

REGULAR CITY COUNCIL MEETING
May 24, 2016

The Regular City Council Meeting was called to order by Mayor Bronson in the Council Chambers at City Hall at 7:00 p.m.

Roll Call:

Present: Couture, Kwiatkowski, Bronson, Temple, King and Riddle

Absent: Lavender

Mayor Pro Tem Couture led the Pledge of Allegiance to the Flag.

Councilman King moved to excuse Councilman Lavender; supported by Councilwoman Kwiatkowski. Motion carried unanimously.

Approval of Agenda, and Receive and File all Communications:

Councilman King moved to approve the Agenda with the addition of 6-B, Department of Public Safety Blight Letter Mailed to Landlords, and receive and file all communications; supported by Councilwoman Riddle. Motion carried unanimously.

Approval of Prior Meeting Minutes:

▪ **Regular City Council Meeting Minutes – May 10, 2016.**

Councilwoman Kwiatkowski moved to approve the Regular City Council Meeting Minutes of May 10, 2016 as presented; supported by Councilman King. Motion carried unanimously.

Department, Board and Commission Reports:

▪ **Department of Public Safety Monthly Statistics – April 2016** (received and filed)

▪ **Department of Public Safety Blight Letter Mailed to Landlords** – City Manager Eustice stated the Department of Public Safety sent out a letter generated from the Blight Committee to mainly landlords who have rental properties in the City trying to make the landlords aware of blight conditions, but not necessarily with their property. Some people believe the letter was too direct and even some properties that didn't have any violations those landlords took it upon themselves to think there were violations. The letter, however, did somewhat indicate that. Chief Jones has softened that letter up a little bit so it doesn't show the intent that there is violations. City Manager Eustice went on to state we are trying as a City and as a Blight Committee to address blight in the community. He then asked for comments. Mayor Bronson asked if the amended letter has been sent out. Chief Jones replied no. Mayor Bronson then asked if it is the intention to send the amended letter to the same list that got the original. Chief Jones stated the amended letter will be sent to the ones we have left to send to. Mayor Bronson also asked if all the other people have called. City Manager Eustice replied pretty much.

Mr. Roger Kopernik read the original letter received from the City. He stated he called Chief Jones the next day. He went on to state it is not a law enforcement thing but the tone of the letter. He does not know how this letter left the City office. If you have any pride in home ownership and you are specifically being told you are in violation of any code and ordinances, it is wrong. Mr. Kopernik stated when he called he was basically told they are trying to go after other

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landlords. He then asked what does he do and was told you self-report; turn in a little report at the bottom of your homeownership sheet. He noted the sheet indicates a paved road when he lives on a dirt road, adding he has potholes on his dirt road and is grateful when they come by and plow his road. Mr. Kopernik went on to state he had to call City Manager Eustice because the tube going under his road was rotting away and creating an unsafe hole in the road when trying to get to his house. There are a lot of issues that this letter raised. His solution is to send out another letter noting what the violation codes are. He does not like the idea of targeting any kind of group, especially a group that pays a non-homestead property tax. Mr. Kopernik further stated if the City is going to go after somebody with a pothole, breaking paint, etc. don't target a group because he doesn't like that as a City resident and someone who advocates for the City of Cheboygan wherever he is at. It is the wrong tone. If there is a violation of a perceived code somewhere, the owner should have a chance to take care of it. Mr. Kopernik commented he is looking for a solution, stating the letter is almost intimidating, again stating when the letter came from the Department of Public Safety there is something about the tone. The job of a blight officer is a tough job. Mr. Kopernik stated don't go after a group for a pothole unless you are going after everybody for the same thing. In a new letter that goes out he would like it to state to disregard the first letter and to have the problems identified, which he thinks is only fair for the citizens within the City.

Mr. Raymond Lofgren commented although there is a committee formed for blight and he does not think enough is being done. He didn't get a letter and the woodpeckers are eating the heck out of his house and has trim boards that should be repaired. He thinks there are a lot of landlords that have a lot of homes that are neglected. He then stated it is pride and we have to get a little tougher in certain areas that need attention. As a good citizen, it is just pride in your home, pride in the ones you rent out, and pride in the ones you have for sale (tell clients to clean them up). He thinks then Cheboygan would be a lot cleaner place. Mr. Lofgren then commented on X-Treme Asphalt located on Court Street, stating it has to go or the guy is going to stay there. City Manager Eustice replied that he will be notified.

Mr. Jim Conboy, member of the Blight Committee, stated he agrees with Mr. Lofgren. He then said the letter is an issue and Chief Jones has given him an amended letter. He gave the Council an update on what the Blight Committee is doing (Chief Jones, City Manager Eustice, Councilman King, Councilman Temple and himself). They have met a number of times and one of the first things they did was meet with the District Court Judge and talked about the fines for blight violations, noting the fines have been increased. Mr. Conboy stated some of the frustration that maybe came out in the letter is the fact that Chief Jones has the responsibility for enforcement. In the reports for the violations, there are some people time and time again that are cited for violations that Chief Jones talks to and nothing happens. He thinks this is one of the reasons the Blight Committee was appointed by the Council. We are hoping to step up fair enforcement across the board. We are working on a landlord registration ordinance that we will take to the Blight Committee and then to the City Attorney, after which it will come before Council. There are other things that can be done, but the really valid one is simply pride in your own property, whether you are a landlord or it is your principal residence. The landlord situation is a big one in the City, as 40% of our single family residences are rentals with the same number of tenants and there are issues with some of them. Mr. Conboy went on to state he thinks across the board it has to be fairly administered, but will be a slow process because it has taken a lot of years to where we are at now and will take some time to correct it.

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Mr. Roger Kopernik commented he has seen homes with Tyvek on the side of the homes and scaffolding for years. We have also tried to figure out the sidewalk issue, noting broken up sidewalks. He asked if there is a time limit for someone doing a repair on their home. He stated he found the letter intimidating and an uncomfortable feeling. Councilman Temple stated he does not feel the letter was intended to intimidate anybody; we are trying to get it across that we want to get Cheboygan cleaned up. Mayor Pro Tem Couture stated you don't want to single people out, but in this case, as Mr. Kopernik has pointed out, you have to single people out because you are incorporating people who are doing good and the right thing in keeping their properties up and you are punishing them. It does look intimidating. Mayor Pro Tem Couture stated he is sure it is a lot more work singling out the properties, but can't see putting the letter out unless it goes out City wide – not only landlords but everybody. You can't single out a group, but you can single out an individual because there is a problem. Councilman Temple asked if the City newsletter contained information on the blight enforcement. City Manager Eustice replied yes. Mayor Pro Tem Couture asked Chief Jones what happens if he gets no response to the letter. Chief Jones stated blight enforcement, not the letter, has been done for the last 15 years. They are dealing with the tall grass this week. He noted the DPS makes daily contact with people who have one violation or another. This letter was phase one, which was sent out to multiple property owners, i.e. landlords with rental units. The reason Mr. Kopernik got one for his house is because his secretary didn't know where his house is, so he received letter for anything under his name. Chief Jones said the letter stated a lot of rules and regulations, but did not state any specifics because in the last paragraph he asked everyone to contact him, via telephone or e-mail. He received both, as well as personal stops at the office. The owners were asked to look at their properties on the exterior of the building and grounds and do a self-survey to see what is in need of repair, whether it be painting, siding, roofing, cement work, etc.; then write a note or e-mail back to the DPS. His intention was to send his officer out that we trained, but he left for employment at the County, so they are now training another part-time officer. They will eventually do a survey of all properties. In the past we have asked in newsletters, news articles, etc. for people to voluntarily do that and we keep sliding to the bottom instead of moving to the top. Council asked him to come up with a better program and more enforcement, which is why the Committee met with Judge Barton who agreed to double the fines up to \$500. There may be some properties where we end up in a Court situation, as there are a couple properties in the downtown and residential areas where four to six citations have been issued this past year. It has been an ongoing thing and they are trying to get more compliance. Chief Jones noted they are running into some situations where homeowners just simply can't afford to put paint on it or side it, etc. He and his officers try to deal with each different set of circumstances and this will be explained to the new officer as to how cautious we have to be with this. It is not an intent to punish or harm anyone; it's all an intent to get the entire community looking better.

Councilwoman Kwiatkowski asked if there is something we could be doing or help from service groups or church youth groups for those that can't afford to do it or health wise can't do it. Chief Jones stated that would be great if someone would organize that because there is a lot of need out there and there are people who can't do it. In fact, some of the contractors the City has used have done gratuitous work. Mr. Conboy stated the County Sheriff's Department has a work crew program and a private owner who is 50 or over, at a cost of \$10.00 per half day, can get people to come out and do work on their home. He thinks they will get some publicity out about that.

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Chief Jones gave credit to Mr. Conboy who, in his retirement years, has been very active on the Committee and also has volunteered in writing grant applications to try and get additional funding. This issue is so big he can put three officers on full-time every day of the week for the 3-4 months of good weather. Mayor Pro Tem Couture stated he does not disagree with the letter being sent to someone who has ordinance violations, but does when it goes to somebody who doesn't. The second letter is a whole lot softer. Chief Jones commented the letter did not mention anything specifically, asking people to take a survey themselves. They will be coming to the owners with specifics if they have them, and they are generally given a warning, followed by citations. Mayor Bronson stated he has gotten the warnings from Officers to move things, etc.

Councilman Temple asked if someone wants to work on their house and put scaffolding up, do they have to let the City Hall know. City Manager Eustice replied only if it is going to be in the right-of-way. Councilman Temple stated he noticed scaffolding up for a couple of years, adding he thought there was an ordinance as to how long you can have scaffolding up at one given time. Chief Jones stated this is under the Nuisance Ordinance (blight), noting there is no specific timeframe but the owner must be actively working on the structure.

Mr. Lee Sidell suggested people who really can't afford to do the work needed, perhaps can use community service people.

Resolutions:

▪ **Consideration of Community Development Infrastructure Capacity Grant Authorizing**

Resolution – City Manager Eustice stated this is a relatively new grant that came out from the MEDC on April 27, noting we have to have the application in on May 27. The grant is anywhere from \$500,000 to \$1,000,000. We are asking for authorization from Council to apply for that grant and with that authorization the City Council has to agree to match the funding we get at a minimum 10%; however, we are asking City Council to agree to match the funding at 11%, which will come from the capital outlay of the Water & Sewer Enterprise accounts. The reason we are asking for 11% is that if you match higher than 10% you get additional points in their application system for review. City Manager Eustice informed Council that we are specifically applying for infrastructure improvements on Huron Street from Lake Street to Elm Street, which would entail changing out the sewer and water lines; the water line is an 1894 cast iron water line and the sewer line is not quite that old. He commented he thinks the grant will be looked at favorably because the project will start at the Port property, which we are going to be improving, coming down Huron Street that is in the DDA District. He noted there is eight million dollars available that can only go to low to moderate income communities, which Cheboygan is. City Manager Eustice then stated he feels we have a very competitive application.

Mayor Pro Tem Couture moved to adopt the Community Development Infrastructure Capacity Grant Authorizing Resolution; supported by Councilman Temple. A roll call vote was taken; motion carried unanimously.

General Business:

▪ **Consideration of Purchase of Cheboygan County Tax-Foreclosed Parcels Located Within the City of Cheboygan** – City Manager Eustice explained there are five parcels; one is vacant, and three have houses that should be demolished. The fifth parcel is a vacant commercial lot by Huron Estates. The City could buy any of the five parcels, but the parcel would have to be used

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for public use. Mayor Bronson asked if it is possible for the County to demolish the houses or will they sell them as is. City Manager Eustice stated there is a possibility for demolition and he is working with County Treasurer Linda Cronan on a couple properties where there is grant funding available for residential properties through MSHDA. Councilman Temple commented the former Gold Front should be demolished. Mr. Jim Conboy state the County has the same responsibility as any other property owner, commenting on the Gold Front, Co-op and the pink house. The City actually bought the pink house when they should have told the County to either fix it up or tear it down. The County has turned in excess of over \$200,000 over the years back to the general fund. He really thinks the City needs to take a stand on these properties, stating the County has no more right to have a blighted property in the City than any other property owner. Mayor Bronson noted there will be a new County Treasurer this year who we need to approach right away on this issue.

Councilman King moved to authorize the City Clerk/Treasurer to execute the Waiver of First Right of Refusal to acquire the tax foreclosed parcels that were foreclosed upon in March 2016 and authorize the City Clerk to sign the Waiver of First Right of Refusal; supported by Mayor Pro Tem Couture. A roll call vote was taken; motion carried unanimously.

- **Consideration of Amended License Fee Schedule** – City Manager Eustice stated he and Clerk/Treasurer Kwiatkowski have discussed this, as he was not here when it was placed on the agenda, noting he would like to table this. Clerk/Treasurer Kwiatkowski pointed out a couple issues, and also feels he needs to have the City Attorney review this.

Mayor Pro Tem Couture moved to table the Consideration of Amended License Fee Schedule; supported by Councilwoman Kwiatkowski. Motion carried unanimously.

- **Consideration to Take Requests for Proposals – Repaving of W. State Street from the Trail (N. Ball Street) to N. Main Street** - City Manager Eustice stated this is a project identified on the PASER Study as being a critical street to pave. We initially did Duncan Avenue and W. Lincoln Avenue, which are also very critical. We need to get a transportation bond to be able to get the funding to do W. State Street, so this street may be done later in the year. He and Clerk/Treasurer Kwiatkowski are working on the transportation bond. City Manager Eustice stated the engineering is done on Duncan Avenue and W. Lincoln Avenue and those bids are due in on June 1. He then said later in the summer we will send out Requests for Proposals for W. State Street.

Councilwoman Kwiatkowski moved to approve the taking of proposals for the repaving of W. State Street from the trail (N. Ball Street) to N. Main Street; supported by Councilman King. A roll call vote was taken; motion carried unanimously.

Public Comments:

- **Blight Enforcement** - Mr. Roger Kopernik asked what if people who got the letter don't call or self-report. He noted that in the City landlords pay one of the highest non-homestead millage rates in the State of Michigan. He thinks that a follow-up letter should be sent to the people that got the original letter. Then the next letter that goes out should identify the problem. Chief Jones stated the next step is for the DPS to do a physical inspection and notify the owner of anything that needs repair. City Manager Eustice stated this is something the Blight Committee can discuss as far as how to deal with this going forward. The Blight Committee will then inform the Council of what

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they came up with, so the Council does not have to deal with it. Councilman King asked if there is a way to generate a letter with more clarification to the group that received the first letter. City Manager Eustice asked if the new letter should be sent. Chief Jones replied no, because most of the people he has had contact with understood the letter. Mayor Bronson commented he is wondering whether another letter will confuse the issue more. Chief Jones explained if the owner does not answer the letter, there will be an actual inspection form that will be proposed to the Committee and fine-tuned. Mayor Pro Tem Couture stated he understands there are stages to the blight enforcement process, and the first letter that went out happened to be a wrongly worded letter. City Manager Eustice and Mayor Bronson commented that property owners have contacted them regarding the first letter.

City Clerk/Treasurer's Comments:

- **Budget Review with Department Heads** - Clerk/Treasurer Kwiatkowski stated he and the City Manager will be meeting with the Department Heads to go over their budgets to see what their wish list is for 2016/2017 beginning tomorrow. He stated he is pretty much dealing with the operational day-to-day. Anything as far as capital items he is not sure will be in the budget or if those will be coming to Council as they come up during the fiscal year.
- **Mayor and Council Terms** – Clerk/Treasurer Kwiatkowski stated anyone that has a term coming up the first of November, the deadline is July 26, 2016 for running in the November election, which is non-partisan. They will need to get their petitions if they are going to run again and get those in by July 26.
- **Arts Council Funding Request** – Mayor Bronson inquired where the funding for the Arts Council would come from, since they are not a department of the City. Clerk/Treasurer Kwiatkowski replied it would come under Buildings & Grounds. Mayor Bronson stated as we are planning and know what they are requesting, we should include that in our budget.

City Manager's Report:

- **Ryba Sale Complete** – City Manager Eustice reported this sale of 300 feet of riverfront to Ryba closed on May 20, 2016. They are going to move forward and develop that property. The sale was for \$225,000 and the City netted \$218,000, which basically was applied to the principal of the land contract. Mayor Bronson stated with that payment on the land contract, does what we receive for rent change. Clerk/Treasurer Kwiatkowski replied we will now be receiving 100% of the rent from Kokosing. Councilwoman Riddle asked if the rent can go on the principal now. Clerk/Treasurer Kwiatkowski answered when the Port property was purchased a separate fund was set up, which was required by the auditors, and everything that pertains to the Port including the attorney fees, survey fees and environmental fees all go through that fund. Even with \$20,000 in rentals from Kokosing, we would still be a negative \$30,000 in the Port Fund, which has to be billed at the end of the fiscal year (transfer from the General Fund). He noted that so far we have transferred \$300,000 out of the General Fund, including the down payment. City Manager Eustice stated the rental monies are better earmarked for expenses.
- **Farmers' Market** – City Manager Eustice informed the Council that the Farmers' Market was going to run on Wednesday mornings in Festival Square and on Saturdays whenever they could; however, last Thursday at a board meeting they decided to change the Saturday operation, at least up until September, back into the parking lot here, and are moving the Wednesday operation to the

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parking lot of the Fleetwood Inn. Mayor Bronson asked if we can tell them no on moving locations because we had them scheduled and held Festival Square for them. City Manager Eustice commented we have turned people away, noting the Farmers' Market does not pay a fee. It is certainly an option to tell them we don't want them in the parking lot. Mayor Pro Tem Couture asked if the Farmers' Market has an organization set up or is it still freelance. Mayor Bronson stated they have a committee or organization. City Manager Eustice stated they are not a non-profit, etc. A brief discussion was held. Mayor Pro Tem Couture stated the Farmers' Market is great for the downtown community. He then stated part of the discussion when we built Festival Square was that would be the perfect ideal location and for them to continuously tell us they don't want to use it unless they can park underneath he does not have much sympathy for them. Mayor Bronson asked how we will handle a split in the group, where some want to be in Festival Square and the others want to be in the parking lot. City Manager Eustice stated we don't want them split. Mayor Pro Tem Couture stated if something happens, liability wise, in the parking lot of the City Hall/Opera House during the Farmers' Market, the City gets sued if they don't have an organization set up and we allow them to operate there. He noted he has brought this up before. City Manager Eustice stated Clerk/Treasurer Kwiatkowski will talk to our insurance carrier. He added it is disappointing they are not going to be here on Wednesdays, because a lot of people come downtown for lunch, adding it would be a great venue to get business. Mayor Pro Tem Couture stated the members of the Farmers' Market should have to each pay a fee, as do the mobile food carts. City Manager Eustice stated many municipalities do that and Ms. Kirsten Guenther is doing research on other farmers' markets and got information the other day at a regional DDA meeting. Mayor Bronson mentioned members paying a fee for a 10-foot space. Mayor Pro Tem Couture stated if there is a craft show in Festival Square the City gets a fee. He stated the Farmers' Market is getting away with no fee because they don't have an organization created and we allow it; maybe we want to allow it. Councilwoman Riddle asked since the Farmers' Market is going to be in the parking lot, are all of the Saturdays in Festival Square opened up. City Manager Eustice replied yes. He noted there would have been four Saturdays they would have been affected through the summer. He added that the Farmers' Market group is pretty much split as to what to do.

- **Redevelopment Ready Communities Seminar** - City Manager Eustice informed Council he attended a seminar on Redevelopment Ready Communities, which is a certification. There are currently only six municipalities in the State that have the certification. Since we are engaged in the Redevelopment Ready Community Certificate, we will get points on the ICE Grant, as well. There are six best practices from zoning, customer service, communications on website, etc.

Messages and Communications from Mayor Pro Tem and Council Members:

- **Main & Lincoln Intersection** – Councilman Temple asked City Manager Eustice as to repair at the corner of Main & Lincoln, since he stated before MDOT was going to be here May 15. City Manager Eustice stated he is not getting much response from Mr. Jason Bodell of MDOT in Gaylord. He will continue to call them. Mayor Bronson suggested calling the Alpena office.

- **Footbridge Power** – City Manager Eustice stated we still do not have electricity to the footbridge, noting Consumers Energy had a couple technicians here last week looking at it. They are trying to engineer a different way to get power to the pedestrian bridge. It is not so much we don't have elevators, we don't have lights on the bridge and people are starting to walk the bridge at night. Mayor Pro Tem Couture stated we need to get the bridge lit.

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- **Website Services** – Councilman King inquired on the new website services, asking if there is anything going on with this. City Manager Eustice replied it is close to being completed. Councilman King stated with his background he is willing to do more, noting the blight letter. There is the education side of it regarding blight to assist someone doesn't know where to go for help, etc. He stated the City's website has been stagnant for so long. He then said although he appreciates the newsletter, he does not think it is read. Maybe some more clarity for people on the blight issue, as well as other issues. He stated the MEDC is helping design the website for a tie into the MEDC. Councilman King expressed the need for an updated website in the near future.
- **Vacation Home Rentals** – Mayor Bronson commented we need to take a look again as to how we handle vacation rentals in the City. He noted Chief Jones has been helping him the last couple of weeks, as there is one that popped up across the street from the Library that has parking for one car and is advertising being able to sleep 11 people. They are also using the Library parking lot for parking. Six cars have been parked in the Library parking lot, with one car left there for three weeks unused. If you look on the internet at Cheboygan vacation rentals you will see there are several in town that are in residential areas, where they should not be. Chief Jones has been following up with the rental across from the Library, but Mayor Bronson wondered what the repercussions are if they do not comply stating we need to address that. City Manager Eustice stated we can take a look at that, as he believes there is a citation process. Mayor Bronson stated we had this situation in the past and people just thumbed their nose at it. He feels this is going to become more and more of an issue. Clerk/Treasurer Kwiatkowski commented on a recent article in the *Traverse City Record Eagle* and the major problems they are having in Traverse City.

Adjournment:

Councilwoman Kwiatkowski moved to adjourn the meeting at 8:17 p.m.; supported by Councilman Temple. Motion carried unanimously.

Mayor Mark C. Bronson

Clerk/Treasurer Kenneth J. Kwiatkowski

Councilman Joseph Lavender

Councilwoman Winifred L. Riddle

Councilman Vaughn Temple

Councilman Nathan H. King

Mayor Pro Tem Nicholas C. Couture

Councilwoman Betty A. Kwiatkowski