



## CITY COUNCIL

February 19, 2018

A regular meeting of the City of Petoskey City Council was held in the City Hall Council Chambers, Petoskey, Michigan, on Monday, February 19, 2018. 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  
Kate Marshall, City Councilmember  
Izzy Lyman, City Councilmember  
Grant Dittmar, City Councilmember  
Jeremy Wills, City Councilmember

Absent: None

Also in attendance were City Manager Robert Straebel, Clerk-Treasurer Alan Terry, City Planner Amy Tweeten, Parks and Recreation Director Kendall Klingelsmith, Downtown Director Becky Goodman and City Attorney James Murray.

### **Consent Agenda - Resolution No. 19148**

Following introduction of the consent agenda for this meeting of February 19, 2018, City Councilmember Marshall moved that, seconded by City Councilmember Wills adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby confirms that the draft minutes of the January 15, 2018 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 15 for contract and vendor claims at \$2,444,440.33, intergovernmental claims at \$43,026.10, and the January 25 and February 8 payrolls at \$391,319.08, for a total of \$2,878,785.51 be and is hereby acknowledged.

Said resolution was adopted by the following vote:

AYES: Marshall, Lyman, Dittmar, Wills, Murphy (5)

NAYS: None (0)

### **Public Comment**

Mayor Murphy asked for public comments and there were no comments.

### **City Manager Updates**

The City Manager reported that staff is working on a grant application for electrical pedestal improvements to Pier B which will be forthcoming for approval; that Springvale/Bear Creek Sewage Disposal Authority restated wastewater treatment service agreement and franchise agreement will need to be approved by both boards; that FOPLC collective bargaining mediation is scheduled for February 21; that staff has postponed hiring a full-time IT staff person and will continue to contract with Empiric Solutions for technology services;

that recommended changes to Ordinance 727 from the DMB concerning redevelopment liquor licenses will be forthcoming for discussion and possible approval; and that the Parks and Recreation Commission based on the Parks and Recreation Master Plan, is encouraging staff to initiate discussions with local and regional stakeholders regarding modifications to the Lake Street Dam with an overall objective to improve fish passage while addressing any current safety or maintenance issues.

City Councilmembers inquired if revisions to the redevelopment liquor license ordinance will affect tonight's approvals, which it does not; that the dam is enjoyed by many and hopes any renovation will balance the needs of all users; and heard from those thanking the City Manager for contracting with Empiric Solutions for technology services providing a cost savings.

**Adopt Ordinance 759 – Amending Appendix A to the Zoning Ordinance - Resolution No. 19149**

The City Manager gave a brief overview of the proposed ordinance and discussions to date, and that this was a second reading of the proposed ordinance and Council could approve at this meeting.

City Councilmembers had concerns with occupants per structure and heard from those in favor and opposed to keeping maximum occupants at 8; heard an inquiry on the purpose of continuing to decrease occupants when it may be hard for a business to invest with low occupancy; discussed areas grandfathered; and that some current larger facilities may be affected by lowering number.

The City Attorney reviewed that if City Council preferred to lower maximum number of occupants that it could happen tonight if consistent across the board with all facilities and there wouldn't be a need for an additional reading.

Mayor Murphy asked for public comments and heard a comment if Council has considered off-street parking, which is the real issue.

City Councilmember Lyman moved that, seconded by City Councilmember Marshall to revise the propose ordinance to include a maximum number of occupants from 8 to 6 occupants per structure in group living uses including Assisted Living Facility, Convalescent/Nursing Care Facility, Sheltered Housing Facilities, Boarding Houses and Residential Care and Treatment Facility and to adopt the following ordinance amending Appendix A to the Zoning Ordinance:

**AN ORDINANCE TO AMEND APPENDIX A OF THE PETOSKEY CODE OF ORDINANCES, ZONING ORDINANCE ARTICLE II, ARTICLE VI, ARTICLE VII, ARTICLE XVI, ARTICLE XVII, ARTICLE XXIX, AND ARTICLE XXX**

THE PETOSKEY CITY COUNCIL ORDAINS:

1. **Appendix A, Article II, Section 201 of the Petoskey Code of Ordinances is amended, in part, to amend the definition of Assisted Living Facility and Boarding House and to create a new definition of Block Face and Convalescent/ Nursing Care Facility. The remaining definitions remain in full force and effect. The revised and new definitions are as follows:**

*Assisted Living Facility.* A special combination of housing, supportive services, personalized assistance, and health care designed to respond to the individual needs of residents who need help with activities of daily living; which may or may not include a central or private kitchen, dining, recreational, and other facilities; with separate bedrooms or living quarters; and where the emphasis of the facility remains residential.

*Block face.* That portion of a block or tract of land facing the same side of a single street and lying between the closest intersecting streets.

*Boarding House.* A dwelling unit with a single kitchen facility where lodging is provided and meals may be provided to occupants for compensation either directly or indirectly for no less than a 30-day period.

Convalescent/Nursing Care Facility. A structure with sleeping rooms, where persons are housed and are furnished with meals, nursing and medical care.

**2. Appendix A, Article VI of the Petoskey Code of Ordinances is hereby repealed and replaced by the following:**

Sec. 600. - Intent.

The RM-1 Multiple-Family Residential District is designed to provide sites for low-density multiple-family dwelling structures which will generally serve as zones of transition between less intensive nonresidential districts and lower density single-family development. This district will also accommodate the large planned multiple-family residential development.

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 Ordinance:

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 at least the requirements of the immediately abutting Single-Family Residential District.
2. Multiple-family dwellings.
3. Accessory buildings and uses customarily incident to any of the above permitted uses.

Sec. 602. - Required conditions.

In the case of multiple dwelling developments, all site plans shall be submitted to the planning commission for its review and approval prior to issuance of a building permit.

Approval shall be contingent upon a finding that:

1. The site plan shows that a proper relationship exists between local streets and any proposed service roads, driveways, and parking areas to encourage pedestrian and vehicular traffic safety, and
2. All the development features including the principal building or buildings and any accessory buildings, or uses, open spaces, and any service roads, driveways and parking areas are so located and related to minimize the possibility of any adverse effects upon adjacent property, such as, but not limited to: channeling excessive traffic onto local residential streets, lack of adequate screening or buffering of parking or service areas, or building groupings and circulation routes located as to interfere with police or fire equipment access.

Sec. 603. - Principal uses permitted subject to special conditions.

The following uses shall be permitted, subject to conditions hereinafter imposed for each use, and subject further to the review and approval of the planning commission pursuant to section 1717 of the zoning ordinance:

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), provided that for each child so cared for, there is provided and maintained a minimum of 150 square feet of outdoor play area. Such play space shall have a minimum area of at least 1,200 square feet, and shall be fenced or screened from any adjoining residential land with planting.
2. Assisted Living and Convalescent/Nursing Care Facilities not to exceed 6 occupants per structure. No such facility shall be less than 400 feet from any like facility.
3. Accessory buildings and uses customarily incident to any of the above-permitted uses.

Sec. 604. - Area and bulk requirements.

See article XVI Schedule of Regulations limiting the height and bulk of buildings, the minimum size of lot permitted by land use, maximum density permitted and providing minimum yard setback requirements.

**3. Appendix A, Article VII of the Petoskey Code of Ordinances is hereby repealed and replaced by the following:**

Sec. 700. - Intent.

The RM-2 Multiple-Family Residential District is designed to provide sites for intermediate density multiple-family dwelling structures primarily in close proximity to high traffic and pedestrian generators such as the downtown area. This zone is designed to provide a zone of transition between such generators and other residential zoning districts.

Sec. 701. - Principal uses permitted.

In an 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 ordinance:

1. All uses permitted and as regulated in the RM-1 Multiple-Family Residential District.
2. Accessory buildings and uses customarily incident to any of the above permitted uses.

Sec. 702. - Principal uses permitted subject to special conditions.

The following uses shall be permitted, subject to the conditions hereinafter imposed for each use, and subject further to the review and approval of the planning commission pursuant to section 1717 of the zoning ordinance:

1. Offices for executive or administrative occupations including legal, accounting, insurance, finance or similar professions in existing residential structures with the following conditions:
  - a. The property is immediately adjacent to, or directly across the street from, a business-zoned parcel (B1, B2 or B3);
  - b. The property is within one block of the parking-exempt district as defined in section 1704(11) of the zoning ordinance;
  - c. No on-site parking shall be constructed in excess of that required for residential use;
  - d. Architecture of additions or alterations shall be consistent with residential character of the neighborhood;
  - e. No interior display shall be visible from the exterior of the building;
  - f. The outdoor storage of goods or material shall be prohibited;
  - g. Exterior lighting shall be residential in character with fixtures restricted to no more than ten feet in height, 75 watts maximum with shielded or frosted fixtures and illumination levels limited to five foot-candles or less;
  - h. Customer hours shall be limited to 8:00 a.m. in the morning to 6:00 p.m. in the evening;
  - i. Trash and waste disposal shall only be curbside residential without use of on-site dumpsters; and
  - j. All provisions of the sign ordinance are met.

2. Assisted Living, Convalescent/Nursing Care, Residential Care and Treatment, and Sheltered Housing Facilities not to exceed 6 occupants per structure. No such facility shall less than 400 feet from any like facility.
3. Boarding houses when located on a parcel of land not less than 7,200 square feet in area with no less than one full bathroom for up to 5 (five) occupants and an additional half-bathroom provided for each additional 2 (two) occupants or full bathroom for each additional 4 (four) occupants. Occupancy shall not exceed 6 persons per structure subject further to City licensing application for inspection and compliance with the International Property Maintenance Code (IPMC). No license shall be issued for a boarding house within 400 feet of an existing boarding house.
4. Accessory buildings and uses customarily incident to any of the above permitted uses.

Sec. 703. - Area and bulk requirements.

See article XVI Schedule of Regulations limiting the height and bulk of buildings, the minimum size of lot permitted by land use, maximum density permitted and minimum yard setback requirements.

**4. Appendix A, Article XVI Section 1600 (1) (b) and (c) of the Petoskey Code of Ordinances is hereby repealed and replaced by the following:**

(b) The minimum front-yard setback is the average of the front-yard setbacks of any three (3) adjacent houses on the same block face, or 25 feet, whichever is less.

(c) The minimum corner front-yard setback is the average of the front-yard setbacks of any three (3) adjacent houses on the same block face, or 25 feet, whichever is less.

**5. Appendix A, Article XXIX, Table 2901.1 of the Petoskey Code of Ordinances is hereby repealed and replaced with the following.**

**TABLE 2901.1 Transitional Business District (B-2A) Permitted and Special Condition Uses**

<b>COMMERCIAL</b>	
BAKERY, CONFECTIONARY PRODUCTION	P
BANKS	P
BREWERY, MICROBREWERY, WINERY	P
DAYCARE CENTER	P
FOOD SERVICE WITH OR WITHOUT ALCOHOL SERVICE	P
GENERAL RETAIL	P
HEALTH/FITNESS FACILITY	P
OPEN-AIR BUSINESS	SCU
PERSONAL SERVICE	P
PROFESSIONAL OR MEDICAL OFFICE	P
PUBLIC ASSEMBLY	P
STUDIO- ART, DANCE, MUSIC, PHOTOGRAPHY, ETC.	P
<b>CIVIC</b>	
EDUCATION – PRIMARY, SECONDARY, COLLEGE	SCU
GOVERNMENT OFFICES	SCU
LIBRARY, PUBLIC PARK	P
MUSEUM	P
<b>RESIDENTIAL</b>	
MULTIFAMILY HOUSING	P
SINGLE FAMILY RESIDENCE	P

TWO FAMILY RESIDENCE	P
<b>LODGING</b>	
BED AND BREAKFAST	P (L)
HOTEL	P (L)

*P= Permitted*

*P (L) = Permitted subject to licensing provisions*

*SCU = Special Condition Use*

**6. Appendix A, Article XXX, Table 3001.1 is hereby repealed and replaced with:**

**TABLE 3001.1 Mixed Use Corridor (B-2B) Permitted and Special Condition Uses**

<b>COMMERCIAL</b>	
BAKERY, CONFECTIONARY PRODUCTION	P
BANKS	P
BREWERY, MICROBREWERY, WINERY	P
DAYCARE CENTER	P
DRIVE-THROUGH FACILITIES	SCU
FOOD SERVICE WITH OR WITHOUT ALCOHOL SERVICE	P
GENERAL RETAIL	P
HEALTH/FITNESS FACILITY	P
OPEN-AIR BUSINESS	P
PERSONAL SERVICE	P
PROFESSIONAL OR MEDICAL OFFICE	P
PUBLIC ASSEMBLY	P
STUDIO- ART, DANCE, MUSIC, PHOTOGRAPHY, ETC.	P
WAREHOUSE AND WHOLESALE ESTABLISHMENTS	SCU
<b>CIVIC</b>	
EDUCATION – PRIMARY, SECONDARY, COLLEGE	SCU
MUSEUM	P
LIBRARY, PUBLIC PARK	P
POST OFFICE OR OTHER GOVERNMENT OFFICES	P
<b>RESIDENTIAL</b>	
MULTIFAMILY HOUSING	P
SINGLE FAMILY RESIDENCE	P
TWO FAMILY RESIDENCE	P
<b>LODGING</b>	
BED AND BREAKFAST	P (L)
HOTEL	P (L)

*P= Permitted*

*P (L) = Permitted subject to licensing provisions*

*SCU = Special Condition Use*

**7. Appendix A, Article XVII, Section 1704 (6) is amended to include the following changes:**

The use categories of “Residential Care and Treatment Facility” and “Sheltered Housing” use with a parking requirement of 1 space per 3 beds.

The parking space requirement for Boarding Houses is 2 spaces per dwelling.

**8. Appendix A, Article III, Section 300 is amended to include H Hospital District**

**9. 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.

**10. 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.

**11. 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.

**12. 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: Marshall, Lyman, Dittmar, Murphy (4)

NAYS: Wills (1)

**Approve Redevelopment Liquor License for Crooked Tree Arts Council, Inc. - Resolution No. 19150**

The City Manager reviewed that on behalf of Crooked Tree Arts Council, Inc., Liz Ahrens, CTAC President, submitted a Redevelopment Liquor License application for their building located at 461 East Mitchell Street. DMB unanimously recommended at their January 16 meeting that City Council approve the license. The City Manager further reviewed that CTAC is not delinquent on taxes, assessments or has any outstanding code violations; that if approved by City Council, the license would be number 5 of a maximum 6 redevelopment liquor licenses that are currently available; and that DMB reviewed Ordinance 727 and is recommending for Council approval that the number of licenses be changed from 6 to 10.

City Councilmembers inquired on hours of operation and reviewed criteria for license. Ms. Ahrens gave a brief overview of the CTAC's objectives and hours of operation.

City Councilmember Marshall moved that, seconded by City Councilmember Dittmar to adopt a resolution supplied by the MLCC approving the application submitted by Crooked Tree Arts Council, Inc. for a redevelopment liquor license at 461 East Mitchell Street.

Said resolution was adopted by the following vote:

AYES: Marshall, Lyman, Dittmar, Wills, Murphy (5)

NAYS: None (0)

**Approve Beards Brewery Liquor License - Resolution No. 19151**

The City Manager reviewed that Beards Brewery, LLC, 215 East Lake Street, would like to apply to the LCC for a Small Wine Maker License and needed local approval before application process began. Beards Brewery will make some wine, but mostly cider, at both the Charlevoix and downtown Petoskey locations.

City Councilmember Wills moved that, seconded by City Councilmember Marshall to adopt a resolution supplied by the MLCC approving a Small Wine Maker License for Beards Brewery, LLC, 215 East Lake Street.

Said resolution was adopted by the following vote:

AYES: Marshall, Lyman, Dittmar, Wills, Murphy (5)

NAYS: None (0)

**Approve Schmohz Brewing Company Liquor License - Resolution No. 19152**

The City Manager reviewed that James Schwerin, President of Schmohz Brewing Company, Grand Rapids, would like to apply to the LCC for a Micro Brewer License and needed local approval before application process began. The City Manager reviewed that the microbrewery will be within the existing Mancino's restaurant located at 109 West Mitchell Street.

Mayor Murphy asked for public comments and heard from those concerned at where staff is drawing the line on how many liquor licenses are approved in the community; that Public Safety should consider when inspecting potential applicants; that there is a certain amount of licenses applied for different uses such as entertainment and doesn't always include more drinking; and that the social trend of "dining and doing" is a positive element to any community.

City Councilmember Lyman moved that, seconded by City Councilmember Wills to adopt a resolution supplied by the MLCC approving a Micro Brewer License for Schmohz Brewing Company, to be located at 109 West Mitchell Street.

Said resolution was adopted by the following vote:

AYES: Marshall, Lyman, Dittmar, Wills, Murphy (5)

NAYS: None (0)

**Confirm Great Lakes Chamber Orchestra Non-Profit Status - Resolution No. 19153**

The City Manager next reviewed that Joyce Herbert, Board Secretary of the Great Lakes Chamber Orchestra, 219 East Lake Street, requested City Council approve a resolution confirming that the organization is a recognized non-profit organization in the community and supports a charitable gaming license. The gaming license would be used to sell raffle tickets for a June 5 event.

City Councilmember Marshall moved that, seconded by City Councilmember Dittmar adoption of the following resolution:

WHEREAS, local governmental units are required to certify status of local non-profit organizations that seek permission of the Michigan Bureau of the Lottery, Charitable Gaming Division, to conduct certain types of fundraising campaigns that require issuing of gaming licenses; and

WHEREAS, the Great Lakes Chamber Orchestra, 219 East Lake Street, Petoskey, has requested that the City recognize it as a non-profit organization that operates within the community for the purpose of administrating gaming licenses that would permit future raffle drives and fundraising events, the proceeds from which would benefit the individual affiliate conducting the event:

NOW, THEREFORE, BE IT RESOLVED that the City of Petoskey City Council does and hereby certifies that the Great Lakes Chamber Orchestra, 219 East Lake Street, Petoskey, is a recognized non-profit organization that operates within the Petoskey community.

Said resolution was adopted by the following vote:

AYES: Marshall, Lyman, Dittmar, Wills, Murphy (5)

NAYS: None (0)



**Authorize Bayfront Park Resource Center Concessionaire - Resolution No. 19154**

The City Manager reviewed the proposed concession stand operation at the Bayfront Park Resource Center and that over the years there has been inconsistent concession sales. The City advertised for RFP's for an entity to manage the concession stand from May 25 through September 3. Two bids were received and staff recommended North Bridge Markets, Alanson, who has 20 years of food and beverage experience in Northern Michigan; is planning on operating from April through October; and has committed to "dockside service" for marina guests.

City Councilmember Wills moved that, seconded by City Councilmember Marshall to authorize contracting with North Bridge Markets, Alanson, to operate the concession stand at Bayfront Park Resource Center.

Said motion was adopted by the following vote:

AYES: Marshall, Lyman, Dittmar, Wills, Murphy (5)

NAYS: None (0)

**Discuss Accommodation Policy & Federal Fair Housing Amendments Act**

The City Manager reviewed that staff along with the City Attorney, has reviewed the City's ordinances as applied to the Federal Fair Housing Amendments Act (FFHA) and the Americans with Disabilities Act (ADA). The City Attorney recommended, with staff support, that the City adopt an accommodation policy as part of the City's Zoning Ordinance as well as the City's International Property Maintenance Code (IPMC). The City Manager further reviewed that the FFHA, under provisions of 42 U.S.C. § 3601, *et seq.*, forbids discrimination against disabled people in the sale or rental of housing. It also requires such: "*Reasonable accommodations and rules, policies, practices, or services,*" as may be "*necessary to afford (disabled) persons equal opportunity to use and enjoy a dwelling.*" According to the City Attorney, this creates an affirmative duty on the City to provide its disabled citizens reasonable accommodation in its municipal zoning practices if necessary to afford such persons equal opportunity in the use and enjoyment of their property. Under the Fair Housing Act, Congress clearly contemplated providing municipalities such as the City of Petoskey the opportunity to adjust their generally applicable rules to allow persons with disabilities equal access to housing.

The City Attorney advised that courts have given examples of requests for accommodation under the Fair Housing Act; recommended that the City seek to avoid treating a request for an accommodation as arbitrary; that a formal accommodation policy would address accommodation requests; reviewed three elements the City must follow when analyzing an accommodation; and reviewed that having such a formal policy in place will avoid the confusion of who will make decisions on a particular case and the criteria used in making the decision.

Both City Attorney and City staff recommended adopting a formal policy whereby requests for accommodations are referred to the Zoning Board of Appeals. The City Attorney reviewed that the City Council, due to the provisions of the Michigan Zoning Enabling Act, is authorized to initiate a Zoning Ordinance amendment. However, before such an ordinance is submitted for amendment to the City Council, the Planning Commission must hold at least one public hearing. The amendments proposed to the IPMC do not require review by the Planning Commission.

City Councilmembers reviewed both proposed ordinance amendments; and one member commented that 21 U.S.C. § 802 should be further reviewed in the future.

Mayor Murphy asked for public comments and heard an inquiry on why the amendments were being proposed.

City Councilmember Marshall moved that, seconded by City Councilmember Dittmar to direct staff to work with the Planning Commission to review the proposed amendments to the zoning ordinance as well as schedule a public hearing.

Said motion was adopted by the following vote:

AYES: Marshall, Lyman, Dittmar, Wills, Murphy (5)

NAYS: None (0)

### **Discuss City Goals & Action Plan**

The City Manager reviewed that at the last Council meeting, City Council directed staff to bring forth the 2015 Action Plan that was developed with project facilitator Joe Ohren. The City Manager reported that Councilmembers received the plan with a brief description of the status of each of the City goals.

City Councilmembers concurred to have a special meeting at 5:30 P.M., Monday, April 30, to review City goals and objectives without an outside facilitator.

### **Approve Poverty Exemption Policy & Guidelines – Resolution No. 19155**

The Director of Finance 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; and that the guidelines will be used by the Board of Review in reviewing poverty exemption applications. The Director of Finance further reviewed that City Council adopted a resolution on April 15, 2013 establishing provisions for a poverty exemption, however the State is requiring the policy be approved annually. The proposed policy and guidelines is essentially the same as the policy approved in 2013, with poverty income levels established annually by the Federal Poverty Income Guidelines. The City has received 9 applications from three owners over the last five years of which 7 were granted.

City Councilmember Lyman moved that, seconded by City Councilmember Wills adoption of the following resolution:

WHEREAS, the adoption of guidelines for poverty exemptions is required of the City Council; and

WHEREAS, the principal residence of persons, who the Assessor and Board of Review determines by reason of poverty to be unable to contribute to the public charge, is eligible for exemption in whole or in part from taxation under Public Act 390 of 1994 (MCL 211.7u); and

WHEREAS, pursuant to PA 390 of 1994, the City of Petoskey, Emmet County, adopts the following guidelines for the Board of Review to implement. The guidelines shall include but not be limited to the specific income and asset levels of the claimant and all persons residing in the household, including any property tax credit returns, filed in the current or immediately preceding year;

To be eligible, a person shall do all the following on an annual basis:

1. Be an owner of and occupy as a principal residence for a period of at least three years the property for which an exemption is requested.
2. File a claim with the Assessor or Board of Review, accompanied by federal and state income tax returns for all persons residing in the principal residence, including any property tax credit returns filed in the immediately preceding year or in the current year or a signed State Tax Commission Form 4988, Poverty Exemption Affidavit.
3. File a claim reporting that the combined assets of all persons do not exceed the current guidelines. Assets include but are not limited to, real estate other than the principal residence, personal property, motor vehicles, recreational vehicles and equipment, certificates of deposit, savings accounts, checking accounts, stocks, bonds, life insurance, retirement funds, etc.

4. Produce a valid driver's license or other form of identification if requested.
5. Produce, if requested, a deed, land contract, or other evidence of ownership of the property for which an exemption is requested.
6. Meet the federal poverty income guidelines as defined and determined annually by the United States Department of Health and Human Services or alternative guidelines adopted by the City of Petoskey providing the alternative guidelines do not provide eligibility requirements less than the federal guidelines.
7. The application for an exemption shall be filed after January 1, but one day prior to the last day of the December Board of Review. The filing of this claim constitutes an appearance before the Board of Review for the purpose of preserving the right of appeal to the Michigan Tax Tribunal.

The following are the federal poverty income guidelines which are updated annually by the United States Department of Health and Human Services. The annual allowable income includes income for all persons residing in the principal residence.

Federal Poverty Guidelines for 2018 Assessments

Number of Persons Residing In the Principal Residence	Poverty Guidelines Annual Allowable Income
1 person	\$12,140
2 persons	\$16,460
3 persons	\$20,780
4 persons	\$25,100
5 persons	\$29,420
6 persons	\$33,740
7 persons	\$38,060
8 persons	\$42,380
Each additional person, add	\$ 4,320

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Assessor and Board of Review shall follow the above and attached stated policy and federal guidelines in granting or denying an exemption, unless the Assessor and Board of Review determines there are substantial and compelling reasons why there should be a deviation from the policy and federal guidelines and these reasons are communicated in writing to the claimant.

Said resolution was adopted by the following vote:

AYES: Marshall, Lyman, Dittmar, Wills, Murphy (5)

NAYS: None (0)

**Approve Architect Service Agreement for City Hall Renovations – Resolution No. 19156**

The City Manager reviewed the proposed service agreement to work with Rick Neumann to identify a scope of work for the renovations to the exterior, interior and windows of City Hall to address water intrusion issues due to issues that occurred late last fall.

City Councilmember Wills moved that, seconded by City Councilmember Lyman to approve contracting with architect Rick Neumann to identify a scope of work for the renovations to City Hall.

Said motion was adopted by the following vote:

AYES: Marshall, Lyman, Dittmar, Wills, Murphy (5)

NAYS: None (0)

**Council Comments**

Mayor Murphy asked for Council comments and City Councilmember Marshall commented that the Winter Sports Park activities and Winter Carnival over the weekend were great. City Councilmember Lyman reported that she completed three MML webinars which were beneficial. City Councilmember Wills commented that the Winter Sports Park weekend activities were great. Mayor Murphy commended Parks and Recreation and Downtown staff for the successful Winter Carnival and scheduled activities.

There being no further business to come before the City Council, this February 19, 2018, meeting of the City Council adjourned at 8:35 P.M.

John Murphy, Mayor

Alan Terry, City Clerk-Treasurer