



## CITY COUNCIL

May 3, 2021

A regular meeting of the City of Petoskey City Council was held from virtual locations on Monday, May 3, 2021. 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, Petoskey, Emmet County, MI  
Kate Marshall, City Councilmember, Petoskey, Emmet County, MI  
Derek Shiels, City Councilmember, Harbor Springs, Emmet County, MI  
Brian Wagner, City Councilmember, Menasha, Winnebago County, WI  
Lindsey Walker, City Councilmember, Petoskey, Emmet County, MI

Absent: None

Also in attendance were City Manager Rob Straebel, Clerk-Treasurer Alan Terry, City Planner Amy Tweeten, Public Safety Director Matt Breed and Executive Assistant Sarah Bek.

### **Hear Carbon Dividend Act Presentation**

Ron Marshall, member of the Citizens Climate Lobby, gave a brief presentation on the Energy Innovation and Carbon Dividend Act H.R. 2307 and was asking City Council for their support. Mr. Marshall reviewed the program with a goal of net zero by 2050; that the organization is promoting a bipartisan approach to climate change; that the Act places a steadily rising fee on carbon pollution and returns that money to local economies as a monthly dividend; reviewed that putting a price on carbon can be done quite quickly and reviewed other communities that have enacted a price on carbon; and that local support will help make this happen and bring jobs to the community as well as income to every household and protect fellow residents with respiratory illnesses.

City Council members commented on the amount of bipartisan support and some familiarity with the bill, which was recently reintroduced; inquired on how the City can help promote the program and possible reasons why not to support act; inquired on number of other communities who have supported the legislation; inquired on what administration costs would be; and concurred that Mr. Marshall provide additional information and work with City staff to prepare a draft resolution of support for a future City Council meeting.

### **Hear Deed Restriction Program Presentation**

Yarrow Brown and Steve Schnell, representatives with Housing North, gave a presentation regarding a potential Petoskey deed restriction program. Ms. Brown gave a brief introduction on the program and Housing North. Mr. Schnell, Charlevoix County Housing Ready Program Director, explained how a primary residence deed restriction program works; that the deed restriction is voluntarily put on a property or that a deed restriction is purchased; that there is currently not a funding mechanism to purchase the deed restrictions, but initial outreach by Emily Meyerson, Housing Ready Program Coordinator, with realtors and at least one property owner indicated there may be interest in donation of such restrictions; reviewed how the program is funded which initially was from private donations to a fund administered by the Charlevoix County Community Foundation and is now managed by Housing North, with annual compliance requirements administered by the Charlevoix County Ready Program Director under Housing North; discussed the Charlevoix program and how it could be implemented in Petoskey; reviewed potential documents that could be used to start a program in Petoskey along with a draft agreement between the City and Housing North on program administration, a donation deed restriction and a purchase deed restriction; and that Housing North wasn't looking for City Council support tonight, but rather see if there is an interest in moving forward with such a program and possible agreement.

City Councilmembers commented that it has been identified in the master plan that housing is needed in the community and this tool could be helpful; that this is one of several tools available to help with the housing shortage; that this program might need proper motivation, but might not be the best tool for the community; inquired on how time requirements are enforced; and inquired on what type of people might potentially enroll in this program.

Mr. Schnell responded that a third party enforcer is important and that Housing North works with enforcer and the City Assessor and that residents who want to ensure housing availability in the future typically are those interested and support this type of program.

Mayor Murphy asked for public comments and heard an inquiry for Housing North to address benefits to the work force for this type of project vs. the profits to builders or developers and if there are any controls on this.

### **Hear 2020 Audit Presentation**

Jake Schierbeek and Trina Edwards, Dennis, Gartland & Niergarth representatives, Traverse City, presented information concerning the City's Financial Statements and Report of Independent Certified Public Accountants as the annual audit for the City's fiscal year ended December 31, 2020. Ms. Edwards also reviewed the audit-related communications letter and adjusted journal entries.

City Councilmembers indicated that the percentages that Mr. Schierbeek presented on various items on the financial statements helped to better understand the financials and commended City staff on their efforts with the annual audit.

### **Consent Agenda - Resolution No. 19526**

Following introduction of the consent agenda for this meeting of May 3, 2021, City Councilmember Walker moved that, seconded by City Councilmember Wagner adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby confirms that the draft minutes of the April 19, 2021 regular session City Council meetings be and are hereby approved as amended; and

BE IT RESOLVED that receipt by the City Council of a report concerning all checks that had been issued since April 19, 2021 for contract and vendor claims at \$395,004.34, intergovernmental claims at \$0, and the April 15 payroll at \$207,065.59, for a total of \$602,069.93 be and is hereby acknowledged.

Said resolution was adopted by the following vote:

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

NAYS: None (0)

### **Hear Public Comment**

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

### **Hear City Manager Updates**

The City Manager reported that Emmet County recently voted to not participate in funding 1/3 of the schematic drawings cost to further study a detour on the Little Traverse Wheelway and that the City and Resort Township's participation was contingent upon Emmet County which brings a halt to all planning and design efforts associated with the wheelway; that the City received a proposal from the Little Traverse Bay Housing Partnership to consider funding a portion of a full-time Program Director for the organization to promote affordable housing options in Emmet County which will be considered at the May 17 City Council meeting; that the DMB recently cancelled the Summer Open House, Movies in the Park and downtown trolley service due to the ongoing pandemic; that City staff is meeting weekly with the July 4 Committee on potential fireworks and parade with uncertainty if the event can be held due to current MDHHS regulations limiting outdoor event attendance; that a special joint City Council and Planning Commission meeting is scheduled for 5:30 P.M., Tuesday, May 11 to discuss the draft Master Plan; reviewed ongoing infrastructure upgrades on West Jefferson Street other miscellaneous streets and downtown areas; and that approximately 38 new trees have been planted along Atkins Street adjacent to the college and residential neighborhoods.

City Councilmembers inquired if City staff will approach Emmet County again for additional funding. The City Manager responded that hopefully the Emmet County Commissioners decide to reconsider.

### **Approve Donation for Public Safety Department – Resolution No. 19527**

The City Manager reviewed this was a second discussion regarding a \$42,400 donation by Ambassador Ronald Weiser for the purchase of equipment to support the Public Safety Department; reviewed the process of donation request and delivery to City Council; and that there has been nothing asked by Mr. Weiser in return based on the donation.

City Councilmembers commented that the focus on safety and welfare of Petoskey is pertinent and this donation satisfies this concept; heard that when personal donations are made organizations don't ask donors their party affiliation; that if the donation is turned down it would show partisanship; heard the donation acceptance would undermine character of the community based on Mr. Weiser's vulgar comments pertaining to the top three Democratic officials; received several comments from citizens opposed to the donation and that it could bring more complications to the community; and reviewed the purpose of the donation policy that was adopted back in 2016 to deal with Parks and Recreation donations, specifically the Ernest Hemingway statue and doesn't speak well to Public Safety donations.

City Councilmember Wagner moved that, seconded by Mayor Murphy to approve the \$42,400 donation by Ambassador Ronald Weiser for the purchase of equipment to support the Public Safety Department.

City Councilmembers further discussed each section of the donation policy to help make a better decision; reviewed Section IV Guidelines/Standards for Accepting Donations and concluded that items 1-4 were satisfactory, 5-10 not applicable, 11-12a satisfactory, 12b included discussions on past donations made to Public Safety which had no issues and Councilmembers debated with no conclusion; and 12c there were concerns with perception of fair treatment of Mr. Weiser and inquired if the City takes on reputation of the donor; reviewed Mr. Weiser's comments towards the Democratic Governor, Secretary of State and State Attorney General and that they are not acceptable towards women; and heard from those that appreciated the detailed review of the policy.

Mayor Murphy commented that the community will be scarred if donation is denied or accepted and City Council should do what's best for the City.

Mayor Murphy then asked for public comments and heard from those that believe ethics are important and that there could be future favors from donor; heard from those opposed to the donation and that if public safety equipment is critical why doesn't the City purchase rather than needing donor's money; that Mr. Weiser's character hasn't changed since apology and that there is no remorse, that words matter and to not support donation on behalf of women; that situation should be addressed based on principles not people; heard from those urging City Council to not support the donation and establish a policy to never take private donations for the Public Safety Department; that this is not philanthropy, but privatization; that politics need to be separated from philanthropy; that political tests can't be used for accepting donations; and that City Council's job is to do what is best for Petoskey and should rise above this matter.

Said motion was adopted by the following vote:

AYES: Wagner, Walker, Murphy (3)

NAYS: Shiels, Marshall (2)

### **Council Comments**

Mayor Murphy commented that no matter how City Council votes on any matter that he likes how this current Council asks questions and is actively involved.

### **Adjourn to Closed Session – Resolution No. 19528**

City Council was being asked to adopt a resolution that would adjourn to a closed session pursuant to Section 8(c) of the Michigan Open Meetings Act, to consider strategy and negotiations of a collective bargaining agreement.

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

WHEREAS, the City Manager has requested that the City Council adjourn to a closed session, pursuant to Section 8(c) of the Michigan Open Meetings Act, to consider the strategy and negotiations of a collective bargaining agreement, at the City Council's regular meeting of May 3, 2021:

NOW, THEREFORE, BE IT RESOLVED that the City Council does and hereby authorizes to adjourn to a closed session, to consider strategy and negotiations of a collective bargaining agreement.

Said resolution was adopted by the following vote:

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

NAYS: None (0)

There being no further business to come before the City Council, this May 3, 2021, meeting of the City Council adjourned at 10:25 P.M.

John Murphy, Mayor

Alan Terry, Clerk-Treasurer