of the Planning Commission and clarifications provided above, staff recommends that City Council adopt the enclosed ordinance to amend Sections 1704 and 2903 of the Zoning Ordinance.

AT
Enclosures

ORDINANCE NO. _____

**AN ORDINANCE TO AMEND SECTIONS 1704(C) AND 2903(3) OF APPENDIX A,
ZONING ORDINANCE, OF THE PETOSKEY CODE OF ORDINANCES**

WHEREAS, an objective of the City of Petoskey Master Plan is to maintain and enhance Downtown as the regional economic and cultural center of the community; and

WHEREAS, it is acknowledged that to accomplish a dense urban core there is a need for municipal parking to discourage development of private surface parking lots that remove existing buildings and negatively impacting the pedestrian orientation of the downtown; and

WHEREAS, there exists a parking exempt district in the downtown area described in Section 1704(c) of the Zoning Ordinance where on-site parking is not required for any permitted use; and

WHEREAS, the periphery areas of the Central Business District, including the B-2A Transitional Business and B-2B Mixed Use Corridor, are also intended to maintain a pedestrian orientation; and

WHEREAS, the Planning Commission held a public hearing on changes to Section 1704(c) and 2903(3) of the Zoning Ordinance that would reduce the size of the parking exempt district, and reduce parking requirements in the B-2A Transitional Business to no less than 75% of full requirements; and

WHEREAS, the Planning Commission recommends that the changes to Sections 1704(c) and 2903(3) of the Zoning Ordinance be approved to ensure that existing public parking is not overly burdened by future redevelopment at the periphery of downtown, while also promoting a pedestrian-oriented development pattern:

NOW THEREFORE, the City of Petoskey ordains:

1. Section 1704(c) of Appendix A to the Petoskey Code of Ordinances is hereby amended as follows:

Exception to general provisions. The area delineated as the Central Business Parking Exempt District is exempt from providing off-street parking, but if off-street parking and loading requirements are provided, the lot shall meet all applicable design standards of this Zoning Code. The Central Business Parking Exempt District is defined as the area bounded by Michigan Street on the south, Rose Street on the north, US 31 and Emmet Street on the west, and on the east, it follows Woodland and Division Streets to a point 138 feet north of the Bay Street right-of-way to an east-west alley, thence west to the former railroad corridor now identified as the Downtown Greenway Corridor, thence northeast until it reaches the Rose Street right-of-way as illustrated below:



2. **Section 2903(3) of Appendix A to the Petoskey Code of Ordinances is hereby repealed and replaced with the following:**

Sec. 2903(3) Site Requirements

- (a) Parking shall only be permitted as accessory to an immediately adjacent principal use.
- (b) Parking lot development is only allowed in the rear or side yards and screened with a hedge or finished wall of at least three (3) feet and no more than four feet in height from view of any public street, alley, parkland or adjacent residential property.
- (c) Parking spaces shall be set back a minimum of three feet from the property line.
- (d) Off-street parking requirements in the B2-A District are no less than 75 percent of the requirements of Table 1704(h).

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.

Adopted, enacted and ordained by the City of Petoskey City Council this _____ day of _____ 2020.

John Murphy
Its Mayor

Alan Terry
Its Clerk

**City Planner responses to letter from Jonathan Scheel to City Council
regarding ordinance amendments**
(responses are bolded)

Councilmembers,

I have some strong concerns on the two ordinances you will be looking at this evening. These are my personal concerns and do not represent any tie to the planning commission as I recused myself from that discussion and was not in the room for it.

The off street parking exemption plays an important piece of future development of workforce housing and continued affordability of workforce housing in that neighborhood. There are 12 residential buildings on the block between Emmet and Elizabeth Streets. They all seem to have been built in the early turn of the 20th century with the wonderful architecture that Petoskey is known for. Many of those properties have multiple units of very affordable housing. Out of those 12 properties, maybe 3 have enough room for offstreet parking as required by the zoning ordinance if you pass the proposed ordinance. You would also make the majority of these properties nonconforming. This means if any property owner wanted to add a unit or units they wouldn't be able to. Per your zoning ordinance, I don't believe the ZBA could give a variance. You are then promoting teardowns for parking. Exactly what I believe the ordinance was put in place in the first place.

STAFF RESPONSE:

As many of the single family homes were divided into multiple units many years ago, staff cannot say whether adding more units to existing structures would be allowed or not. There are other ordinance considerations such as lot coverage and density limits that may inhibit such actions rather than provision of parking. In the event that other requirements were met and the change of ordinance to require parking created a practical difficulty, then a case for a variance could indeed be made to the Zoning Board of Appeals (Section 2004(a) of the Petoskey Zoning Ordinance).

I will not comment on the condition of the “very affordable” housing units except to say that the lack of new housing construction in recent years has allowed landlords to get by with marginal units. New rental inventory seems to be a threat to some landlords but may act to encourage them to improve their properties.

The Planning Commission is well aware of the housing crisis and will be coming forth with recommended changes to the zoning ordinance that could encourage creation of additional units.

There seems to be a concern about the availability of parking in this neighborhood, specifically this block. There are between 28 to 30 public street parking spots on the north side of Michigan Street and the east and west sides of Elizabeth north of Michigan Street. I have watched the number of cars parking on those two streets for the last 3 months as I visit my property daily at 424 Emmet Street overseeing construction of apartments at my building. (Side note. So it doesn't look like this letter is self-serving, I have zoning for my apartments so this ordinance does not affect my property today.

If I did not have zoning, I would be looking at a tear down of a very historical structure as the owner before me was going to do.) There have been a maximum of 6 vehicles parked on Michigan and Elizabeth Streets at any one time in the last 3 months. Normally it is about 4 cars on a daily basis. That means there are probably 26 unused spaces. That doesn't include the south side of Michigan which is equally empty of parked cars.

STAFF RESPONSE:

Staff agrees that there is not a parking problem on this block of Michigan – or the second area proposed for removal from the parking exempt district – most of the year. That could be said for the majority of neighborhoods in the City. The Planning Commission has raised and tried to address this issue with previous zoning ordinance amendments, however, we have not been successful in convincing residents that on-street parking is not always a negative. We did, however, come up with reduced parking ratios for the B-2B District and are now recommending this for the B-2A.

The two areas proposed for removal from the parking exempt district are a majority zoned RM-2 Multiple Family and contain single family dwellings. There are no parking meters and there is no enforcement by the Downtown Parking Office. Therefore, they serve as free parking for downtown employees. This ordinance language does not change that fact.

I believe this ordinance is a step backwards for the city. It puts up barriers for workforce housing. It promotes teardowns of our historic housing stock. It does not support the city's goal of sustainability as it promotes more cars, not less. Please reject this ordinance.

STAFF RESPONSE:

The ordinance does not put up barriers to workforce housing. The existing housing can remain as it is. Three of the larger properties on the north side of the 100 block of Michigan Street are owned by one landlord, who has alley access and sufficient lot area to put in improved parking but has chosen not to. I do not believe the ordinance amendment changes that.

In the bigger picture, I agree we need to focus less on parking and allow more walkable mixed use development such as is allowed in the B-2A District. The Planning Commission has been given a lot of information on the negatives of excessive parking and how the trend to move back to dense urban centers needs to take this into account. I think the Planning Commission would welcome direction from City Council to reduce parking requirements – and to change parking minimums to parking maximums.

The rezone request:

This rezoning would allow by right, a 33 foot, 3 story building sidewalk to sidewalk to alley to west property line. That is taller than many downtown buildings. The size and scale seems inappropriate for that corner. Also the developer is proposing market rate housing but the rezone would allow most commercial uses, again similar to downtown. The developer claims he needs the space for parking but hasn't shown why he does (and isn't required to for a rezone). The developer and the city have other options to get a quality project on that parcel. The developer could ask for variances.

This parcel fits well for a “hardship”. Fronting Mitchell Street on two sides without street parking provides the hardship. This allows the ZBA to look at an actual plan instead of a concept. The second way is to ask for conditional zoning. This also allows for the Planning Commission to review a specific plan that would look at setbacks and heights of buildings. Please vote no on the rezone.

STAFF RESPONSE:

The existing zoning allows for buildings that are 3 stories, 33 feet. Mr. Scheel’s building is 35 feet on the Michigan Street side and taller on Emmet Street, has no setback along Emmet Street and an approximately 12 foot front yard setback on Michigan. Yes it is an historic building and staff has done everything in her ability to have the structure preserved and put into the housing inventory. Why is reasonable height good for historic structures, but not as a means to more sustainable redevelopment?

Yes, B-2A would allow commercial uses or a strictly residential building. Under current building codes, with which Mr. Scheel has some experience, a 3 story commercial or multi-family building could not be built in 33 feet. So what has been contemplated with a conceptual drawing is a 2 ½ story building – two floors of residential on top of parking so there would not be a large surface parking lot. Yes, even with the parking exempt district in place, the concept included sufficient parking for approximately 24 residential units and a small amount of commercial space – all covered by the building. There have been no development incentives requested to accomplish this market rate housing in proximity to downtown.

The rezoning of the property is only the first step – any development would still need to go to the Planning Commission for Site Plan Review. Is it possible other uses could be added or proposed to the site? Yes. It is the City Planner’s opinion that a mixed-use building is more resilient and sustainable than a single use building, which is why she suggested the rezoning to B-2A Transitional Business.

Mr. Scheel’s suggestion that the developer can request a use variance is incorrect (See Section 2004(2)(b) of the Petoskey Zoning Ordinance), and while a conditional rezone is a tool, it is one that I would only recommend to a developer in extreme situations because it is spot zoning. I believe it is also an inappropriate point in the rezoning process to bring it up pursuant to the Zoning Enabling Act, but I will leave the legality of it to the City Attorney.

MCL 125.3405 Use and development of land as condition to rezoning. Sec. 405.

(1) An owner of land may voluntarily offer in writing, and the local unit of government may approve, certain use and development of the land as a condition to a rezoning of the land or an amendment to a zoning map.

(2) In approving the conditions under subsection (1), the local unit of government may establish a time period during which the conditions apply to the land. Except for an extension under subsection (4), if the conditions are not satisfied within the time specified under this subsection, the land shall revert to its former zoning classification.

(3) The local government shall not add to or alter the conditions approved under subsection (1) during the time period specified under subsection (2) of this section.

(4) The time period specified under subsection (2) may be extended upon the application of the landowner and approval of the local unit of government.

(5) A local unit of government shall not require a landowner to offer conditions as a requirement for rezoning. The lack of an offer under subsection (1) shall not otherwise affect a landowner's rights under this act, the ordinances of the local unit of government, or any other laws of this state

Changing course and requesting a conditional rezone at this point is also contrary to being a redevelopment ready community that has predictable development processes.

In summary, I believe that if we want to improve the sustainability of the community, we must allow dense, walkable, mixed-use development in the City core to discourage sprawl on the periphery, and that this zoning map amendment is a step in that direction.