



City of Marquette, MI

300 West Baraga Ave
Marquette, Michigan 49855

Meeting Agenda City Commission

Tuesday, June 21, 2022

5:15 PM

Commission Chambers

Special Meeting

Call to Order, Pledge of Allegiance and Roll Call

Approval of the Agenda

Announcements

Public Comments - Comments may not exceed three minutes per person. Please state your name and physical address when making public comments.

1. Consent Agenda

1.a. Approve the minutes of the June 15, 2022 special Commission meeting

New Business

2. City Operating Millage

Public Comments - Comments may not exceed three minutes per person. Please state your name and physical address when making public comments.

Comments from the Commission

Comments from the City Manager

Adjournment

Kyle Whitney, City Clerk

If you require assistance to participate in any meeting, program or activity offered by the City of Marquette, please provide advanced notice to City of Marquette ADA Coordinator Eric Stemen at 906-225-8978 or via email at estemen@marquettemi.gov.

City of Marquette, MI

300 West Baraga Avenue
Marquette, MI 49855

Agenda Date: 6/21/2022

Consent Agenda

Approve the minutes of the June 15, 2022 special Commission meeting

ALTERNATIVES:

As determined by the Commission.

ATTACHMENTS:

Description

- ▣ June 15 Special Meeting Minutes



City of Marquette, MI

300 West Baraga Ave
Marquette, Michigan 49855

Meeting Minutes City Commission

SPECIAL MEETING MINUTES

Wednesday, June 15, 2022

Special Meeting

Call to Order, Pledge of Allegiance and Roll Call

Present: Ayes: Bonsall, Davis, Hanley, Hill, Smith, Stonehouse

Absent: Mayer

Commissioner Hill moved to excuse the absence of Mayor Pro Tem Mayer for military duties. Seconded by Commissioner Bonsall and Carried Unanimously.

Approval of the Agenda

Commissioner Sally Davis moved to Approve the Agenda as presented, seconded by Commissioner Jessica Hanley and Carried Unanimously.

Announcements

Mayor Smith said the Traffic Parking Advisory Committee meeting has been canceled due to a lack of quorum and she encouraged interested community members to apply to serve on this board.

Presentation(s)

1. City Owned Property Inventory

Community Development Director Dennis Stachewicz gave a presentation about City property inventory. He described the different categories of properties and their intended use and he explained how the Planning Commission uses and maintains the property manual.

At the conclusion of his presentation the City Manager spoke on how the property inventory and manual relate to the Community Master Plan. Staff is in the beginning stages of updating the Community Master Plan and issuing an RFP for a consultant for this process.

Commission discussion followed. The conversation involved clarification on the timeline of the Community Master Plan process, discussion of the previous intentions for the property at 601 S. Lakeshore Boulevard, and a more detailed look at a number of other specific properties. Comments also touched on the need for joining efforts with the County to find solutions related to housing affordability in the

area.

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Cary Gottlieb spoke on his concerns with a potential purchase of Heartwood property, which includes a significant portion of the NTN trail network.

John Taylor said he supported development at 600 W. Spring Street, as he believed it is the single most suitable property for affordable housing.

Mary Dowling, representing the Beacon House, highlighted the number of people the Beacon House has supported with temporary free housing since they have reopened, and noted the economic impact those individuals have on the community.

Barry Polizin, representing Marquette Opportunity LLC, stated he was available for questions.

Janna Fox, representing Habitat for Humanity, expressed the organization's interest in working with the City on the issue of affordable housing.

Margaret Brumm said she appreciated public comment coming after the presentation, because it gave the public a chance to listen and learn on the topic before speaking. She also agreed with Commissioner Stonehouse on the importance of working with the County on affordable housing.

Orville Dishno thanked Dennis Stachewicz for his informative presentation. He indicated his support for the development of surplus property because it would increase tax rolls which will benefit our future.

2. Consent Agenda

Commissioner Fred Stonehouse moved to Approve the Consent Agenda, seconded by Commissioner Evan Bonsall and Carried Unanimously.

2.a. Approve the minutes of the June 13, 2022 regular Commission meeting

New Business

3. Resolution of Intent to Sell City Property, 600 W. Spring Street - Roll Call Vote

Commissioner Fred Stonehouse moved to deny the purchase request from the Steve Mariucci Beacon House and direct City staff to prepare a request for proposals for development of the property which was seconded by Commissioner Sally Davis.

Commissioner Stonehouse explained that, with a difficult meeting regarding City property taxes coming up next week, it's important to look at every option, including this property, to increase the City's tax base. He said he supports the Beacon House but by putting this out for proposals it would allow the City to get the most out of the property.

Commissioner Davis echoed Commissioner Stonehouse's sentiment for the good the Beacon House does for the community. However, this property could address the housing need and be an addition to the tax roll.

Commissioner Bonsall stated it's important to look at the best use and highest need

for this property and said it could potentially make sense for high-density, workforce housing.

Commissioner Evan Bonsall then moved to amend the original motion to indicate that the staff should issue a request for proposals to develop the property as higher density, low income or workforce housing, as defined in the Community Master Plan and the Ad Hoc Housing Committee final report. The amended motion was seconded by Commissioner Jessica Hanley.

This motion to amend carried 4-2, with Commissioners Davis and Stonehouse voting no.

The Commission then voted on the main motion, to deny the purchase request from the Steve Mariucci Beacon House and direct City staff to prepare a request for proposals for development of the property as higher density, lower income or workforce housing, as defined in the Community Master Plan and the Ad Hoc Housing Committee final report.

The motion carried 5-1 by roll call vote, with Commissioner Stonehouse voting no.

4. Resolution of Intent to Sell City Property, Heartwood Forestland - Roll Call Vote

Commissioner Jessica Hanley moved to Deny the purchase request from Curran and Company, seconded by Commissioner Fred Stonehouse and Carried Unanimously by Roll Call Vote.

5. Resolution of Intent to Sell City Property, Founders Landing - Roll Call Vote

Commissioner Fred Stonehouse moved to adopt the resolution of Intent to Sell, and authorize the City Manager to negotiate terms for the potential sale of the property. The motion failed, for lack of a second.

Commissioner Jessica Hanley then made a motion to deny the purchase request from Marquette Opportunity LLC., seconded by Commissioner Evan Bonsall.

Commissioner Hanley said she has often heard from residents saying they don't want any more hotels near the lakeshore.

Commissioners discussed possible uses for this property, and about the idea of a broader conversation about south Marquette.

Commissioners voted on the motion to deny the purchase request, which carried unanimously by roll call vote.

Public Comments - Comments may not exceed three minutes per person. Please state your name and physical address when making public comments.

John Taylor spoke on the actions taken by the Commission at the meeting.

Mary Dowling thanked the Commission for the consideration tonight, and expressed the Beacon House's desire to work with the City in the future.

Margaret Brumm made a suggestion on the RFP process and also acknowledged the

Commissioners comments on the traffic on U.S. 41 and suggested a pedestrian overpass.

Comments from the Commission

Commissioner Bonsall thanked everyone for a productive meeting and noted that they were able to make some progress on affordable housing.

Commissioner Davis reflected on the good discussion that took place and the difficult topics and decisions that the Commission faces.

Commissioner Hanley echoed the two previous Commissioners on the productive meeting.

Commissioner Hill reiterated Commissioner comments on the productive meeting and thanked staff for presenting a complicated topic in a way that was understandable. She also recognized the City for being a Redevelopment Ready Community and encouraged the public to learn more about what that means for future economic developments. Finally, she touched on the concept of overpasses.

Commissioner Stonehouse brought attention to the limited amount of land the City owns that can be developed and because of this he highlighted the importance of working with our neighbors through the County. He called upon the County to be a leader on the topic of affordable housing.

Mayor Smith asked the City Manager to address public comment on the intergovernmental housing coalition and reminded the public of the Special Meeting on Tuesday, June 21 at 5:15 p.m.

Comments from the City Manager

City Manager Karen Kovacs addressed the intergovernmental task force, which was put together on behalf of the County by the Lake Superior Community Partnership; which focuses on housing needs on a regional level. She stated Assistant City Manager Sean Hobbins is the City's liaison on that task force.

Adjournment

The meeting was adjourned at 7:25 p.m.

Kyle Whitney, City Clerk

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City of Marquette, MI

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Agenda Date: 6/21/2022

New Business **City Operating Millage**

BACKGROUND:

As part of the annual City budget process, the City Commission must approve the City's annual tax levy for general operating purposes. Under the provisions of State law and of City Charter Sec. 8-1, this levy cannot exceed 20 mills, while the effects of Michigan's Headlee Amendment mean that the current maximum levy the City can functionally collect is 17.5604 mills. The Commission approved a levy of 14.9225 for the current Fiscal Year.

While the City's operating millage is reviewed annually, it has not been increased in 16 years. The last adjustment to the millage rate was in 2010, when it was lowered from 15.3 mills to the current rate.

As the Commission has discussed several times in previous months, the City is facing a revenue shortfall, as large taxpaying entities have left City tax rolls in recent years. At the same time, Michigan Tax Tribunal filings have continued, as have the City's long-term commitments tied to a handful of key community revitalization projects.

This proposal would increase the City's operating millage to 17.5604 mills. For a homeowner with a taxable value of \$80,000, this increase of 2.6379 mills would represent an additional payment of \$211.03 per year.

The recommendation to increase the operating millage is the first step toward putting the City on a more secure financial footing moving into the future, and there will be further discussions and decisions in the coming months. Staff has established a frequently-asked-questions document, which has been made available online at www.marquettemi.gov/millage and which explains the need for this action, while detailing what a change in the millage rate would mean for the average homeowner.

Per City Charter Sec. 7-2, the City Commission "shall by resolution determine and adopt the budget and make the appropriations for the next fiscal year and shall provide by resolution for a tax levy of the amount necessary to be raised by taxation. The total amount of appropriation shall not exceed the revenues of the city as estimated by the city commission, based upon a tax levy for all city operating purposes, plus all additional and miscellaneous revenues derived by the city in accordance with provisions of law, this charter and city ordinances."

If approved, this increase would take effect July 1, 2022 and would be incorporated into the summer tax bill. Winter tax bills will not be impacted.

FISCAL EFFECT:

This proposed increase is estimated to generate an additional \$1.5 million in annual revenue.

RECOMMENDATION:

Approve the proposed recommendation to increase the City's operating millage to 17.5604 mills, and direct the Mayor and City Clerk to sign the resolution and to execute the City's 2022 L-4029 form.

ALTERNATIVES:

As determined by the Commission.

ATTACHMENTS:

Description

- ▣ Resolution



Resolution
Establishing the 2022-2023 General Ad Valorem
Tax Levy for Municipal Purposes

WHEREAS, Chapter 7 of the Marquette City Charter requires the City Commission to provide by resolution for a tax levy of the amount necessary to be raised by taxation; and,

WHEREAS, a proposal for the 2022-2023 tax levy has been prepared by staff and presented by the City Manager;

NOW THEREFORE BE IT RESOLVED, that in accordance with the Public Notification provisions of Act 5 of 1982 of the State of Michigan, the estimated sum of \$11,315,700 is hereby fixed as the amount to be raised by Real and Personal Taxes for the 2023 Fiscal Year for the General Fund (a millage rate of 17.5604 mills).

Duly adopted by the City Commission on June 21, 2022.

Jennifer A. Smith, Mayor

Certified to be a true copy on June 21, 2022

Kyle Whitney, City Clerk