

City Council

Regular Meeting Minutes

Monday, May 2, 2016
7:00 p.m., Council Chambers



1. **Call to Order by Mayor Burr at 7:01 p.m.**
2. **Invocation – Reverend Curry Pikkaart, Retired President of SHAMA**
3. **Proclamation for Tom Thompson – moved to the May 16, 2016 City Council meeting**
4. **Arbor Day Proclamation**
5. **Roll Call**

Present: Jeff Arnold, Clark Gruber, Vickiy Kozlik Wall, Steve Schlack, Scott Smith, Bob Burr
Absent: Andy Klavins

Moved by Kozlik Wall, seconded by Arnold, to excuse Councilmember Klavins for personal reasons.

Voted Yes: All. Motion carried.

6. **Approval of Agenda**

Moved by Kozlik Wall, seconded by Arnold, to approve the agenda.

Voted Yes: All. Motion carried.

7. **Consent Agenda: Items A through J (Roll Call Vote Required)**

Moved by Arnold, seconded by Gruber, to approve the Consent Agenda as follows:

- A. Council will be asked to approve the City Council Special meeting minutes for April 11, 2016.
- B. Council will be asked to approve the City Council Regular meeting minutes for April 18, 2016.
- C. Council will be asked to approve the City Council Special meeting minutes for April 18, 2016.
- D. Council will be asked to approve the City Council Budget Workshop meeting minutes for April 20, 2016.
- E. Council will be asked to approve the City Council Budget Workshop meeting minutes for April 25, 2016.
- F. Council will be asked to approve invoices totaling \$430,313.53 for the period ending May 1, 2016 be approved and forwarded to the Clerk and Treasurer for payment.
- G. Council will be asked to approve a license agreement for a projecting sign at 510 Phoenix Street, the Bayberry Cottage Store.

- H. Council will be asked to award the contract of professional services for Lake View Cemetery Improvements to Abonmarche in the amount of \$27,800.
- I. Council will be asked to award the six contracts for professional services for Electric System Improvements to GRP Engineering, Inc. in the amounts indicated as follows:
 - 1) North Shore Drive – \$37,000
 - 2) Monroe Blvd – \$14,000
 - 3) 14th Avenue – \$11,000
 - 4) Kalamazoo Street – \$6,000
 - 5) Capacitor Banks – \$4,500
 - 6) LeGrange & Phillips – \$27,500
- J. Council will be asked to accept the following minutes:
 - 1) March 14, 2016 Liberty Hyde Bailey Museum board meeting minutes;
 - 2) March 15, 2016 Harbor Commission meeting minutes;
 - 3) March 16, 2016 Airport Authority meeting minutes;
 - 4) March 23, 2016 South Haven Housing Commission meeting minutes; and
 - 5) March 28, 2016 Board of Public Utilities meeting minutes.

A Roll Call Vote was taken:

Yeas: Arnold, Gruber, Kozlik Wall, Schlack, Smith, Burr

Nays: None

Motion carried.

NEW BUSINESS

8. Council will be asked to take the following actions related to the proposed regulations for short-term rentals:

A. Receive and file a report from the Planning Commission regarding the changes that the City Council proposed on April 18, 2016, to the original ordinance drafts recommended by the Planning Commission.

Moved by Gruber, seconded by Arnold, to receive and file the report from the Planning Commission regarding the changes that the City Council proposed on April 18, 2016, to the original ordinance drafts recommended by the Planning Commission.

Voted Yes: All. Motion carried.

B. Introduce ordinances amending the City Code and the Zoning Ordinance to regulate short-term rentals, and set a public hearing on the ordinances to occur on May 16, 2016.

City Manager Brian Dissette gave a power point presentation on the background on short-term rentals and summarized positions by various stakeholders.

City Attorney Catherine Mish of Dickenson Wright continued the power point presentation and summarized the details of the zoning ordinance amendments and the rental regulatory ordinance.

City Manager Dissette reminded the Council and viewing audience that the public hearing is set for Monday, May 16, 2016 at 7:00 p.m. Dissette passed out an opinion

from the city's attorney which confirms the city's interpretation of the building codes being correct.

Council posed various questions to the City Manager and City Attorney and debated amongst themselves.

Public Comments:

Jay De Bruyn of Shores Real Estate, 300 Kalamazoo Street, voiced concerned with this ordinance, specifically the 3,500 square foot restriction which includes unfinished basements; he supports children under 6 to be uncounted for occupancy.

Mary Lynn Bugge, 70 Gabriel Drive, asked for clarification on the dates referenced in the ordinance and the revocation process. She supports 24 months age for uncounted occupants.

Maureen Moravec, 1034 Midway Drive, agreed with eliminating of 3,500 square feet provision – unfinished basements shouldn't be counted. Believed that the planning commission got it right at 16 and 6. Wanted more clarification on what constitutes a revocation.

Susan Ryan, 37 Cass Street, supported the maximum occupancy must be set at 10 because it meets state codes. Fire pits decrease the air quality. Signs advertising rentals must be attached to the house.

James Leppa, 263 Cherry Court, agreed with Kozlik Wall about dropping the 3,500 square foot restriction in newly constructed or newly expanded dwellings. Urged the Council to take the Planning Commission recommendation.

Mark Hamburg, 800 Indiana, bought his house to rent out until he could retire here. Noise enforcement should be applied equally, not just to rentals, and shouldn't punish the land owner. Wanted more clarification on revocation.

Smith: Parking restrictions do not affect existing homes

Dorothy Appleyard, 806 Wilson Street, voiced support that a hard cap for occupancy is more appropriate than the square footage restriction. Believed that the minimum stay should be lengthened and the occupancy limit set at 10.

Margaret Earl, 37 North Shore Drive, has an owned a weekly rental in the Monroe Park neighborhood for 17 years. She is concerned with the responsibilities of the local agent. Doesn't understand the purpose of it and wanted to know what exactly she is asking someone to do if they become a "local agent."

Gerald Webb, 508 North Shore Drive, is concerned with the 3,500 square foot restriction and encourages the Council to reconsider.

Bill Friese, 310 Eagle Street, is concerned with the city's ability to enforce the rules proposed. He believes the basement is being included wrongly in the square footage. And that there will be unintended consequences that will play a part in the economic development of our town.

Jodi Carlson, 314 Indiana, has been a resident for 29 years and became a resident after renting here on vacation. She disagreed with the 24 months' age as the uncounted occupant. Wanted to know how many police reports were there last year with problem rentals. Asked why are we worried about this if we haven't had any problems.

Pat Gaston, 97 Superior, asked for clarification to a part of the ordinance pertaining to new rentals built over 3,500 square feet.

Steve Runkle, 16 Pine, supported the 3,500 square feet, 24-month cap and the 12-person occupancy.

Moved by Smith, seconded by Gruber, to introduce ordinances amending the City Code and the Zoning Ordinance to regulate short-term rentals, and set a public hearing on the ordinances to occur on May 16, 2016.

Voted Yes: Smith, Arnold, Gruber, Schlack, Burr

Voted No: Kozlik Wall.

Motion carried.

C. Consider Resolution 2016-28, a resolution to extend the moratorium on the issuance of permits relating to the construction of large dwellings to be used for short-term rentals, so that the moratorium will expire on May 31, 2016.

Moved by Gruber, seconded by Arnold, to approve Resolution 2016-28, a resolution to extend the moratorium on the issuance of permits relating to the construction of large dwellings to be used for short-term rentals, so that the moratorium will expire on May 31, 2016.

Voted Yes: Smith, Arnold, Gruber, Burr

Voted No: Schlack, Kozlik Wall

Motion carried.

9. Council will be asked to approve Special Event 2016-15 – Harbor Walk Fun Run/Walk to be held May 28, 2016 on the Harbor Walk from 10:00 a.m. to 12:00 p.m. beginning at the Michigan Maritime Museum.

Ashley Deming, Michigan Maritime Museum, wants to kick off summer and officially open the Harbor Walk. The Harbor Walk is 10,000 steps and is a great way to get fitness in. This is not a race, it starts at the museum and may end at the museum for refreshments.

Moved by Smith, seconded by Arnold, to approve Special Event 2016-15 – Harbor Walk Fun Run/Walk to be held May 28, 2016 on the Harbor Walk from 10:00 a.m. to 12:00 p.m. beginning at the Michigan Maritime Museum.

Voted Yes: All. Motion carried.

10. Council will be asked to approve a license agreement for South Beach Concession area for two years with Bearclaw Coffee Mobile Catering, LLC.

Todd Newberry, Bearclaw Coffee Mobile Catering, LLC, South Beach Concession will be adding coffee, espresso, cut fruit, and yogurt, etc.

Brian Dissette, City Manager, clarifies that the city is selling space for the building. Bearclaw put in a very strong proposal which includes a higher payment, bathroom cleaning, one structure versus the multiple structures. Notes that staff decreased the agreement from three years to two years with a reduction of the payment. The unit has been delivered and is on site, some additional modifications have to be made. It is a very attractive building and looks great there.

Moved by Kozlik Wall, seconded by Arnold, to approve a license agreement for South Beach Concession area for two years with Bearclaw Coffee Mobile Catering, LLC.

Voted Yes: All. Motion carried.

11. Council will be asked to consider approval of Resolution 2016-26, a resolution declaring intent to special assess, designates the district boundary, and schedules a public hearing for the proposed reconstruction of Kalamazoo Street, Phase 3 project.

City Manager, Brian Dissette, gave a brief overview on this item and explained the process for this project.

Moved by Smith, seconded by Arnold, to approve Resolution 2016-26, a resolution declaring intent to special assess, designates the district boundary, and schedules a public hearing for the proposed reconstruction of Kalamazoo Street, Phase 3 project.

Voted Yes: All. Motion carried.

12. Council will be asked to consider approval of Resolution 2016-27, a resolution setting a public hearing date for the Fiscal Year 2016-17 Budget.

City Manager Brian Dissette, illustrated the highlights on the budget, \$18 million of capital improvement spending city wide, and the restoration of the 24-hour police/fire information center.

Moved by Arnold, seconded by Smith, to approve Resolution 2016-27, a resolution setting a public hearing for the Fiscal Year 2016-17 Budget to occur on May 16, 2016 at 7:00 p.m.

Voted Yes: All. Motion carried.

13. Interested Citizens in the Audience Will Be Heard on Items Not on the Agenda

Mike McKay, Van Buren County Prosecutor, introduced himself as a candidate for the Van Buren County District Court judge seat for the eastern district.

Gerald Webb, 508 North Shore Drive, wanted to thank everyone for their work.

James Leppa, 263 Cherry Court, he is chairing the committee for the downtown holiday lights. He wants to know who to get in touch with to present their plan (the Downtown Development Authority). They have already started meeting.

14. City Manager's Comments

On Thursday, May 19, the new store Gliks will have a ribbon cutting for their new store.

15. Mayor and Councilperson's Comments

Kozlik Wall: She enjoys her fire pit and is shocked that fire pits have caused such a ruckus. It is not just rentals that like fire pits or the beach. We shouldn't take away those rights. If you don't like the fire pit, shut your windows and turn on the air conditioner.

Schlack: Thanks Planning Commission for their comments. He watched the meeting and thinks that their explanation made sense. He would like the PowerPoint presentation presented at the next meeting because he thought it was very helpful.

Gruber: SH Prom is on Saturday – get out and see kids taking prom photos on the beach. There has been a lot of work on short-term rental ordinances. Believes the Planning Commission struck a good chord with the formula.

Arnold: No comment.

Smith: Is pleased that the 5151 number is coming back. This is a tough process but we are getting there.

Burr: Welcomes to our community the new pastor at Hope Reformed Church, Mr. & Mrs. Steve Smallegan.

16. Adjourn

Moved by Gruber, seconded by Schlack, to adjourn the meeting.
Voted Yes: All. Motion carried meeting adjourned at 9:12 p.m.

RESPECTFULLY SUBMITTED,



Kate Hosier, Assistant City Manager
Approved by City Council: