



CITY COUNCIL

December 6, 2021

A regular meeting of the City of Petoskey City Council was held in the City Hall Council Chambers, Petoskey, Michigan, on Monday, December 6, 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
Kate Marshall, City Councilmember
Derek Shiels, City Councilmember
Brian Wagner, City Councilmember
Lindsey Walker, City Councilmember

Absent: None

Also in attendance were Interim City Manager/Clerk-Treasurer Alan Terry, City Planner Amy Tweeten, Parks and Recreation Director Kendall Klingelsmith, Public Works Director Michael Robbins, Finance Supervisor Audrey Plath and Executive Assistant Sarah Bek.

Consent Agenda - Resolution No. 19608

Following introduction of the consent agenda for this meeting of December 6, 2021, City Councilmember Wagner moved that, seconded by City Councilmember Marshall adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby confirms that the draft minutes of the November 15, 2021 special and regular 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 November 15, 2021 for contract and vendor claims at \$1,187,976.83, intergovernmental claims at \$114,903.74, and the November 23 payroll at \$223,746.90, for a total of \$1,526,627.47 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 heard concerns from residents on Michigan Street regarding traffic speed and safety on Michigan Street; that a four-way stop be installed at Woodland and Michigan Streets to slow vehicles down and to create better visibility; heard concerns on lack of parking on Michigan Street due to seasonal traffic, parking spots used by Backlot customers, busy when St. Francis pickups and drop offs; and a citizen submitted petitions and emails from Michigan Street residents in favor of a four-way stop at the Michigan and Woodland Street intersection for the City to review.

The City Manager responded that traffic consultants are working with City staff and a study should be completed in the near future. The City Planner also suggested reviewing the Master Plan and that a traffic circle might be a solution vs. a four-way stop.

City Councilmembers commented that staff should recognize the safety for residents as well as the need for speed measuring equipment; heard from those in favor of discussing temporary and seasonal traffic calming measures throughout the community; and that a traffic circle would be an anomaly in the City.

Hear City Manager Updates

The City Manager reviewed that City Planner applications are due on December 29, 2021 and looking at hiring a consultant to review site plans that may need immediate review during the transition; that City Council reviewed both a long and short advertisement for the vacant City Manager position and with little feedback will submit the shortened version to the recruiter with an application deadline towards the end of January; and that the City closed on the sale of 209 Washington Street property last Friday.

Mayor Murphy inquired if the new City Manager or Interim would be hiring the new City Planner and Mr. Terry responded that he would be hiring the next City Planner.

Adopt Ordinance 783 Amending the Subdivision and Zoning Ordinances – Resolution No. 19609

The City Planner reviewed that the Planning Commission held a public hearing on several ordinance amendments to remove barriers to housing development and construction and recommended changes to City Council; that these changes were discussed at a special joint meeting of the Planning Commission and City Council on November 8; reviewed subdivision changes that would reduce the width requirement of private streets, while still allowing access by Public Safety vehicles; that zoning ordinance changes are in the business and industrial districts (Sections 801, 1001, 1201, 1401 and 2601) which would eliminate density restrictions; that zoning changes allows a developer to determine the number of units based on other zoning requirements including building height, parking and setbacks rather than an arbitrary calculation based on lot size; and reviewed proposed height changes in the B-2, B-2A, B-2B, B-3 and O-S Districts do not increase the number of stories in any district, but allow for taller floor to ceiling heights, which improve the feasibility of a project and make it more likely to occur.

City Councilmembers inquired if there would be many streets affected by subdivision changes and the City Planner responded that there would not be many affected streets, but that Northmen Drive across from Genesis Church could be affected along with Jennings Avenue if it were ever redeveloped.

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

ORDINANCE NO. 783

AN ORDINANCE TO AMEND SECTIONS 1503 OF APPENDIX B, SUBDIVISION AND SECTIONS 801(1) , 1001(1) , 1201(1) , 1401(1) , 2601(1)(a), SECTION 902 TABLE 9.3, SECTION 2901 TABLE 2901.2, SECTION 3001 TABLE 3001.2 AND SECTION 1600 OF APPENDIX A, ZONING ORDINANCE OF THE PETOSKEY CODE OF ORDINANCES

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

WHEREAS, the current lack of new housing construction is impacting the ability of current and new residents to find needed housing; and

WHEREAS, local regulations are one barrier to the construction of new housing that is under the control of the City of Petoskey; and

WHEREAS, the Planning Commission has been reviewing the subdivision and zoning ordinances for several months to identify possible changes to remove such barriers; and

WHEREAS, a public hearing was held October 21, 2021 by the Planning Commission on several changes where no opposition was received; and

WHEREAS, the Planning Commission recommends that the changes to Section 1503 of the Subdivision Ordinance and Sections 801, 1001, 1201, 1401, 2601, Section 902 Table 9.3, Section 2901 Table 2901.2, Section 3001 Table 3001.2, and Section 1600 of the Zoning Ordinance be approved to remove barriers to residential unit construction in residential subdivisions with private streets, as well as in the business and industrial districts, all of which allow residential uses.

NOW THEREFORE, the City of Petoskey ordains:

1. Article XV Standards for Private Roads Section 1503 of Appendix B to the Petoskey Code of Ordinances is hereby repealed and replaced with the following:

Sec. 1503. - Standards for size and type of road.

All private roads shall be paved and shall have a minimum paved width of 20 feet. A private road that is greater than 300 feet in length shall have emergency vehicle turnarounds subject to review and approval by the city. On-street parking restrictions shall be reviewed and approved by city staff.

2. Sections 801(1) , 1001(1) , 1201(1) , 1401(1) , and 2601(1)(a) of Appendix A to the Petoskey Code of Ordinances are hereby repealed and replaced with the following:

Sec. 801 (1) Any residential uses permitted in the RM-2 Multiple-Family Residential District. Uses shall be subject to the regulations of the B-1 District.

Sec. 1001 (1) Any commercial use permitted in the B-2 district and any residential uses permitted in the RM-2 Multiple Family District. Uses shall be subject to the regulations of the B-3 District.

Sec. 1201(1) Any residential uses permitted in the RM-2 Multiple-family Residential District. Uses shall be subject to the regulations of the O-S District.

Sec. 1401(1) Any uses permitted in the I-1 Light Industrial District and any residential uses permitted in the RM-2 Multiple-family Residential District. Uses shall be subject to the regulations of the I-2 General Industrial District.

Sec. 2601(1)(a) All uses shall be subject to the regulations of the B-3 Business Industrial District.

3. Section 902 Table 9.3 Building Form is hereby repealed and replaced with the following:
Table 9.3 Building Form

Building Form	
Street Façade built to property line	100%
Lot Width	25 Feet Minimum
Lot Depth	145 Feet Maximum
Building Height Minimum	2 Stories, 26 Feet
Building Height Maximum *	3 Stories, 45 Feet
Accessory Building Height Maximum	2 Stories, 20 Feet
Finish Ground Floor Level (Min)	Sidewalk Grade
Finish Ground Floor Level (Max)	6" Above Sidewalk Grade
First Floor Ceiling Height (Min)	12 Feet
Upper Floor Ceiling Height (Min)	9 Feet
* See definition of building height	

4. Section 2901 Table 2901.2 is hereby repealed and replaced with the following:

Building Placement		
Setback (Distance from Property Line)	Minimum	Maximum
Front	0'	Average of buildings on adjacent lots or 15 feet, whichever is less
Side	5'	NR
Rear	0'	NR
Building Height		3 stories, 37 Feet

5. Section 3001 Table 3001.2 is hereby repealed and replaced with the following:

Building Placement		
Setback (Distance from Property Line)	Minimum	Maximum
Front and Corner Front	5'	Average of buildings on adjacent lots or 15 feet, whichever is less
Side	5'	NR
Rear	5'	NR
Building Height		3 stories, 37 Feet

6. Section 1600 is hereby amended to incorporate the changes in Tables 9.3, 2901.2 and 3001.2 noted above and to change the maximum building height in the B-3 General Business District to 2 stories 30 feet and the maximum building height in the O-S Office Service District to 2 stories 30 feet.
7. **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.
8. **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.
9. **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.
10. **Effect.**
This ordinance shall take effect fifteen (15) days following its enactment and shall be published once within seven (7) days after its enactment as provided by Charter.

Said ordinance was adopted by the following vote:

AYES: Marshall, Shiels, Wagner, Walker, Murphy (5)
NAYS: None (0)

Hear Capital Needs Assessment Presentation

The Parks and Recreation Director gave a brief presentation on the Capital Needs Assessment and that MCSA Group, Inc. completed a Capital Needs Assessment for the parks, facilities and specific city buildings; that the information gleaned from the assessment will be used to consider potential new revenue sources to fund maintenance and upkeep of the infrastructure; that the study provided short term and long term maintenance and replacement costs; that MCSA Group Inc. provided an analysis of each park indicating the expected remaining usable life, projected maintenance until item replacement, replacement cost, code issues and recommendations of energy upgrades and maintenance efficiency; that City Hall, Lake Street Public Safety and Public Safety West buildings were included in the assessment; reviewed ADA accessibility to parks and parking lots; reviewed parking lot and landscaping maintenance; reviewed branding and signage consistency; and that the cost of maintenance over the next 6-10 years per the assessment is \$18.5M for parks, facilities and city buildings.

City Councilmembers inquired if some projects listed in the assessment were also identified in the approved 2022-2027 Capital Improvement Plan; thanked staff for a comprehensive look at the needs to maintain current infrastructure; inquired the role of the Parks and Recreation Commission on this matter; commented that outdoor recreation has a larger impact on the economy than gas and oil; that there needs to be universal access to parks and city facilities; that the City has 1,098 acres of parkland and 87% is outside of City limits and heard from those concerned that the City cannot maintain current infrastructure; that if City Council floats idea of a millage then taxpayers should understand why additional revenues are essential; inquired on the cost of the needs study; heard from those in favor of using permeable vs. non-permeable surfaces and increasing the amount of recycling bins in City parks; and thanked staff for accomplishing Goal 1 in the Action Plan before the end of 2021.

The Parks and Recreation Director responded that items in the assessment are updates to current infrastructure and do not include any new projects; that the Parks and Recreation Commission heard the same presentation at their last meeting; that the Commission will be starting the Parks and Recreation Master Plan update next year; that parks do not have to be 100% accessible; and that extra funding sources will be discussed during the master plan process.

Approve Employees to Transfer MERS Defined Benefit Plans Between Divisions – Resolution No. 19610

The City Manager reviewed that the City provides retirement benefits through the Municipal Employees' Retirement System (MERS) which has three separate divisions, General Nonunion, DPW union and Public Safety union; that the City recently approved collective bargaining agreements with both the Department of Public Safety Officers and Lieutenants that includes provisions for Officers that are promoted to a Lieutenant position to retain their current pension plan benefits; that under MERS provisions, any employee transferring to a new division would be placed into the defined contribution plan for that division, unless the City approves a resolution allowing current employees to transfer into an existing defined benefit plan within a different division; that the Electric Supervisor is retiring at the end of this year and the City is looking to promote from within and this individual would also want to retain his current defined benefit plan which is identical to the closed defined benefit plan within the nonunion division; and that the resolution would also allow the City to promote from within allowing staff to retain their existing pension plan if available.

City Councilmember Wagner moved that, seconded by City Councilmember Marshall to adopt a resolution as prepared by Municipal Employees' Retirement System (MERS) that would allow employees to transfer defined benefit plan between divisions.

Said resolution was adopted by the following vote:

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

NAYS: None (0)

Approve 2022 Meeting Schedule – Resolution No. 19611

The City Manager reviewed the proposed City Council meeting schedule for 2022 and noted that several times each year, the City Council has cancelled and/or rescheduled routine first and third meetings of the month to avoid conflicts with various holidays which the resolution avoids the necessity for cancellations or rescheduled meetings and also informs the public well in advance of meeting dates.

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

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

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

WHEREAS, the City Council desires to establish a regular meeting schedule in accordance with the requirements of Section 4.4 of the City Charter for the 2022 calendar year:

NOW, THEREFORE, BE IT RESOLVED that the City Council shall hold its regular meetings in the City Council Chambers in the City Hall on the following dates in 2022:

Monday, January 3	Monday, July 4 (No Meeting)
Monday, January 17	Monday, July 18
Monday, February 7	Monday, August 1
Monday, February 21	Monday, August 15
Monday, March 7	Monday, September 5 (No Meeting)
Monday, March 21	Monday, September 19
Monday, April 4 (No Meeting)	Monday, October 3
Monday, April 18	Monday, October 17
Monday, May 2	Monday, November 7
Monday, May 16	Monday, November 21
Monday, June 6	Monday, December 5
Monday, June 20	Monday, December 19

Said resolution was adopted by the following vote:

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

NAYS: None (0)

Council Comments

Mayor Murphy asked for City Council comments and City Councilmember Shiels commented that there was good energy at the Holiday Open House and that he would like City Council to discuss temporary traffic calming measures for City streets. Mayor Murphy also commented that the Holiday Open House was well attended, is a great opportunity for residents to walk Petoskey streets and commended the efforts of the downtown merchants and the Public Safety Department.

Adjourn to Closed Session – Resolution No. 19612

City Council was being asked to adopt a resolution that would adjourn to a closed session pursuant to Section 8(h) of the Michigan Open Meetings Act, to consider material exempt from disclosure.

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

WHEREAS, the City Manager has requested that the City Council adjourn to a closed session, pursuant to Section 8(h) of the Michigan Open Meetings Act, to consider material exempt from disclosure, at the City Council's regular meeting of December 6, 2021:

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

Said resolution was adopted by the following vote:

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

NAYS: None (0)

City Council adjourned into closed session at 8:00 PM.

City Council reconvened into open session at 8:20 PM.

There being no further business to come before the City Council, this December 6, 2021, meeting of the City Council adjourned at 8:21 P.M.

John Murphy, Mayor

Alan Terry, Clerk-Treasurer