



CITY COUNCIL

October 5, 2009

A regular meeting of the City of Petoskey City Council was held in the City Hall City Council Chambers at Petoskey, Michigan, on Monday, October 5, 2009. The meeting was called to order at 7:30 P.M.; then, after a recitation of the Pledge of Allegiance to the Flag of the United States of America, a roll call determined that the following were

Present: H. Ted Pall, Jr., M.D., Mayor
James Dittmar, City Councilmember
William Fraser, City Councilmember
Robert Johnson, City Councilmember
Ronald C. Marshall, Ph.D., City Councilmember

Absent: None

Also in attendance was City Manager Dan Ralley and City Clerk-Treasurer Alan Terry.

Resolution No. 18345
Approve Consent Agenda Items

Following the introduction of the consent agenda for the City Council meeting of October 5, 2009, City Councilmember Dittmar moved that, seconded by City Councilmember

Fraser, adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby confirms that the draft minutes of the September 21, 2009, regular meeting of the City Council, be and are hereby approved as submitted; and

BE IT FURTHER RESOLVED that the City Council does and hereby acknowledges receipt of a report from the City Manager concerning all checks that had been issued since September 21 for contract and vendor claims at \$2,126,437.97, intergovernmental claims at \$1,557,837.12, and the October 1 payroll at \$164,233.20, for a total of \$3,848,508.29.

Said resolution was adopted by the following vote:

AYES: Dittmar, Fraser, Johnson, Marshall, Pall (5)
NAYS: None (0)

Resolution No. 18346
Accept Special Assessment
Report: Schedule Hearing

The City Manager next reported that, at its meeting of September 22, 2009, the City's Downtown Management Board had voted to recommend its budget for downtown-area programs and services for 2010 and asked that

the City Council levy a special assessment against all eligible, non-residential properties within the Management Board's jurisdictional territory, the proceeds from which again would be used to finance costs of such programs and services; and set the amount for the proposed special assessment based upon assessment-levy amounts that were used in 2009.

The City Manager also reported that the Management Board's budget proposal would be included within the City's recommended 2010 Annual Budget, but City Code provisions required that the special-assessment process be done annually by City Council.

The City Manager also reported that the City Council was being asked to adopt a proposed resolution, a draft of which had been included with the report, that would: confirm that costs of proposed downtown-area programs and services would be offset by special-assessment revenues; designate the special-assessment district; approve the recommended special-assessment formula; and schedule an October 19 public hearing to receive comments concerning the proposed programs and services.

The City Manager further reported that a second public hearing to receive comments concerning the proposed special-assessment roll was tentatively scheduled for November 16.

The City Manager responded to inquires of the City Council with the following: a letter with general information would be mailed to all benefited property owners notifying them of public hearings; that this correspondence had been reviewed and recommended without changes by the Downtown Director and Downtown Management Board Chairperson; that the public had several opportunities to comment regarding programs and services of the Downtown Management Board, the first being at Downtown Management Board budget-setting meetings, and the second opportunity being at the City Council public hearings; that vigorous debates occurred during Downtown Management Board budget-session meetings concerning individual programs and services; and the Mayor added that the Downtown Director welcomed input at any time concerning programs of the Downtown Management Board.

Carla Buckmaster, Resort Township, asked for clarification on how delinquent special assessments were handled and the City Clerk-Treasurer responded that unpaid assessments are added to the property owner's tax bill.

The City Manager then responded to a general inquiry from the audience and named the individual programs and special events that were funded by the special-assessment.

City Councilmember Dittmar then moved that, seconded by City Councilmember Fraser, the following resolution be approved:

WHEREAS, the City Council in 1994 appointed members of the City's Downtown Development Authority Board as a "Downtown Management Board" under provisions of Act 120 of the Public Acts of Michigan of 1961, as amended by Act 146 of 1992; and

WHEREAS, at its September 22, 2009, meeting, the Downtown Management Board discussed the need to continue to provide certain programs and services that are believed to be beneficial to the City's principal shopping area; and

WHEREAS, the Downtown Management Board has developed a recommended formula by which properties within the Board's district could be specially assessed as a means of obtaining revenues to offset costs of the Board's proposed programs and services for the year 2010; and

WHEREAS, the City Council has reviewed a report dated September 25, 2009, by the City Manager that lists those proposed programs and services as recommended by the Downtown Management Board and the proposed roll that would spread special assessments against properties within the Management Board's district:

NOW, THEREFORE, BE IT RESOLVED that the City of Petoskey City Council does and hereby determines that a portion of the expense of these proposed programs and services shall be defrayed by special assessments upon those properties especially benefited; and

BE IT FURTHER RESOLVED that the nature of these proposed programs and services shall include such activities as special events, economic enhancement, beautification, marketing and promotions, and administration for costs estimated at \$61,700; that all portions of such costs shall be paid by special assessments, without a general obligation of the City; that such special-assessment revenues shall be collected in a single-installment payment; and that such assessments shall be levied in a district with boundaries that are to be coterminous to those of the Downtown Management Board's jurisdictional territory; and

BE IT FURTHER RESOLVED that the City Council does and hereby sets forth the basis of this special assessment by use of a formula that has been recommended by the Downtown Management Board and that has been calculated by the City staff based upon square footage of useable, non-residential building area and vacant properties, which the City Council has determined to be the most equitable to the greatest number of property owners concerned; and

BE IT FURTHER RESOLVED that the City Council does and hereby schedules a public hearing for 7:30 P.M., Monday, October 19, 2009, to receive comments concerning these proposed programs and services; and

BE IT FURTHER RESOLVED that the City Council does and hereby directs the City staff to notify all property owners within the proposed assessment district of potential property assessments and the October 19, 2009, public hearing to receive comments concerning these proposed programs and services.

Said resolution was adopted by the following vote:

AYES: Dittmar, Fraser, Johnson, Marshall, Pall (5)

NAYS: None (0)

Hear Comments

Ms. Buckmaster asked for an update on the Petoskey Pointe development matter and Mayor Pall responded that the City had obtained a favorable ruling from the Circuit Court in recovering its money from Lake Street Petoskey Associates, Inc., Farmington Hills, and that the City Attorney had advised that allotted time must pass for possible response from Lake Street Petoskey Associates; and that the Petoskey Pointe site owned by Lake Street Petoskey Associates was in a lien-hold situation but that the Developer's banking institute had not sought foreclosure.

City Councilmember Fraser reported that he wished to thank Administrative Assistant Dianne DeWitt for her service in assisting the Acting City Manager during the absence of a City Manager.

Mayor Pall reported concerning sidewalk review currently being discussed by the Planning Commission that would, at its conclusion, be followed up with a presentation to the City Council concerning existing sidewalk locations and areas recommended for sidewalk development; that an enabling ordinance as recommended by the Planning Commission would be on the City Council's next agenda; that the nuisance ordinance was being reviewed by the City Manager and City Attorney and would return to the City Council following this review; that applications were being accepted for the Mayor's Youth Council; that City Councilmember Dittmar had resigned from the Petoskey District Library Commission following review of Public Act 566 of 1978 that prohibited his serving on the Commission while serving as City Councilmember that could create a possible conflict of interest; and that Mayor Pall was accepting applications to fill this vacancy.

There being no further business to come before the City Council, the meeting was adjourned at 7:50 P.M.

H. Ted Pall, Jr., M.D., Mayor

Alan Terry, City Clerk-Treasurer