City Council Meeting

February 3, 2020
6:00 p.m.

Cadillac Municipal Complex
Council Chambers
200 N. Lake St.
Cadillac, MI 49601

February 3, 2020 City Council Meeting Agenda
6 p.m. at City Hall – 200 N. Lake St. – Cadillac, MI 49601

We are continuous learners

CALL TO ORDER
PLEDGE OF ALLEGIANCE
ROLL CALL

I. APPROVAL OF AGENDA

II. PUBLIC COMMENTS

It is requested that comment time be limited to three (3) minutes.

III. CONSENT AGENDA

All items listed on the consent agenda are considered routine and will be enacted by one motion with roll call vote. There will be no separate discussion of these items unless a Council Member so requests it, in which event the items will be removed from the consent agenda and discussed separately.

A. Minutes from the regular meeting held on January 21, 2020.
Support Document III-A

IV. PUBLIC HEARINGS

A. Public hearing to consider adoption of Ordinance to Amend Section 12-84 of City Code Regarding Duration of the Maple Hill Apartments Service Charge in Lieu of Taxes.
Support Document IV-A

V. APPOINTMENTS

A. Recommendation regarding reappointment to the Cadillac Historic Districts Commission.
Support Document V-A

VI. CITY MANAGER'S REPORT

A. Cadillac Housing Commission compensation change request.
Support Document VI-A

B. Bids and recommendation regarding Stand-On Leaf Blower.
Support Document VI-B

C. Request for out-of-state travel.
Support Document VI-C

VII. PUBLIC COMMENTS

It is requested that comment time be limited to three (3) minutes.

VIII. GOOD OF THE ORDER

IX. ADJOURNMENT

Core Values (R.I.T.E.)
Respect
Integrity
Trust
Excellence

Guiding Behaviors
We support each other in serving our community
We communicate openly, honestly, respectfully, and directly
We are fully present
We are all accountable
We trust and assume goodness in intentions
We are continuous learners

CITY COUNCIL MEETING MINUTES
January 21, 2020
Cadillac City Hall – 200 N. Lake St. - Cadillac, Michigan 49601

CALL TO ORDER

Mayor Filkins called the City Council meeting to order at approximately 6:00 pm.

PLEDGE OF ALLEGIANCE

OATH OF OFFICE

City Clerk administered the Oath of Office to Council Members Bryan Elenbaas and Robert J. Engels. Elenbaas will represent Ward One and his term will expire on December 31, 2023. Engels will represent Ward Three and his term will expire on December 31, 2023.

City Clerk administered the Oath of Office to Mayor Carla J. Filkins and her term will expire on December 31, 2021.

ROLL CALL

Council Present:	Elenbaas, Engels, King, Mayor Filkins
Council Absent:	Schippers
Staff Present:	Peccia, Roberts, Ottjepka, Dietlin, Wallace, Homier, Wasson

APPROVAL OF AGENDA

2020-001 Approve agenda as presented.
Motion was made by Engels and supported by King to approve the agenda as presented.

Motion unanimously approved.

PUBLIC COMMENTS

Doug DeYoung, Community Affairs Manager for Consumers Energy, presented a check to the City in the amount of $2,500 for the Tree Grant Program.

CONSENT AGENDA

2020-002 Approve consent agenda as presented.
Motion was made by King and supported by Engels to approve the consent agenda as presented.

Motion unanimously approved.

PUBLIC HEARINGS

A. Public hearing to consider of adoption of Ordinance to Amend Section 10-2 of the Cadillac City Code (Recreational Marihuana Establishments).

Peccia stated the public hearings are regarding a change to both the recreational marihuana ordinance and the medical marihuana ordinance. He noted the modification that was introduced at the December 16, 2019 meeting pertains to the ability for the City to accept multiple applications on a single property. He stated under the original ordinances the City would not be able to accept more than one application per property. He noted this would be applicable to a property such as a strip mall or a property with multiple suites or storefronts.

City Attorney Homier stated the proposed amendments are virtually identical with respect to the medical and recreational marihuana ordinances. He noted the amendments would allow co-location of establishments permitted in the City and would allow medical facilities and recreational establishments to be co-located. He stated the amendments would also extend the initial receipt period for applications from January 31, 2020 to February 28, 2020 at 4:00 pm. He stated the extension of the application deadline is necessary because the effective date of the ordinance amendments will be 20 days after adoption. He noted if more applications are received than there are permits available there would be a competitive process.

Peccia stated there has been some conversation about whether applications received prior to the initial application period should be processed, or should all applications be processed after February 28, 2020.

Homier stated the way the amendment is drafted, the initial receipt period would be extended for all applications. He noted Council can determine whether the City should consider any applications received prior to the initial application deadline of January 31, 2020.

Engels asked about separate entrances for co-locations.

Homier stated even with co-locations, each would be considered a separate premise and each would require an application along with separate entrances.

Peccia stated an owner of a strip mall mentioned that they are being solicited by a couple of different companies that are interested in applying. He noted under the current ordinance, the City would only be able to accept one application for the entire property. He stated that was not the City’s intent. He noted the intent was to be able to accept as many applications that come in as long as all of the applications meet the criteria that has been set. He stated making the proposed modification to the ordinances resolves that issue. He added it doesn’t resolve the question of whether all applications should be held until the new deadline of February 28, 2020 which is more of a policy-type question.

Peccia noted the question is whether we hold everything back until February 28, 2020 or process the applications received by January 31, 2020 and then only process any applications received for licenses that are still available as well as applications that are received for co-locations. He stated applications for co-locations would not be able to be processed until after the ordinances take effect.

Mayor Filkins opened the public hearing.

Robert McCurren commented on the application deadline, co-locations, separate entrances, and multiple applications for one location.

John Taylor commented on separate entrances and asked if separate addresses would be required.

Mayor Filkins closed the public hearing.

Homier stated as the draft is written it would require each of the licensed establishments to have a separate entrance and exit, separate inventory, separate recordkeeping, and separate point of sale. He noted separate addresses is not specifically addressed in the proposed amendment but he believes as long as the City can identify those premises by way of a lease agreement or by other means it should be acceptable.

Peccia noted earlier discussions involved stacking vs. not stacking of different license types to be operating within one location. He stated the determination was to not stack the licensing to allow for medical and recreational uses to be blended into one storefront.

Engels stated artificially dividing a building by establishing two (2) separate entrances and constructing dividers is allowed.

Homier stated the proposed amendments would uniformly move the initial application period to February 28, 2020.

King asked if the City would be disadvantaging anyone that has applied under the rules that established the January 31, 2020 deadline. He asked if the City should process the applications received by the initial deadline, and then process the remaining applications.

Engels stated he supports extending the application deadline to February 28, 2020 and then acting on the applications.

Elenbaas stated he agrees with Council Member Engels.

King stated the ordinances require that any applicant must follow state law so should we amend the language in the first paragraph because it's really incidental to the fact that they have to follow state law. He asked if it would make it easier as far as the state's enforcement because the state is regulating these locations.

Homier noted his preference would be to leave it as is because it is a requirement of state law and the mere fact we have it included in the ordinance isn't going to make it any less enforceable by the state.

2020-003 Adopt Ordinance 2020-01.
Motion was made by Engels and supported by King to approve the resolution to adopt Ordinance to Amend Section 10-2 of the Cadillac City Code (Recreational Marihuana Establishments).

Motion unanimously approved.

B. Public hearing to consider adoption of Ordinance to Amend Section 10-3 of the Cadillac City Code (Medical Marihuana Facilities).

Peccia stated the proposed amendment to the Medical Marihuana Ordinance is the same as the proposed amendment to the Recreational Marihuana Ordinance.

Mayor Filkins opened the public hearing.

John Taylor asked for clarification on the point system.

Mayor Filkins closed the public hearing.

Engels asked who the contact person is for someone wanting direct guidance on an application.

Peccia stated he and members of his staff have been fielding phone calls and have met with various individuals. He added the City Attorney has prepared responses to different questions that have arisen. He noted there is a scoring matrix with a point system that is applied to each of the categories. He stated it will be up to each member of the committee to score each of the different categories.

Homier noted it is a competitive process and the whole point is to select those applicants who are best suited for the City.

2020-004 Adopt Ordinance 2020-02.
Motion was made by Engels and supported by King to approve the resolution to adopt Ordinance to Amend Section 10-3 of the Cadillac City Code (Medical Marihuana Facilities).

Motion unanimously approved.

COMMUNICATIONS

A. Presentation of FY2019 Audit Results by Joe Verlin of Gabridge & Co.

Joe Verlin from Gabridge & Co. presented the results of the independent audit for the fiscal year ended June 30, 2019. Gabridge & Co. issued an "Unmodified" opinion on the financial statements. Verlin indicated that this is the best opinion they can offer on the statements. He added that the City is in sound financial condition and commended the City for continuing to receive the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA).

APPOINTMENTS

A. City Council Member appointments, regular and alternate, to the Board of Review.

Peccia noted Council Member Schippers is willing to continue serving as the alternate member and Council Member Engels is willing to continue serving as the regular member.

2020-005 City Council appointments to the Board of Review.
Motion was made by Engels and supported by King to appoint Council Member Engels as the regular member and Council Member Schippers as the alternate member to the Board of Review for a 1-year term to expire on January 21, 2021.

Motion unanimously approved.

B. Recommendation regarding reappointment to the Local Development Finance Authority.

2020-006 Approve reappointment to the Local Development Finance Authority.
Motion was made by King and supported by Engels to approve the reappointment of Jennifer Brown to the Local Development Finance Authority for a 4-year term to expire on January 21, 2024.

Motion unanimously approved.

C. Recommendation regarding reappointment to the Brownfield Redevelopment Authority.

2020-007 Approve reappointment to the Brownfield Redevelopment Authority.
Motion was made by King and supported by Engels to approve the reappointment of Mike Figliomeni to the Brownfield Redevelopment Authority for a 3-year term to expire on January 21, 2023.

Motion unanimously approved.

D. Recommendation regarding reappointment to the Zoning Board of Appeals.

2020-008 Approve reappointment to the Zoning Board of Appeals.
Motion was made by Engels and supported by King to approve the reappointment of Larry Bontrager to the Zoning Board of Appeals for a 3-year term to expire on January 21, 2023.
Motion unanimously approved.

E. Recommendation regarding reappointment to the Cemetery Board.

2020-009 Approve reappointment to the Cemetery Board.
Motion was made by Elenbaas and supported by King to approve the reappointment of Charles LaBar to the Cemetery Board for a 3-year term to expire on January 21, 2023.

Motion unanimously approved.

F. Recommendation regarding appointment to the Election Commission.

2020-010 Approve appointment to the Election Commission.
Motion was made by Elenbaas and supported by King to approve the appointment of Jereme Olson to the Election Commission for a 4-year term to expire on January 21, 2024.

Motion unanimously approved.

G. Recommendation regarding appointment to the Cadillac-Wexford Airport Authority.

2020-011 Approve appointment to the Cadillac-Wexford Airport Authority.
Motion was made by King and supported by Engels to approve the appointment of Jim Clements to the Cadillac-Wexford Airport Authority for a partial term to expire on February 22, 2021.

Motion unanimously approved.

Mayor Filkins thanked those who volunteer on the various boards and commissions.

CITY MANAGER'S REPORT

A. Downtown Sidewalk Cafés

Peccia stated Clam Lake Beer Company, Hermann's European Café, and Raven BBQ and Brewery have requested approval to have sidewalk cafés in front of their businesses in 2020. He noted the two (2) conditions are as follows:

(1) The Cadillac City Code of Ordinance that relates to sidewalk cafés in Section 46-395 is followed which includes a requirement for a site plan and proof of insurance.

(2) Businesses with a sidewalk café on Mitchell Street/Business US-131 acquire the needed sidewalk café permit through the State of Michigan.

2020-012 Approve Downtown Sidewalk Cafés.
Motion was made by King and supported by Engels to approve the request of Clam Lake Beer Company, Hermann's European Café, and Raven BBQ and Brewery to have sidewalk cafés in front of their businesses in 2020 subject to the conditions noted.

Motion unanimously approved.

B. Recommendation regarding Change Order for Municipal Water Supply Well Drilling.

Peccia noted that conditions warrant installing a road in order for the contractor to continue with development of the new well field site. He noted the cost to install this part of the road is estimated at $30,000. He stated the City has negotiated with the contractor to be responsible for half of the cost of installing this road base. He noted the recommendation is to approve Change Order #1 for the Municipal Water Supply Well Drilling Contract with C.S. Raymer Water Supply Contractors in the amount of $15,000.

2020-013 Approve Change Order for Municipal Water Supply Well Drilling.
Motion was made by King and supported by Engels to approve Change Order #1 for the Municipal Water Supply Well Drilling Contract with C.S. Raymer Water Supply Contractors in the amount of $15,000.

Motion unanimously approved.

C. Setting of Budget Related Work Sessions
   - Goals & Capital Improvement Program Review on February 17, 2020 at 4:15 p.m.
   - Fiscal Year 2021 Budget Review on April 6, 2020 at 4:15 p.m.

2020-014 Approve FY2021 Budget Work Session dates.
Motion was made by Engels and supported by King to approve the Fiscal Year 2021 Budget Work Session dates as presented.

Motion unanimously approved.

D. Hardship (Poverty) Exemption Policy.

   Peccia stated the City is required to annually adopt a policy, including an asset test used to approve or deny hardship (poverty) exemptions. He noted the Board of Review (BOR) utilizes these guidelines when a hardship (poverty) application comes before them. He stated the Audit of Minimum Assessing Requirements (AMAR) requires the local unit to set an actual dollar amount for assets with the exemption of the primary residence. He noted we have included language in this policy to set the amount of $50,000 as the asset amount not to exceed, excluding the value of the primary home. He stated it is being requested that Council adopt the updated Hardship (Poverty) Exemption Policy utilizing the 2020 Health and Human Services Poverty Guideline as well as a $50,000 asset guideline, excluding the primary home.

2020-015 Adopt updated Hardship (Poverty) Exemption Policy.
Motion was made by Engels and supported by King to adopt the updated Hardship (Poverty) Exemption Policy utilizing the 2020 Health and Human Services Poverty Guideline as well as a $50,000 asset guideline, excluding the primary home.

Motion unanimously approved.

INTRODUCTION OF ORDINANCES

A. Adopt resolution to introduce Ordinance to Amend Section 12-84 of City Code Regarding Duration of the Maple Hill Apartments Service Charge in Lieu of Taxes and set a public hearing for February 3, 2020.

   Peccia stated this item is to set the public hearing for the purpose of amending an ordinance in order to allow for the Woda Cooper Companies to finish construction activities on Maple Hill Apartments and still qualify for the Payment in Lieu of Taxes (PILOT) program.

   Craig Patterson, Woda Cooper Companies, noted in 2018 they received Council approval for an extension to their 2016 PILOT due to a delay in the start of construction. He noted because of budget constraints, changes in design, and contractor availability they didn’t begin construction until January 2019. He stated one (1) building is completed and another is near completion. He noted they are projecting construction to be completed by June 2020. He stated the current PILOT will expire in the next thirty (30) days and the PILOT is an important component of sustaining this property for the next fifteen (15) to forty-five (45) years. He noted once rehabilitation of the apartments is complete, Woda Cooper Companies will have invested an estimated $3.6 million.

Mayor Filkins asked how the improvements have been received by the residents in the units that have been completed.

Craig Patterson stated everyone who has returned to the completed units are very pleased with the amenities. He stated they are adding a community room as part of the scope of work.

Peccia noted the current draft ordinance extends the PILOT to fifty-four (54) months but it may make sense to increase the duration to sixty (60) months as part of the public hearing.

2020-016 Set public hearing for Ordinance 2020-03.
Motion was made by King and supported by Engels to adopt the resolution to introduce Ordinance to Amend Section 12-84 of City Code Regarding Duration of the Maple Hill Apartments Service Charge in Lieu of Taxes and set a public hearing for February 3, 2020.

Motion unanimously approved.

MINUTES AND REPORTS OF BOARDS AND COMMISSIONS

A. Zoning Board of Appeals

PUBLIC COMMENTS

There were no public comments.

GOOD OF THE ORDER

Elenbaas thanked the citizens of Cadillac for showing confidence in him by casting their vote for him. He stated he is grateful and hopes to live up to their expectations. He noted it is truly an honor to be serving on Council where the likes of Keith McKellop and many other civic-minded people have served. He noted he is very moved and proud to be on the City Council representing the residents of Cadillac, one of the best small towns in Michigan. He stated this board was created to enact and guide improvements to the City and has a duty to follow the desires of its residents. He noted in order to do that it is imperative that citizens speak-up and clearly state their concerns about issues. He added that only by knowing these issues can they be fully represented. He stated he looks forward to hearing from the residents of Cadillac and seeing them at Council meetings or when he is out and about around the City.

ADJOURNMENT

Respectfully submitted,

Carla J. Filkins, Mayor | Sandra L. Wasson, City Clerk

City Council

200 North Lake Street
Cadillac, Michigan 49601
Phone (231) 775-0181
Fax (231) 775-8755

Mayor
Carla J. Filkins

Mayor Pro-Tem
Tiyi Schippers

Councilmembers
Stephen King
Robert J. Engels
Bryan Elenbaas

RESOLUTION NO. 2020-______

RESOLUTION TO ADOPT
ORDINANCE TO AMEND SECTION 12-84 OF CITY CODE REGARDING DURATION OF THE MAPLE HILL APARTMENTS SERVICE CHARGE IN LIEU OF TAXES

At a meeting of the City Council of the City of Cadillac, Wexford County, Michigan, held in the Council Chambers, Cadillac Municipal Complex, 200 North Lake Street, Cadillac, Michigan, on the 3rd day of February, 2020, at 6:00 p.m.

PRESENT:____

ABSENT:____

The following preamble and resolution was offered by ___________________________and seconded by ______________________________ .

WHEREAS, pursuant to the State Housing Development Authority Act of 1966, PA 346, as amended, MCL 125.1401 *et seq*) (the "Act"), the City of Cadillac adopted Ordinance No. 2016-10 to provide for a service charge in lieu of taxes for dwelling units for low to moderate income persons identified as Maple Hill Apartments; and

WHEREAS, on February 3, 2020, the City conducted a public hearing to consider an ordinance amending Ordinance No. 2016-10 to change the duration of the Ordinance No. 2016-10's effect from thirty-six (36) months to sixty (60) months; and

WHEREAS, following the public hearing, the City has determined it is in the best interests of the health, safety and welfare of City residents to adopt the proposed ordinance amending Ordinance No. 2016-10.

NOW, THEREFORE, the City Council of the City of Cadillac, Wexford County, Michigan, resolves as follows:

1. Ordinance to Amend Section 12-84 of City Code Regarding Duration of the Maple Hill Apartments Service Charge in Lieu Of Taxes (the "Ordinance," attached as Exhibit A) is hereby adopted.

2. The Ordinance shall be filed with the City Clerk.

3. The City Clerk is directed to publish a Notice of Adoption within seven (7) days after its adoption.

4. Any and all resolutions that are in conflict with this Resolution are hereby repealed to the extent necessary to give this Resolution full force and effect.

YEAS: ______________________________

NAYS: ______________________________

STATE OF MICHIGAN)
)
COUNTY OF WEXFORD)

I, Sandra Wasson, City Clerk of the City of Cadillac, hereby certify this to be a true and complete copy of Resolution No. 2020-____, duly adopted at a regular meeting of the City Council held on the 3rd day of February, 2020.

____
Sandra Wasson
Cadillac City Clerk

City Council

200 North Lake Street
Cadillac, Michigan 49601
Phone (231) 775-0181
Fax (231) 775-8755

Mayor
Carla J. Filkins

Mayor Pro-Tem
Tiyi Schippers

Councilmembers
Stephen King
Robert J. Engels
Bryan Elenbaas

ORDINANCE NO. 2020-03

ORDINANCE TO AMEND SECTION 12-84 OF CITY CODE REGARDING DURATION OF THE MAPLE HILL APARTMENTS SERVICE CHARGE IN LIEU OF TAXES

THE CITY OF CADILLAC ORDAINS:

Section 1. Amendment of Section 12-84.

Section 12-84 of the City Code regarding the duration of the Maple Hill Apartments Service Charge in Lieu of Taxes Ordinance is hereby amended to read, in its entirety, as follows:

Sec. 12-84. – Duration.

This division shall remain in effect so long as the longer of (a) the project mortgage loan remains outstanding and unpaid, (b) the housing development remains subject to income and rent restrictions pursuant to Section 42 of the Internal Revenue Code of 1986, as amended, (c) the authority has any interest in the project (including without limitation regulatory agreement restrictions), provided that rehabilitation of the housing development occurs within **sixty (60) months** from the effective date of this division; provided, however, that in no event shall this division remain in effect for longer than 16 years after completion of rehabilitation. Notwithstanding the above, the exemption shall cease for that portion of the project which is not operated consistent with section 12-79 above.

Section 2.Validity and Severability.

Any section or subsection not expressly amended by this Ordinance shall remain in full force and effect. Should any portion of this Ordinance be found invalid for any reason, such holding shall not be construed as affecting the validity of the remaining portions of this Ordinance.

Section 3. Repealer.

All other ordinances inconsistent with the provisions of this Ordinance are hereby repealed but only to the extent necessary to give this Ordinance full force and effect.

Section 4. Effective Date.

This Ordinance shall take effect twenty (20) days after its adoption.

Approved this 3rd day of February, 2020.

____________________________ ______________________________

Sandra Wasson, Clerk Carla Filkins, Mayor

I, Sandra Wasson, City Clerk of the City of Cadillac, Michigan, do hereby certify that a summary of Ordinance No. 2020-03 was published in the Cadillac News on the _____ day of _____________, 2020.

____

Sandra Wasson, City Clerk

February 3, 2020

COUNCIL COMMUNICATION

Re: Reappointment of John Iehl to a Three-Year Term on the Cadillac Historic Districts Commission

John Iehl has expressed interest in continuing his service on the Cadillac Historic Districts Commission for another three-year term.

Recommended Council Action:

Reappoint John Iehl to a three-year term on the Cadillac Historic Districts Commission, which will end on 2/6/2023.

CADILLAC HOUSING COMMISSION

Resolution # 624

2020 EMPLOYEE WAGE 3% INCREASE

Commission Members Present: Commissioner Frost

Commissioner Coffey

Commissioner Olmsted

Commissioner Puruleski

Commissioner Dolack

Commission Members Absent: None

At the recommendation of the Personnel Committee,

The following resolution was offered by Commissioner Coffey

and supported by Commissioner Puruleski_to increase staff wages by 3% except for the newly hired maintenance technician, Scott Howell.

This increase will take effect January 1, 2020 and will be paid retroactively.

	AYES	NAYS	ABSENT
Commissioner Dolack	X		
Commissioner Frost	X		
Commissioner Puruleski	X		
Commissioner Coffey	X		
Commissioner Olmsted	X		

This resolution was declared adopted by President Olmsted on January 20, 2020.

Thomas Olmsted, President

Carrie Ferguson, Secretary

February 3, 2019

Council Communication

Re: Stand-On Leaf Blower Purchase

The City recently invited bids for the purchase of one (1) stand-on leaf blower to be used in spring and fall cleanup activities at Maple Hill Cemetery and in the City parks system. The following bids were received:

Contractor	Bid Price
Ellens Equipment McBain, MI	$9,351
Weingartz Cedar Springs, MI	$10,500

Recommended Action
It is recommended that the purchase of one (1) stand-on leaf blower be awarded to the lowest bidder Ellens Equipment in the amount of $9,351. Funds are available in the Cemetery Operating Fund and the Parks Department of the General Fund.

February 3, 2020

Council Communication

Re: Out of State Travel Request

The Department of Public Works (DPW) is seeking approval for out of state travel for DPW Operations Manager Ken Payne to attend the North American Snow Conference in Cleveland, Ohio from April 18-22, 2020. The conference will highlight useful tools in combating dilemmas in snow fighting, fleet maintenance, driver fatigue, doing more with less, emergency traffic control, and managing employees.

The conference will include many valuable courses, presentations, and demonstrations of the latest equipment available in the industry. Of particular interest this year is the Public Fleet Management Course. Also, there will be multiple opportunities to network with other agencies, as well as the chance to tour the Cleveland Hopkins Airport Snow & Ice Operations.

The early registration fee for this four-day conference is $575 and total travel, lodging and conference costs are anticipated to be $1,800-$2,000.

Requested Action

It is recommended that City Council approve the out of state travel request for this great educational opportunity. Funds are available in the Stores and Garage Fund.