



CITY COUNCIL

February 7, 2022

A regular meeting of the City of Petoskey City Council was held in the City Hall Council Chambers, Petoskey, Michigan, on Monday, February 7, 2022. 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
Tina DeMoore, 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, Finance Supervisor Audrey Plath and Executive Assistant Sarah Bek.

Consent Agenda - Resolution No. 19626

Following introduction of the consent agenda for this meeting of February 7, 2022, City Councilmember Walker moved that, seconded by City Councilmember DeMoore adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby confirms that the draft minutes of the January 17, 2022 regular 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 January 17, 2022 for contract and vendor claims at \$919,703.05, intergovernmental claims at \$0, and the January 20 and February 3 payrolls at \$424,343.98, for a total of \$1,344,047.03 be and is hereby acknowledged.

Said resolution was adopted by the following vote:

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

NAYS: None (0)

Hear Public Comment

Mayor Murphy asked for public comments and heard a comment from a resident on Grove Street concerning noise and parking issues from a short-term rental located next door and that these issues have been ongoing for years and is problematic.

Mayor Murphy suggested calling 911 and posting signage on private property to deter the parking issues and that staff will review matter with the Public Safety Director and he will call citizen to discuss.

Hear City Manager Updates

The City Manager reviewed that the final City Planner applicant was interviewed in person last Friday; that the recruiter received 24 applications for the City Manager position and will provide a packet of potential candidates to Council for review and to select for an interview; that a special Council meeting should be scheduled next week to review applicants in closed session; that the US Coast Guard and Emmet County Office of Emergency Management will perform an ice rescue operation at noon on Saturday, February 26; and negotiations with Teamsters covering DPW unionized employees begin Thursday with a possible closed session scheduled for the February 21 meeting.

City Councilmembers scheduled a special City Council meeting to review City Manager candidates and determine candidates to be interviewed at 4:00 P.M., Monday, February 14, 2022.

Approve Board and Commission Appointments – Resolution No. 19627-19629

Mayor Murphy reviewed that City Council consider the following reappointments.

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 reappointment of Anne Chaffee, 523 College View Drive, for a five-year term ending September 2026.

Said resolution was adopted by the following vote:

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

NAYS: None (0)

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

BE IT RESOLVED that the City Council does and hereby approves the reappointment of Jennifer Buchanan, 730 Lockwood Avenue, for a two-year term ending January 2024.

Said resolution was adopted by the following vote:

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

NAYS: None (0)

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

BE IT RESOLVED that the City Council does and hereby approves the reappointment of Jon Terry, 1019 East Mitchell Street, for a two-year term ending January 2024.

Said resolution was adopted by the following vote:

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

NAYS: None (0)

Adopt Ordinance 784 Amending Sections 601, 603, 701, and 1600 of Appendix A of the Zoning Ordinance – Resolution No. 19630

The City Manager reviewed that this was the second discussion of proposed ordinance; reviewed that changes center on regulations in the multiple family residential zoning districts including clarification that single family dwellings in the multiple family districts are regulated by the R-2 Single Family District standards and multiple family dwellings by the RM-1 and RM-2 Multiple Family District standards; removal of local play area requirements for day care facilities; and eliminate conflicted footnotes in the Schedule of Regulations.

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

AN ORDINANCE TO AMEND SECTIONS 601, 603, 701 AND 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 zoning ordinances for several months to identify possible changes to remove such barriers and other needed changes and clarifications; and

WHEREAS, a public hearing was held December 16, 2021 by the Planning Commission on several changes where no opposition was received; and

WHEREAS, the Planning Commission recommends that the changes to Sections 601, 603, 701, 1600 of the Zoning Ordinance be approved to remove barriers to residential unit construction and group daycare homes in residential districts.

NOW THEREFORE, the City of Petoskey ordains:

1. **Sections 601(1) and (2), 603(1), 701 and 1600 of Appendix A to the Petoskey Code of Ordinances are hereby repealed and replaced with the following:**

Sec. 601 Principal uses permitted.

In the RM-1 Multiple-Family Residential District, no building or land shall be used and no building shall be erected except for one or more of the following specified uses unless otherwise provided in this article:

- (1) All uses permitted and as regulated in the R-1 through R-3 Single-Family Residential Districts with the lot area and yards equal to the requirements of the R-2 Single-Family Residential District.
- (2) Multiple-family dwellings subject to Section 1600(e)(1).

Sec. 603 Principal uses permitted subject to special conditions.

- (1) Nursery schools, day nurseries, child-care centers (not including dormitories or family day-care homes), and group day-care homes (seven or more minor children), subject to state regulations.

Sec. 701. – Principal uses permitted.

In a RM-2 Multiple-Family Residential District, no building or land shall be used and no building shall be erected except for one or more of the following specified uses unless otherwise provided in this section:

- (1) All uses permitted and as regulated in the RM-1 Multiple Family District with the following requirements:
 - a. Multiple family dwellings regulated according to Section 1600 (e)(2).
 - b. Single Family dwellings subject to the R-2 Single Family Residential District standards.

2. **Section 1600, Sec. 1600 Schedule limiting height, bulk, density and area by zoning district regulations for the RM-1, RM-2 are hereby amended to read as follows:**

ZONING DISTRICT	Minimum Lot Size Per Unit		Maximum Height of Structure		Minimum Yard Setback (Per Lot in Feet)				Maximum Lot Area Coverage (All Buildings)
	Area in Square Feet	Width in Feet	In Stories	In Feet	Front	Side Yards		Rear	
						Side (one)	Side (total of two)		
RM-1 Multi-Family	(e.1)	(e.1)	2	25	50	10	20	35	30%
RM-2 Multi-Family	(e.2)	(e.2)	3	33	25	10	20	35	30%

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.

Said ordinance was adopted by the following vote:

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

NAYS: None (0)

Authorize Tree Planting Contract – Resolution No. 19631

The City Manager reviewed that the 2022 Annual Budget included monies for planting of trees and shrubs within street green lawns and public spaces as new or replacement trees; that the tree planting initiative is part of the City’s overall Forestry Program that includes trimming, maintenance and tree and stump removal of City owned trees; and reviewed that one bid was received.

City Councilmembers inquired on the list of tree species; thanked staff for efforts including water bags, warranty of trees and using Emmet County for compost as part of the bid documents; commented that it is nice to see a local business as the low bidder; heard comments on the lack of communication announcing bids due to only being posted on the City’s website and an ad in the News-Review; and that the City is recognized as a Tree City USA community.

The City Manager reviewed tree species and that bids are also sent to a bidders list which includes businesses throughout the state.

Mayor Murphy asked for public comments and heard a comment on the beatification of Petoskey.

City Councilmember Shiels moved that, seconded by City Councilmember DeMoore to authorize to contract with David Hoffman Landscaping and Nursery, Inc., Petoskey, in the amount of \$35,190, for planting of trees throughout the City.

Said motion was adopted by the following vote:

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

NAYS: None (0)

Introduction of a Proposed Ordinance Repealing Fortunetelling

The City Manager reviewed that City Council discussed an email from Sarah Snider and her opposition to City ordinance Section 12-3 that prohibits fortunetelling; that City Council agreed to consider repealing the ordinance at the January 17 meeting; that this section was included in a total restatement of Section 12 in 2014 under former Public Safety Director John Calabrese when there had been scams perpetrated by transient individuals in the City at that time; that those actions were not in regards to fortunetelling and there have been no complaints received concerning fortunetelling since its enactment; and that the City Attorney reviewed and prepared the proposed ordinance.

Former Public Safety Director Calabrese commented that 2014 ordinance changes occurred to clean up old language; that he had requested the ordinance; that his experience in law enforcement with repealing this type of ordinance could open up more crimes and fraudulent activity; that there was a case in 2013 in downtown and after an investigation tied it to a non-traditional organized crime organization; reviewed that many communities have ordinance regulating and prohibiting fortunetelling and alike activities; suggested not to take matter lightly; and that background checks could be conducted as part of a permitting/licensing process which might deter criminals from setting up shop in the city.

City Councilmembers discussed proposed ordinance and that it should be fine tuned to avoid any issues; thanked Mr. Calabrese for insight; that the ordinance should be reviewed by City Attorney to protect the City and citizens; and concurred to have the City Attorney rewrite ordinance to allow fortunetelling but have more clarity on what is permitted and prohibited and include background checks.

Mr. Calabrese offered to forward ordinance examples from other communities to Public Safety Director Breed.

City Council will discuss a revised ordinance at a future meeting.

Approve Poverty Exemption Policy & Guidelines – Resolution No. 19632

The City Manager reviewed that the MCL 211.7u of the General Property Tax Act allows a property tax exemption for the principal residence of persons who, in the judgement of the Board of Review, by reason of poverty, are unable to contribute to the public charges; that the Act requires a local governing body to adopt guidelines including income and asset tests for possible poverty exemption of local property tax assessments; that the State is requiring the policy be approved annually; that the proposed policy and guidelines is essentially the same as the policy approved in 2021, with updated poverty income levels established annually by the Federal Poverty Income Guidelines; and that the City received 7 applications from three owners over the last six years of which 4 were granted.

City Councilmembers discussed what deemed a medical and extraordinary hardship under Asset Test Evaluation Procedures; heard concerns that if there are no guidelines to measure it would be difficult to determine a decision; inquired if policy was sent to other nonprofit organizations such as United Way or Salvation Army; and inquired who reviews requests and grants exemption.

The City Manager responded that policy is not sent to other organizations and is guided by State law and that the Board of Review and City Assessor reviews and determines exemptions.

City Councilmember Shiels moved that, seconded by City Councilmember Wagner to adopt the 2022 Poverty Exemption Policy and Guidelines and have the City Assessor and Board of Review work on guidelines for medical or extraordinary issues to be included in next year's policy.

Said motion was adopted by the following vote:

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

NAYS: None (0)

Council Comments

Mayor Murphy asked for City Council comments and Councilmember Walker commented that the Governor issued a Climate Action Plan and that there is a meeting tomorrow night at 7:00 P.M. for a public input session and opportunities to comment. City Councilmember Wagner commented that he will be absent for the March 7 meeting. City Councilmember Shiels commented that he watched MML Live with the League today which covered revitalization placemaking and that there are interesting ways to use ARPA funds; discussions on public gathering initiatives and Parks and Recreation opportunities; that Council should discuss economic incentives because it could be positive development for the City; and encouraged everyone to visit miplace.org and review MEDC programs. City Councilmember DeMoore gave kudos to the Library for creativity and implementing outreach programs and reported that she will be virtually attending the MML Core Weekender this weekend for newly elected officials. Mayor Murphy commented that this is a great City Council and looks forward to a new City Planner and City Manager and encouraged citizens to get outside and enjoy winter.

City Councilmembers discussed March schedules for possible City Manager interviews and the City Manager responded that dates will be solidified after discussions with the recruiter and potential applicants.

Mayor Murphy mentioned that he had received calls inquiring why the February Planning Commission meeting had been cancelled and the City Manager responded that he feels that the new City Planner should be in place prior to starting discussion on new and/or old planning and zoning matters. That due to current legislation on vacation rentals the City should wait until amending zoning provisions that may allow accessory dwelling units.

City Councilmember DeMoore inquired if there was a legislation update on short-term rentals and the City Manager responded that there has been no updates to-date.

There being no further business to come before the City Council, this February 7, 2022, meeting of the City Council adjourned at 8:17 P.M.

John Murphy, Mayor

Alan Terry, Clerk-Treasurer