



## CITY COUNCIL

September 20, 2021

A regular meeting of the City of Petoskey City Council was held in the City Hall Council Chambers, Petoskey, Michigan, on Monday, September 20, 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  
Derek Shiels, City Councilmember  
Brian Wagner, City Councilmember  
Lindsey Walker, City Councilmember

Absent: Kate Marshall, City Councilmember

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

### **Consent Agenda - Resolution No. 19583**

Following introduction of the consent agenda for this meeting of September 20, 2021, City Councilmember Shiels 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 August 16, 2021 regular session and September 7, 2021 special session City Council meetings 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 August 16, 2021 for contract and vendor claims at \$11,171,523.73, intergovernmental claims at \$5,018,168.97, and the August 19 and September 2 payrolls at \$464,547.29, for a total of \$16,654,239.99 be and is hereby acknowledged.

Said resolution was adopted by the following vote:

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

NAYS: None (0)

### **Hear Public Comment**

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

### **Hear City Manager Updates**

The City Manager reviewed that the Community Revitalization Program Grant for Howard Property Partners LLC for 316 and 318 East Lake Street should be considered in early 2022, if not sooner; that the schematic design and preliminary cost estimates for the Little Traverse Wheelway West Connector should be completed by mid-October; that there was a regional solar meeting in Traverse City where representatives met to advance a collective vision for accelerating a transition to renewable energy and strategize to work towards a collaborative solar project in the region and that project partners will continue to engage with Michigan Municipal Power Agency (MPPA) and Midwest Tribal Energy Resources Association; that the City participated in a solar site tour sponsored by the League of Women Voters-Northern Michigan Division and the City Manager made a presentation of the City Hall solar project and highlighted the City efforts to transition to renewable energy by 2035; that Housing North continues recruitment efforts for the Housing Ready Program Director position, that four candidates

were interviewed but did not find anyone with the right qualifications for the position and applications are being accepted until September 30, 2021; that the City Manager had an initial meeting with Maureen Barry from GovHR on the Director of Finance recruitment process with stakeholder interviews with Department Heads scheduled for next Monday to define organizational needs and expectations for the position and reminded Council that a special meeting is scheduled for 5:00 P.M., next Monday, September 27 with Ms. Barry to discuss the Director of Finance job description as it relates to clerk duties; reviewed Planning Commission updates on the former Mitchell Street Market/7-Eleven property that will include four condo units and commercial space on the first floor and scheduled public hearings on potential zoning ordinance changes; that Councilmember Wagner requested a presentation from Char-Em United Way regarding the latest Asset Limited, Income Constrained, Employed (ALICE) Report and United Way representatives are available to present at the next meeting on October 4 if Council is in support; and provided a brief update on the Greenwood Road Reconstruction project.

City Councilmembers inquired if there would be a possible delay on 316 and 318 East Lake Street project due to grant approval; if American Rescue Plan funding could be used towards a regional solar project; if the Harbor Springs sewer site was discussed for a possible solar project; inquired if Planning Commission items will come to City Council for discussion no matter the outcome; discussed how zoning concerns go to Planning Commission and if City Council can have input into their priorities.

Mayor Murphy asked for public comments and heard a comment in favor of the Planning Commission moving proposed zoning changes through faster for City Council approval.

#### **Approve Board and Commission Appointment – Resolution No. 19584**

Mayor Murphy reviewed that City Council consider the following appointment.

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

BE IT RESOLVED that the City Council does and hereby approves the appointment of Trevor Nelson, 528 Wachtel Avenue, to the District Library Board to fill a vacated term ending January 2023.

Said resolution was adopted by the following vote:

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

NAYS: None (0)

#### **Introduction of Proposed Ordinance to Rezone Properties to C – College District**

The City Planner reviewed that the College is currently a special condition use in the R-1 Single Family District; that the Planning Commission and College worked together on creation of the district that is designed to be similar to the H-Hospital Districts that provides longer term understanding of potential campus changes; that at its August 2, 2021 meeting, City Council adopted the C-College District as recommended by the Planning Commission; that the uses included in the new zoning district all currently exist on the campus, with the exception of an amphitheater and medical clinic identified as a potential development in the 10-15 year timeframe, the intent of which would be a training facility and therefore consistent with the educational purposes of a community college; reviewed district standards including setbacks, building heights, maximum parking and the requirement for a master plan approved by the Planning Commission; that a requirement to rezone to the C-College District is the submittal of a Master Site Facilities Plan that complies with Sections 3304 and 3305 of the District; that the request to rezone its property south of Atkins Street to the new C-Zoning District was received by North Central Michigan College on June 3, 2021 and a public hearing was scheduled and held by the Planning Commission at its August 19 meeting; that the neighbors that attended the public hearing were upset with lack of notification and knowledge of the rezoning process with main concerns of increased traffic and the proposed dormitory; and the Planning Commission recommended the property rezoning since it was consistent with the City Master Plan, Future Land Use Map and Zoning Plan, the uses and development standards are compatible with surrounding uses, the site is of sufficient size to accommodate the uses and the rezoning would not adversely affect surrounding properties.

City Councilmembers discussed proposed dormitory building height and changes with entrances and exits and how it may affect the neighborhood, and heard several comments from residents that felt there was not enough engagement by the City and residents were not given the opportunity to be involved enough in the process.

The City Planner responded that the plan removes one entrance on Howard Street so entrances are reduced from three to two.

Mayor Murphy asked for public comments and heard from Howard Street residents and that there are about ten houses in the area by the college involved in this project and felt they were not notified of the process; felt their comments to the Planning Commission were not well received and were made to feel it was the residents' fault for not participating; concerned that there were only two public meetings for public engagement; inquired if the entryway could be moved closer to the end of Howard Street instead of in front of a house; suggested that a sign or billboard be installed of what the proposed development would look like for the community to view; heard concerns from residents that they already hear college boiler room whistle and that college HVAC system shakes surrounding houses; heard opposition to dormitory height and discussed height requirements; heard comments that others should put themselves in Howard Street residents' shoes and what would they like to look at out their front window; heard an inquiry where public notices are posted; heard concerns about more college students and activities in residential neighborhoods; and heard comments that proposed setbacks are not sufficient along Howard Street and would change the neighborhood drastically and urged Council to set the maximum height of 45' for that zone and increase the setbacks along Howard Street.

North Central Michigan College representatives apologized that this public input did not happen sooner at previous meetings held by the college and Planning Commission and reviewed height and setbacks and that setbacks of buildings were increased from road right-of-way.

City Council deferred action until the next regular City Council meeting.

### **Discuss 2022-2027 Capital Improvement Plan**

The City Manager reviewed that copies of the proposed 2022-2027 CIP were distributed to City Council and Planning Commission in advance of this meeting and the draft plan was posted on the City's website on September 9 with no comments received as of September 16. The Plan was unanimously accepted and recommended for City Council approval by the Planning Commission on August 19, 2021. The City Manager reviewed that the six-year plan totals \$53.5M in expenditures, with capital spending in 2022 proposed at \$7.06M, of which \$1.9M (26.9%) is anticipated to come from grants and other outside sources of revenue; that if approved, projects will be included within the 2022 proposed annual City budget; and reviewed 2022 projects in detail including full street reconstruction of East Lake Street from Kalamazoo Avenue to Division including replacing all underground utilities; miscellaneous pavement preservation, paving and street repairs that will focus on State Street from Howard Street to Kalamazoo Avenue; sidewalk additions and replacements in conjunction with street projects; electric system-wide upgrades including installation of three-phase underground lines in the residential areas of East Lake Street from Division Street to Kalamazoo Avenue and side streets and substation maintenance on the Mitchell Street and Petoskey Substation; installation of 3-4 electric vehicle charging stations in area parks and in downtown Petoskey; complete additional GIS mapping transferring existing electric computer models and record drawings to an updated database; reviewed Motorpool replacements and that staff is extending the useful life of public safety and other City vehicles; monies budgeted for engineering and design of a parking deck within the downtown district; demolition of an old house at 620 Ingalls Avenue that is beyond repair; construction of a roof over the Winter Sports Park hockey rink; updated skating features at the Riverbend Skate Park; improvements to shoreline at Solanus Beach that include an ADA accessible boardwalk and installation of native landscaping; potential purchase of 58-acres in Bear Creek Township near Skyline Trail; new decking will be installed on the bridge over the Bear River near City Hall; and monies budgeted for a possible dog park at the Howard Road landfill site. The City Manager also gave a brief overview of proposed 2023-2027 projects.

City Councilmembers inquired if the 2027 proposed projects were new; asked if customers will have to pay for the use of the electric vehicle chargers; inquired on the erosion by the breakwall, Magnus Park and bike trail and status to fix these areas; that there is damage at the breakwall due to erosion; and inquired if there would be new sidewalks on Lake Street as part of the reconstruction project.

City staff responded that the proposed 2027 projects are new or carried over from being pushed out from previous years; that the breakwall falls under the Army Corp. of Engineers and staff will contact them to inform them of damage; that there will be a fee for parking and use of the vehicle chargers and there will be new sidewalks on East Lake Street.

City Council deferred action on the proposed CIP and will further discuss at the next regular scheduled meeting.

#### **Discussion on Draft Economic Development Incentive Policy**

The City Planner reviewed that during the August 16, 2021 public hearing on an Obsolete Property Rehabilitation Act (OPRA) request for 316 and 318 East Lake Street, Councilmembers and members of the public suggested that the City should have a policy against which such requests should be evaluated; that a draft of such a policy had been provided with the City Economic Development Strategy update that included a point system to evaluate OPRA requests based on City priorities; that the draft policy has been broadened to any type of incentive rather than OPRA requests specifically; that any incentive is at the discretion of City Council, but knowing under what circumstances an incentive may be considered is helpful to staff when working with developers; and that staff was looking for direction on how Council wishes to move forward with an economic development incentive policy.

City Councilmembers commented that when evaluating project incentives to use an attitude of “do good” projects unless there is a good reason not to approve; reviewed draft policy and how to determine various processes; that rent control measures could be included; suggestions were made to City Planner of other possible criteria to consider; that use of green technologies and public infrastructure benefit are both mentioned in the master plan and action plan; and heard from those in favor of having staff evaluate and value each project with City Council review.

#### **Approve Defined Contribution Retirement Plan Amendments for Nonunion Staff – Resolution No. 19585**

The Finance Director reviewed that the City recently approved collective bargaining agreements with both the Department of Public Safety Officers and Lieutenants that included provisions for a defined contribution retirement plan for new hires with the City contributing a base amount of 5% and contributions matching employee contributions of up to an additional 5% for a total possible employer contribution of 10% and total employee voluntary contribution of up to 5%; that the City is proposing to extend these provisions to the General Nonunion staff hired after December 31, 2016 who participate in the defined contribution plan; and that the plan changes are proposed to become effective on October 1, 2021.

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

WHEREAS, the City is a participating governmental unit in the Michigan Municipal Employees' Retirement System (MMERS) pension plan document of 1996; and

WHEREAS, the City desires to increase the employer and employee contribution rates pertaining to the General Nonunion employee division (110445) for new hires after December 31, 2016 participating in the Defined Contribution Plan:

NOW, THEREFORE, BE IT RESOLVED that the City of Petoskey City Council does and hereby elects to amend current Michigan Municipal Employees' Retirement System (MMERS) benefits in the Defined Contribution Plan for General Nonunion Employees hired after December 31, 2016 to provide for a base employer contribution of 5% and an additional amount matching employee voluntary contributions of up to 5% for a total employer contribution of 10% and total employee voluntary contributions of 5%; and

BE IT FURTHER RESOLVED that the City of Petoskey City Council does and hereby authorizes the City Manager and Director of Finance to prepare and sign the Defined Contribution Plan Adoption Agreements (MD-070) with MMERS for Division 110445 and Contribution Addendum for MMERS Defined Contribution Plan (MD-073) to implement the amendments as set forth above to the existing defined contribution plan effective October 1, 2021.

Said resolution was adopted by the following vote:

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

NAYS: None (0)

**Authorize Non-Motorized Trail Repair Contract – Resolution No. 19586**

The City Manager reviewed that the 2021 Capital Improvement Plan identified non-motorized trail repairs in the amount of \$100,000; that specifications required the bid vendors to provide unit costs (linear feet) for paving; that in 2017, repairs were made to 1,100 linear feet of trail east of West Park and this project will continue from that point eastward toward the Preserves entrance in Bay Harbor; that the project is scheduled to be completed by November 15, 2021 and that two bids were received on September 14.

City Councilmember Shiels moved that, seconded by City Councilmember Wagner to authorize contracting with Payne and Dolan, Inc., Gaylord, in the amount of \$100,000 for non-motorized trail repairs.

Said motion was adopted by the following vote:

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

NAYS: None (0)

**Council Comments**

Mayor Murphy asked for City Council comments and City Councilmember Walker commented that the Little Traverse Bay Bands of Odawa Indians were granted \$35,000,000 in American Recovery Plan funds and that the tribe will be conducting a Zoom meeting on Thursday to hear from the community regarding the use of these funds. Councilmember Wagner commented that the Community Recovery Alliance has an event on September 25 near the clock tower and that he is involved with the Petoskey Interfaith Common Ground and there is a donation drive going on for “Be Kind” bumper stickers and wanted to inform everyone that they are available. City Councilmember Shiels commented that he has received another deer complaint and that he is looking at various ideas to propose on research projects on deer population in Petoskey. Mayor Murphy commented that he would be welcoming those attending the Community Recovery Alliance event.

There being no further business to come before the City Council, this September 20, 2021, meeting of the City Council adjourned at 9:50 P.M.

John Murphy, Mayor

Alan Terry, Clerk-Treasurer