
PROCEEDINGS OF THE MANISTEE CITY COUNCIL – May 2, 2017

A regular meeting of the Manistee City Council was called to order by his honor, Mayor James Smith on Tuesday, May 2, 2017 at 7:00 p.m. in the City Hall Council Chambers, 70 Maple Street, followed by the Pledge of Allegiance.

PRESENT: Dale Cooper, Lynda Beaton, Roger Zielinski, Robert Goodspeed, James Smith, Mark Wittlieff, and Erin Pontiac.

ALSO PRESENT: City Manager – Thad Taylor, City Attorney – George Saylor, City Clerk – Michelle Wright, DPW Director – Jeff Mikula, Finance Director – Ed Bradford, Planning & Zoning Administrator – Denise Blakeslee, Public Safety Director – Tim Kozal, and City Engineer – Shawn Middleton / Spicer Group.

CITIZEN COMMENTS ON AGENDA RELATED ITEMS.

Comments received by:

- Mary Ann Johnston – Onekama / turned in a petition regarding the Senior Center project, stated it is a good use of the property.
- Paula Barton – Oak Hill / would love to live in the City and is for the project; she runs some programs at the Senior Center but there is not enough room; housing is needed; City needs to show senior citizens that they matter and move forward with the project.
- Tyler Leppanen, DDA Executive Director / read a motion that the DDA passed in regards to the project; requested that Council not support housing at that location; it does not enhance the DDA tax base.
- Jeff Dontz, County Commissioner chair / Commission unanimously endorses the Third Coast project; great economic impact to the community.
- Karen Goodman, 6th District County Commissioner / interested in supporting this project, both for the Senior Center and economic growth; the population of seniors is growing; wants a safe, wonderful, comfortable environment for them; the ability to have housing available and affordable equals more money to spend downtown.
- Meg Batzer, 7th District County Commissioner / supports the project, part of placemaking in our economy, it would be an active living dynamic including availability of concerts, grocery store, pharmacy, and Dial-a-Ride; originally concerned with the 45 year PILOT but would free up other homes for sale; when the prior Senior Center is sold it will be uncapped for taxes; County board voted unanimously in support.
- Bob Daniels – 59 Smith Street / Manistee comes in at #226 for the average retiree household income at \$20,000 per year; everyone has worked extremely hard on this project, heartfelt thank you to all.
- Shari Wild – Onekama and property owner in Manistee / entirely supportive of the Senior Center project as proposed in November 2016, but not the new 2% PILOT; concerned with public safety, traffic flow and congestion; concerned with the impact of residential neighbors and parking; impact of traffic on Memorial Drive, and how it will affect the band shell, farmers market and the new brewery; safe and efficient traffic flow off US-31 will be challenging; should make your decision on what is best for the majority.

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- Glenn Zaring – 321 Fifth Street / wants to see seniors given the opportunity for a good Senior Center and housing, they deserve our support; has serious concerns of our ability to afford this, what we do and the end result; our children will have to pay for it; only so much money available; think about responsible finances going forward.
- Marlene McBride – 217 River Street / seniors are a vibrant, intelligent community; they bind together; they have given to the City and it is time for the City to give something back.
- Nick Szymanski – 332 Fifth Street / understands about the tax abatement; this may be the best and final offer given to the City; 2% of something is better than 10% of nothing.

CONSENT AGENDA.

- Minutes
 - April 18, 2017 - Regular Meeting
 - April 18, 2017 - Work Session
 - April 24, 2017 - Work Session
 - April 25, 2017 - Work Session
- Financial Reports
 - Cash Balances - March 2017
 - Quarterly Financial Update
 - Quarterly Investment Update
- Notification Regarding Next Work Session – May 9, 2017

A Council work session has been scheduled for Tuesday, May 9, 2017 at 7 p.m. A discussion will be conducted on Fifth Avenue Beach parking lot/sidewalk/berm; medical marijuana request by Mark Quinn; DDA TIF District; discussion on non-profits using City facilities at no cost; Salt City Rock & Blues band shell concept plan; and such business as may come before the Council.
- Consideration of National Day of Prayer Gathering at City Hall

The National Day of Prayer Committee is requesting permission to gather on the Maple Street entrance steps at City Hall on Thursday, May 4, 2017. They have also requested the ability to hook into City Hall for electrical power to run their sound system. The ceremony would begin around 11:45 a.m. and finish up around 1:00 p.m.
- Consideration of National Salvation Army Week Proclamation

The Salvation Army has been a part of the Manistee community for many years. They have befriended, aided, and given new hope to men, women, and children; regardless of race or creed. President Dwight D. Eisenhower declared the first National Salvation Army Week in 1954. More than 60 years later, National Salvation Army Week continues to serve as a reminder to Americans to give freely of themselves. City Council is being asked to declare the week of May 14 – May 18, 2017 as National Salvation Army Week in the City of Manistee.

MOTION by Goodspeed, second by Zielinski to approve the Consent Agenda as presented.

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With a roll call vote this motion passed unanimously.

AYES: Cooper, Beaton, Zielinski, Goodspeed, Smith, Wittlieff, and Pontiac

NAYS: None

CONSIDERATION OF PROPOSED DDA BUDGET FOR FISCAL YEAR 2017-2018.

The Manistee Downtown Development Authority Board of Directors approved their 2017-2018 budget at their April 12, 2017 meeting. A public hearing on the budget was conducted April 25, 2017. The board is requesting that City Council approve the budget as presented. City Code of Ordinance No. 282.09 (b) requires the DDA to submit their annual budget to Council by the same date that the City Budget is required by Charter to be approved which is May 15.

MOTION by Zielinski, second by Goodspeed to approve the Downtown Development Authority's 2017-2018 Fiscal Year Budget.

With a roll call vote this motion passed unanimously.

AYES: Cooper, Beaton, Zielinski, Goodspeed, Smith, Wittlieff, and Pontiac

NAYS: None

CONSIDERATION OF ADOPTING THE 2017-2018 BUDGET AND CAPITAL IMPROVEMENT PLAN.

Under Section 7-4 of the Charter, the annual budget must be adopted before May 15 of each year. The budget has been the subject of multiple work sessions and a public hearing.

MOTION by Zielinski, second by Cooper to adopt a resolution approving the 2017-2018 Budget and Capital Improvement Plan for the City of Manistee. Brief comments regarding the AES de-funding were given.

With a roll call vote this motion passed, 5-2.

AYES: Cooper, Beaton, Zielinski, Smith, and Pontiac

NAYS: Goodspeed and Wittlieff

CONSIDERATION OF THIRD COAST DEVELOPMENT PAYMENT IN LIEU OF TAXES (PILOT) REQUEST.

Third Coast Development is requesting a 2% PILOT, with an annual \$6,000 Municipal Services Agreement (MSA), for 45 years to facilitate the redevelopment of the Oleson's property. The MSA would increase by 2.5% each year and the PILOT payment would increase based on shelter rents.

MOTION by Beaton, second by Wittlieff to approve Third Coast Development's request for a 2% PILOT, with an annual \$6,000 MSA, for 45 years. Lengthy discussion followed.

With a roll call vote this motion failed, 3-4.

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AYES: Beaton, Goodspeed, and Wittlieff
NAYS: Cooper, Zielinski, Smith, and Pontiac

CONSIDERATION OF FARMER’S MARKET LICENSE AGREEMENT.

The City has allowed a portion of a public parking lot to be used for the farmer’s market; however the use was never formalized. Given the potential for use conflicts due to development and redevelopment projects in the vicinity; it’s best to have an agreement in place that safeguards the City and the farmer’s market.

MOTION by Zielinski, second by Cooper to approve a license agreement with the Manistee Community Kitchen for the use of the City’s parking lot for a farmer’s market.

With a roll call vote this motion passed unanimously.

AYES: Cooper, Beaton, Zielinski, Goodspeed, Smith, Wittlieff, and Pontiac
NAYS: None

CONSIDERATION OF A RESOLUTION AUTHORIZING VOTING SYSTEM GRANT APPLICATION.

The State of Michigan is requiring all jurisdictions to replace their current voting equipment by 2018. Partial funding for the new voting system will be provided by the State and will include a combination of Federal Help America Vote Act and State-appropriated funds. The funding would include the purchase of two precinct tabulators, one Absent Voter Counting Board tabulator, two accessible voting devices for use by voters with disabilities, and EMS software (if needed) at no cost. It would also cover five years of service and maintenance at no cost.

In order to receive the funding for the equipment, a grant agreement must be signed. The grant agreement establishes ownership of the equipment at the local level, sets requirements for ongoing records maintenance and establishes equipment totals. Implementation of the new equipment for the City of Manistee is proposed for November 2017.

MOTION by Zielinski, second by Cooper to adopt a resolution authorizing the City Clerk to submit a grant application on behalf of the City of Manistee for the purchase of a new voting system, contingent upon the review of the agreement by the City Attorney; and further authorize the Mayor and City Clerk to sign the resolution.

With a roll call vote this motion passed unanimously.

AYES: Cooper, Beaton, Zielinski, Goodspeed, Smith, Wittlieff, and Pontiac
NAYS: None

CONSIDERATION OF FIFTH AVENUE BEACH CONCESSION STAND THREE-YEAR CONTRACT WITH NORTH COUNTRY CAFÉ.

Operation of the Fifth Avenue Concession Stand was publicly advertised for bids earlier this year. One bid was received from North Country Concessions (aka North Country Café) in the amount of \$1,200 per year. The City Attorney prepared and approved the contract.

MOTION by Zielinski, second by Pontiac to approve a three-year contract with North County Café to operate the Fifth Avenue Beach Concession Stand for the 2017-2019 seasons in the amount of \$1,200 per year; and further authorize the Mayor and City Clerk to execute the agreement.

With a roll call vote this motion passed unanimously.

AYES: Cooper, Beaton, Zielinski, Goodspeed, Smith, Wittlieff, and Pontiac
NAYS: None

CONSIDERATION OF FIRST STREET BEACH CONCESSION STAND THREE-YEAR CONTRACT WITH NORTH COUNTRY CAFÉ.

North Country Café was awarded a three-year contract in 2014 to operate the concession stand, leaving one year remaining. North Country Café would like to make additional capital investments to their operation and have requested a two-year extension to provide sufficient time to absorb the investments. Staff recommends entering into a new three-year agreement in lieu of a two-year extension. The City Attorney prepared and approved the contract.

MOTION by Cooper, second by Goodspeed to approve a new three-year contract with North Country Café to operate the First Street Beach Concession Stand for the 2017-2019 seasons in the amount of \$1,400 per year; and further authorize the Mayor and City Clerk to execute the agreement.

With a roll call vote this motion passed unanimously.

AYES: Cooper, Beaton, Zielinski, Goodspeed, Smith, Wittlieff, and Pontiac
NAYS: None

CONSIDERATION OF APPLICATIONS TO BOARDS AND COMMISSIONS.

The City Clerk has taken action to advertise vacancies on the Board of Review, Brownfield Redevelopment Authority, Downtown Development Authority, Housing Commission, Parks Commission, PEG Commission, and the Zoning Board of Appeals.

All appointments by the Mayor are subject to the Council's approval, unless otherwise specified by statute or ordinance. Nominations for Council appointments do not require a second. After a member of Council nominates an individual for appointment, Council shall vote on the nomination. A majority vote in favor of placement of the nominee is required for appointment.

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The following applications have been received: (*Incumbent)

DOWNTOWN DEVELOPMENT AUTHORITY. One vacancy, term ending 6/30/19 for a member at large. Mayoral appointment.

Tamara A. DePonio, 387 River Street
Chelsea Harvey, 11690 Nurnberger, Thompsonville (Work: PNC, 375 River St.)

Mayor Smith appointed Ms. Tamara A. DePonio, 387 River Street to the Downtown Development Authority for a term ending 6/30/19, supported by Zielinski.

With a roll call vote this motion passed, 6-1.

AYES: Cooper, Beaton, Zielinski, Goodspeed, Smith, and Pontiac
NAYS: Wittlieff

HOUSING COMMISSION. Two vacancies, five-year term ending 5/31/22; Mayoral appointment.

Sheryl Ann Kuenzer, 273 Sixth Avenue, Apt. 505*

Mayor Smith appointed Ms. Sheryl Ann Kuenzer, 273 Sixth Avenue, Apt. 505 to the Housing Commission for a five-year term ending 5/31/22, supported by Zielinski.

With a roll call vote this motion passed, 6-1.

AYES: Cooper, Beaton, Zielinski, Goodspeed, Smith, and Pontiac
NAYS: Wittlieff

CITY CHARTER UPDATE REVIEW.

At the February 21, 2017 meeting City Council directed the City Attorney and the City Clerk to review the City Charter for areas that are no longer applicable or superseded by state or federal law. Their review has been completed and they have identified areas of the Charter that have changed.

No comments received.

CITIZEN COMMENT.

Comments received by:

- Tyler Leppanen, DDA Executive Director / supports the Senior Center portion of the project.

OFFICIALS AND STAFF.

Wright stated that City Council petition packets are available for the 2nd, 4th, and 6th districts which will be voted on in November 2017.

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Taylor asked for clarification if the Council is willing to engage in contract negotiations with the AES.

Mikula gave a reminder that six miles of City streets will be repaved starting next week; two sections of River Street will be closed for 24 hour periods, one on Tuesday and one on Wednesday.

Blakeslee stated that several Zoning Ordinance public hearings will be held on Thursday.

COUNCILMEMBERS.

Zielinski thanked everyone for their comments, most emotional and factual issue so far; decision was based on what tax payers deserve.

Goodspeed would like to revisit having a traffic signal on Maple Street by Kennedy School.

Wittlieff is saddened and disappointed in Council's not passing the PILOT.

Pontiac echoed Zielinski's comments, made us do research; asked the public to please continue giving us their comments.

Smith stated he won't criticize someone for voting different than he does; financially made the decision for the City at large; thanked all of the people that showed up and City staff for their work, it has been exhausting.

ADJOURN.

MOTION to adjourn was made by Goodspeed. Meeting adjourned at 7:59 p.m.

Michelle Wright MMC / CPFA, MiCPT
City Clerk/Chief Deputy Treasurer