

**OFFICIAL PROCEEDINGS
CITY COUNCIL
CITY OF ESCANABA, MICHIGAN
Regular Council Meeting
Thursday, July 16, 2015**

The meeting was called to order by the Honorable Mayor Marc D. Tall at 7:00 p.m. in the Council Chambers of City Hall located at 410 Ludington Street.

Present: Mayor Marc D. Tall, Council Members, Patricia A. Baribeau, Ronald J. Beauchamp, Ralph B. Blasier, and Michael R. Sattem.

Absent: None

Also Present: City Manager James V. O'Toole, City Department Heads, media, and members of the public.

City Clerk Robert S. Richards gave the invocation and led Council in the Pledge of Allegiance.

Blasier moved, Beauchamp seconded, **CARRIED UNANIMOUSLY**, to approve Regular Meeting Minutes from July 2, 2015, and Special Meeting Minutes from June 24, 2015, and June 25, 2015, as submitted.

ADJUSTMENTS TO THE AGENDA

Sattem moved, Baribeau seconded, **CARRIED UNANIMOUSLY**, to approve the City Council Agenda as submitted.

CONFLICT OF INTEREST DECLARATION – None

BRIEF PUBLIC COMMENT

Peter Strom, spoke in support of the DISCanaba Challenge Disc Golf Tournament. He believed it would attract young and old to the Ludington Park, and also help with the Marina Fest event.

Craig Taylor spoke against a Resolution of Support for PK Development Group. Mr. Taylor stated there were enough low income housing units available in the area. Mr. Taylor also stated the developers should also not received tax incentive help with their financing.

PUBLIC HEARINGS – None

NEW BUSINESS

Approval – Use of Public Space – Downtown Sidewalk Daze – 900-1400 Blocks – Escanaba Downtown Development Authority (DDA).

The Escanaba DDA requested to block off the 900-1400 blocks of Ludington Street to the alley's North and South for the purpose of holding the annual Sidewalk Sale Daze on Friday, July 24, 2015. This event was scheduled to run from 9:00 a.m. to 6:00 p.m. Administration recommended approval of the request provided the following conditions were met by the DDA and their vendors: 1.) The Downtown Development Authority provide all labor and material to clean up at the conclusion of the event, 2.) The Downtown Development Authority pay for any City overtime labor costs that may be incurred; and 3.) Proper insurance was provided naming the City of Escanaba as an additional insured.

NB-1 Sattem moved, Blasier seconded, **CARRIED UNANIMOUSLY**, to approve a request from the Escanaba DDA to block off the 900-1400 blocks of Ludington Street to the alley's North and South for the purpose of holding the annual Sidewalk Sale Daze on Friday, July 24, 2015, scheduled to run from 9:00 a.m. to 6:00 p.m., provided the following conditions were met by the DDA and their vendors: 1.) The Downtown Development Authority provide all labor and material to clean up at the conclusion of the event, 2.) The Downtown Development Authority pay for any City overtime labor costs that may be incurred; and 3.) Proper insurance was provided naming the City of Escanaba as an additional insured.

Approval – Use of Public Space – Ludington Park Disc Golf Course/East Aronson Island – DISCanaba Challenge Disc Golf Tournament.

Mr. Jonathan Harris requested to use the Ludington Park Disc Golf Course and the East end of Aronson Island for their inaugural DISCanaba Challenge Disc Golf Tournament on Saturday, August 8, 2015. Administration recommended approval of the request contingent upon the following: 1.) Proper insurance was provided naming the City of Escanaba as an additional insured; and 2.) Event sponsors provide all labor material and cleanup at the conclusion of the event.

NB-2 Blasier moved, Beauchamp seconded, **CARRIED UNANIMOUSLY**, to approve a request from Mr. Jonathan Harris to use the Ludington Park Disc Golf Course and the East end of Aronson Island for their inaugural DISCanaba Challenge Disc Golf Tournament on Saturday, August 8, 2015, contingent upon the following: 1.) Proper insurance was provided naming the City of Escanaba as an additional insured; and 2.) Event sponsors provide all labor material and cleanup at the conclusion of the event.

Approval – 2015/2016 Property and Liability Insurance Purchase – Michigan Municipal Risk Management Authority.

Administration sought Council approval to purchase property and liability insurance coverage from the Michigan Municipal Risk Management Authority (MMRMA) in the amount of \$255,791. This expenditure was budgeted in the current operating year budget.

City Controller Melissa Becotte provided an overview of the liability insurance coverage from MMRMA.

NB-3 Beauchamp moved, Baribeau seconded, to approve to purchase property and liability insurance coverage from the Michigan Municipal Risk Management Authority (MMRMA) in the amount of \$255,791.

Upon a call of the roll, the vote was as follows:

Ayes: Beauchamp, Baribeau, Blasier, Sattlem, Tall
Nays: None

MOTION CARRIED.

Approval – Resolution of Support – PK Development Group – Mixed Use Affordable Housing/Commercial Development.

The PK Development Group sought Council approval of a City Council resolution, which supports a mixed used residential/commercial development located at 617/623 Ludington Street and 630 1st Avenue South. Under the development Plan 34, affordable apartment dwellings are being proposed along with 4,500 square feet of commercial space. A resolution was needed as part of their application for funding to the various state agencies.

Manager O'Toole advised, resolutions of support were passed by the City Historical and Planning Commissions. He advised developers still needed to provide a Definitive Site Plan, and will need a variance for parking. Once tax credits were received, PK Development would be submitting the Payment In-Lieu of Taxes (PILOT) to Council for approval.

PK Development representative, Chris Potterpin, stated PK Development was a real estate company that has been in the business of owning and managing low-income properties for 25 years, and provided a brief history of other developments performed by their company in Michigan and Escanaba. PK Development representative, Jacob Horner, introduced the Masonic Apartments Project Plan to Council, and reviewed the following development items:

- Basic tenant qualifications for the proposed apartments. The apartments would target the service workers in the community;
- The tax credits obtained would provide for the development of the project;
- Reviewed PILOT process;
- Thanked DDA and Historic Commissions for their help;
- Approval of their application for the housing tax credits would make for possible development starting next spring;
- The tax credit application process required a Market study which included the type of housing and need in the community for this type of housing project.

Downtown Development Director Ed Legault stated the development project

matches the DDA's master plan and 2020 vision document regarding the need for more affordable housing and mix-use property in the downtown.

NB-4 "Upon motion made by Council Member Blasier, seconded by Council Member Beauchamp, the following resolution was adopted:

**A RESOLUTION BY THE ESCANABA CITY COUNCIL
SUPPORTING THE MASONIC APARTMENTS PROJECT PLAN TO BE DEVELOPED
BY PK DEVELOPMENT GROUP, LLC**

Whereas, Escanaba City Council supports the proposed Masonic Apartments development at 617 and 623 Ludington and 608 and 630 1st Avenue South. This development is consistent with the City's strategy for restoring historic buildings in the downtown area, specifically on Ludington Street. The development addresses the need for mixed-use buildings and the addition of quality workforce housing to build density and promote downtown living. This will further the City's goal of a vibrant downtown community for residents to live, work and play. This development meets these goals by putting key historic structures back into productive use and providing both housing and retail amenities for downtown residents. This development will also continue a strong record of significant investment in the downtown area; and

Whereas, The Escanaba City Council recognizes the value of historic preservation as an effective tool for economic revitalization; and

Whereas, through the 2011 Escanaba Downtown Development Authority's Developmental plan has prioritized additional mix used residential redevelopment to our Downtown Buildings; and

Whereas, the Escanaba Downtown Development Authority's 2020 Vision document stresses that the downtown be reinvented and revitalized by creating a mix of activity nodes focused retail, residential and entertainment uses; and

Whereas, the Escanaba Downtown Development Authority's 2015 goals list adding more mixed use developmental opportunities as part of its support of restoration of buildings downtown through its Façade program; and

Whereas, a payment in lieu of taxes agreement between the City of Escanaba & PK Development Group will be needed to make the project work; and

Whereas, PK Development Group may need certain variances approved based on parking or other ordinances for the downtown project; and

Whereas, PK Development Group's site plan for Masonic Apartments project will need approval from the Escanaba Planning Commission; and

Now, therefore be it resolved, that the Escanaba City Council hereby supports the Masonic Apartment Project Plan to be developed by PK Development Group, LLC.

Ayes: Blasier, Beauchamp, Sattem, Baribeau, Tall

Nays: None

RESOLUTION DECLARED ADOPTED.

Update – Sale of the Power Plant – City Manager’s Office.

Manager O’Toole updated the Council and public on the latest developments related to the Escanaba generating facility stating a revised term sheet was sent out, but as of this date no reply has been received.

APPOINTMENT(S) TO CITY BOARDS, COMMISSIONS, AND COMMITTEES – None

BOARD, COMMISSION, AND COMMITTEE REPORTS

Council Members reviewed City Board and Commission meetings each attended since the last City Council Meeting.

GENERAL PUBLIC COMMENT – None

ANNOUNCEMENTS

- Sidewalk Sales Daze was scheduled for July 24, 2015.

Hearing no further public comment, the Council adjourned at 7:34 p.m.

Respectfully submitted

Robert S. Richards, CMC
City Clerk

Approved: _____
Marc D. Tall, Mayor