MAY 14, 2013
REGULAR MEETING

RECORD OF THE PROCEEDINGS OF THE REGULAR BOYNE CITY COMMISSION MEETING DULY CALLED AND HELD AT BOYNE CITY HALL, 319 NORTH LAKE STREET, ON TUESDAY MAY 14, 2013 AT 7:00 PM

CALL TO ORDER

Mayor Grunch called the meeting to order at 7:00 followed by the Pledge of Allegiance.

Present: Mayor Ron Grunch, Mayor Pro-Tem Gene Towne, Commissioner Laura Sansom, Tom Neidhamer and Derek Gaylord

Staff: Andy Kovolski, Michael Cain, Hugh Conklin, Jeff Gaither, Scott McPherson, Barb Brooks, and Cindy Grice

Others: There were 9 citizens in attendance, including representatives from the Charlevoix County News and Petoskey News Review

CONSENT AGENDA
MOTION

2013-05-062
Moved by Sansom
Second by Towne

2013-05-062A
Approval of the April 23, 2013 City Regular City Commission meeting minutes as presented
2013-05-062B
Approval to re-appoint Pat Kubesh to the Zoning Board of Appeals with a term to expire on September 1, 2016
2013-05-062C
Approval to re-appoint Roger Reynolds to the Zoning Board of Appeals with a term to expire on September 1, 2016
2013-05-062D
Approval to appoint Jo Bowman to the Parks & Recreation board to fill a board vacancy with a term to expire on December 31, 2014

Ayes: 5
Nays: 0
Absent: 0
Motion carried

CITIZENS COMMENTS

None

CORRESPONDENCE

Correspondence from Susan Sharp / Boyne City Middle School was received and filed. Correspondence from Senator Carl Levin declining the invitation to the Main Street Anniversary celebration was also received and filed.

CITY MANAGER'S REPORT

City Manager Cain reported:

- Precision Edge won NLEA's Business of the Year award
- The Water / Wastewater crew has wrapped up their hydrant flushing.
- The Ironton Ferry moved to the One Water marina
- Harborage dredging is now underway

- Assistant Planner Leslie Meyers has informed us she will be resigning from her position effective May 25.
- The marina opens for the season on May 15.
- DPW crews are helping to expand the Community garden

REPORTS OF OFFICERS, BOARDS AND STANDING COMMITTEES

Draft Minutes of the April 4, 2013 Main Street Board Meeting; the April 11, 2013 Parks & Recreation Commission Meeting; the April 15, 2013 Special LDFA Meeting; the April 15, 2013 Special EDC Meeting and the April 15, 2013 Planning Commission Meeting were received and filed.

William H White House Project

Consideration of Northern Homes' request of City Support of William H White – 417 Boyne Avenue house restoration.

City Manager Cain discussed the Northern Homes request. Northern Homes has plans to purchase and rehabilitate the William H. White House located at 417 Boyne Avenue. The goal is to rehabilitate the house and renovate the interior changing it from five apartments to four. The apartments will be rented to seniors aged 55 or order. Northern Homes is applying to the Federal Home Loan Bank for their Affordable Housing Program grant. They will be applying for the maximum amount of the grant which is $500,000. In addition, Northern Homes is requesting the City of Boyne City apply for CDBG Rental Rehabilitation funds from MSHDA. MSHDA staff has reviewed the project location and plans and have agreed to also accept an application for this project.

In April 2013, the property was tax foreclosed by Charlevoix County. The Charlevoix County Treasurer has sent a letter to Boyne City to notify the City of the property's availability.

Northern Homes is requesting the City notify the County Treasurer that the City is not interested in purchasing 417 Boyne Avenue and request the property be placed in the Charlevoix County Land Bank to sell to Northern Homes CDC subject to grant funds being awarded. Northern Homes further requests the City of Boyne City apply to MSHDA for $140,000 Rental Rehabilitation program funds and $14,000 for grant administration and to enter into a Third Party Administration Agreement between the City of Boyne City and Northern Homes CDC to administer the grant funds.

Staff Comments: Main Street Director Hugh Conklin said the Main Street Board hasn't considered this yet. Speaking for himself, he thinks this is a really important building in the community's history. The house is currently in difficult shape.

Citizens Comments: Jim Bauman said his board hasn't taken a position on this yet, but personally he agrees with Hugh. He doesn't think private enterprise is going to save this building. It seems like Northern Homes has put together a good plan and this may be the last best chance.

Bill Beamon said his neighbors have had discussion and in general, they regard it as an eyesore and would like to see it be addressed. Can't see anyone from a private standpoint doing so and can't see any other way to see that building brought into repair. If it can be fixed, let's fix it.

Board Deliberation: Mayor Pro Tem Towne said he believes this will be a good start. Commissioner Gaylord inquired if the land bank had any input and Jane MacKenzie of Northern Homes said she spoke with County Treasurer Marilyn Cousineau who doesn't see an issue. Northern Homes would be the deeded owner. Commissioner Sansom said she is very happy to see that something can come of this property and is in total favor of this recommendation. It may start the ball rolling on other projects. Commissioner Neidhamer is in full support for all reasons indicated including affordable senior housing within walking distance from town. It would improve the entry into town.

MOTION

2013-05-063
Moved by Grunch
Second by Towne

To approve the request of Northern Homes to notify the County Treasurer that the City is not interested in purchasing 417 Boyne Avenue and request the property be placed in the Charlevoix County Land Bank to sell to Northern Homes CDC subject to grant funds being awarded; to approve the Northern Homes request that the City of Boyne City apply to MSHDA for $140,000 Rental Rehabilitation program funds and $14,000 for grant administration and to enter into a Third Party Administration Agreement between the City of Boyne City and Northern Homes CDC to administer the grant funds, and provide a letter of support for this project acknowledging this comprehensive plan and general support of this project.

Ayes: 5
Nays: 0
Absent: 0
Motion carried

Charlevoix County Foreclosed property

Consideration to decline Charlevoix County's current offer of properties to the City of Boyne City and authorize staff to respond accordingly while also informing the County the City's desire that the 417 Boyne Avenue be added to the County's land bank for resuse as outlined by Northern Homes or something similar.

City Manager Cain discussed the Charlevoix County Treasurer's offer to the City of properties they have foreclosed on due to unpaid taxes. There are five properties being offered to us for the cost of the back taxes and fees. There are no properties in this current batch that would be of benefit to the community if the City owned them. Staff does support the the 417 Boyne Avenue property house goes to the County and bank for reuse as outlined by Northern Homes.

Citizens Comments: None

Staff Comments: None

Board Deliberation: All are in agreement with the recommendation.

2013-05-064 MOTION
Moved by Grunch
Second by Towne

To decline Charlevoix County's current offer of properties to the City of Boyne City and authorize staff to respond accordingly while also informing the County the City's desire that the 417 Boyne Avenue be added to the County's land bank for reuse as outlined by Northern Homes or something similar.

Ayes: 5
Nays: 0
Absent: 0
Motion carried

Michigan Mountain Mayhem Request

Consideration to approve the request by the Michigan Mountain Mayhem and Magnum Hospitality to serve alcohol in accordance with the rules of the Liquor Control Commission during the pre-event registration party from 5 to 9 pm on June 7, 2013

Hugh Conklin discussed the request of Paul Nicholls, whose event Michigan Mountain Mayhem has grown into one of the signature bicycling events in Michigan with 1500 participants. Working with Magnum Hospitality, Mr. Nicholls is requesting that the 100 block of Water between Park and Lakes Streets be closed from 3 – 9 pm on Friday June 7th. The event is scheduled to run from 5 – 9 pm but two hours will be needed to clear the streets and for set up. There will be live music and an Expo. Working with Magnum Hospitality, Mr. Nicholls is also requesting permission to set up an area in the 100 block of Water Street to sell alcohol. The proposed area would be enclosed with orange fencing and would run from Red Mesa to Local Flavor on the north side and North Country Cycle to Schraw and Associates on the south side of Water Streets with fencing set up curb to curb. The sidewalk on either side will remain open for pedestrian traffic. Police Chief Jeff Gaither has also reviewed the plans and is comfortable with this.

City Manager Cain added there have been no problems with the event in the past and the City will be named as additionally insured.

Staff Comments: None

Citizens Comments: Jim Baumann said it is a great idea for a fun night. Paul is a great event organizer.

Board Deliberation: Commissioner Neidhamer said this is an exciting opportunity and commends Paul and all involved. Mayor Pro-Tem Towne said he is not sold on alcohol on the streets, but keeping an open mind. Commissioner Gaylord said he has no problem with the bicycle event but is concerned with alcohol on the streets and can't endorse it. Commissioner Sansom said she is not totally sold on it. It is more of a private party. Chief Gaither said the event will be providing its own security. It is Red Mesa's temporary license. Commissioner Neidhamer said this is open to the public. Professional people can handle this. Mayor Grunch said special events put Boyne City on the map and he is in full support.

2013-05-065 MOTION
Moved by Neidhamer
Second by Towne

To approve the request by the Michigan Mountain Mayhem and Magnum Hospitality to serve alcohol in accordance with the rules of the Liquor Control Commission during the pre-event registration party from 5 to 9 pm on June 7, 2013 with the condition that staff has the right to close the party

Ayes: 4
Nays: 1, Commissioner Gaylord
Absent: 0
Motion carried

Property Donation

Consideration to approve acceptance of property located behind the Johnson Oil gas station at 209 and 211 South Lake Street donated from Dr. Dennis Kirkby and authorize the City Manager to execute the documents.

Main Street Director Hugh Conklin discussed the property behind the Johnson Oil gas station at 209 and 211 S Lake Street and the offer from the owner, Dr. Dennis Kirkby to donate the property. A meeting was held with Dr. Kirkby to see if he would grant an easement to the City next to the sidewalk on the north end of the parking lot to locate the new electrical box. Not only did Dr. Kirkby agree to the easement, but he offered to give the city, the entire piece of property running along the alley, which has a total of 13 parking spaces. This would allow the City to move forward in placing a new utility box and to create possible opportunities to expand public parking in the downtown area. However, in 1996, a site plan was approved when the 209 and 211 S. Lake Street building was built and the parking area established, a stipulation was made that prohibited it from being donated. The site plan was approved with the condition that the parcel proposed for the 17 parking spots behind the building be recorded with the Register of Deeds as one contiguous parcel to the main parcel at 207 – 209 South Lake Street meaning the two parcels were combined as one unless the Planning Commission amended the site plan. A request to do that was presented at the November Planning Commission meeting and was unanimously approved to amend the original site plan by the parking lot not being combined with the main parcel at 209 South Lake Street and the 17 parking space requirement for the building be waived. With that action taken, the Main Street board considered the donation offer and voted unanimously to accept the property.

Citizens Comments: Chris Christensen asked if the Planning Commission rescinded that or gave a variance. Scott McPherson said the Planning Commission waived the required parking and rescinded that the parking not be combined. In this particular case the planning Commission viewed that the use of the parking lot would not be changed. Mr. Christensen asked what about overnight parking rules.

Board Deliberation: The board discussed parking of the apartment residents. Commissioner Gaylord inquired why the original donation

stipulation was there. Is there a reason the utility box could not have been placed there under Dr. Kirkby's ownership? If Dr. Kirkby had granted the easement, we could have still collected taxes and place the utility box on the property. Hugh added that the original requirement prohibited development of that property. Chris Christensen also added that he believed Bob Banner had a dedicated parking spot. Commissioner Neidhamer said these issues have been discussed at the Planning Commission. Mayor Pro-Tem Towne and Mayor Grunch think we should postpone this issue to the next meeting. Time is not of the essence and they would rather have a clearer picture. Commissioner Gaylord said he'd like to see some feedback from those who would be affected by the change to avoid an unintended consequence.

2013-05-066 MOTION
Moved by Grunch
Second by Gaylord

To postpone the decision of acceptance of property located behind the Johnson Oil gas station at 209 and 211 South Lake Street donated from Dr. Dennis Kirkby.

Ayes: 5
Nays: 0
Absent: 0
Motion carried

Cemetery Tree Removal

Consideration to accept the bid from All Aspects Forestry from Boyne City in the amount of $9,500 to remove the marked trees and grind the stumps and remove all wood, brush and wood chips, utilizing approximately $7,000 from the Cemetery Fund balance and authorize the City Manager to execute the documents

Clerk / Treasurer Grice discussed the trees in Maple Lawn Cemetery that need to be removed. It has been determined these trees are too large for our crews and equipment and will need to be removed by professional tree removers. All Aspects Forestry provided the lowest estimate. This is not an anticipated expenditure and funds will need to be taken from the Cemetery fund balance.

Citizens Comments: None

Staff Comments: None

Board Deliberation: Commissioner Neidhamer agrees. Commissioner Sansom said she found only 17 trees that need to be removed. The character of the cemetery is the large trees. Remove the obvious dead trees but doesn't see a rush to do it. Contact the families. Mayor Pro-Tem Towne said he looked at the trees and some should have come down a few years back.

2013-05-067 MOTION
Moved by Towne
Second by Gaylord

To accept the bid from All Aspects Forestry from Boyne City in the amount of $9,500 to remove the marked trees and grind the stumps

and remove all wood, brush and wood chips, utilizing approximately $7,000 from the Cemetery Fund balance and authorize the City Manager to execute the documents.

Ayes: 4
Nays: 1, Commissioner Sansom
Absent: 0
Motion carried

Marina Renovation Permit

Consideration to accept the conditions set form in the draft permit from the MDEQ for the marina renovation of the fixed docks and shoppers dock and authorize the City Manager to execute the necessary documents.

Harbormaster Barb Brooks discussed draft permit that has been issued by the DEQ. This permit addresses only the docks to be replaced, not an overall marina expansion or renovation. It requires approval from the City accepting the terms and conditions presented, once it is signed and returned, they will move forward with issuing an official permit for the project. After the permit process for this and the dredging are finalized, we will turn our attention back to the plans and permit for the overall expansion and renovation of the marina.

Staff Comments: None

Citizens Comments: None

Board Deliberation: All are in agreement.

MOTION

2013-05-068
Moved by Towne
Second by Sansom

To accept the conditions set form in the draft permit from the MDEQ for the marina renovation of the fixed docks and shoppers dock and authorize the City Manager to execute the necessary documents.

Ayes: 5
Nays: 0
Absent: 0
Motion carried

Good of the Order

Commissioner Sansom has been following the Consumers Power tree trimmer/removers and is in some levels impressed, others not.

ADJOURNMENT

Moved by Mayor Grunch, seconded by Mayor Pro-Tem Towne to adjourn the regular City Commission meeting of May 14, 2013 at 9:04 p.m.

Ron Grunch
Mayor

Cindy Grice
Clerk / Treasurer