

City of Charlevoix
City Council Regular Meeting Minutes
Monday, February 19, 2024 - 6:00 PM
Council Chambers, 210 State Street, Charlevoix, MI

1. Pledge of Allegiance

The meeting was called to order at 6:00 p.m. by Mayor Gennett. The Council, staff, and members of the public rose and recited the Pledge of Allegiance.

2. Roll Call

Mayor: Lyle Gennett

Members Present: Shane Cole, Aaron Hagen, Janet Kalbfell, Mark Knapp, Phil Parr

Members Absent: Richard Spring

City Manager: Mark L. Heydlauff

City Clerk: Sarah J. Dvoracek

3. Presentations

4. Inquiry Regarding Conflicts of Interest

5. Consent Agenda

Mayor Gennett opened the item for public comment. None were heard.

Motion by Parr, seconded by Kalbfell to approve the consent agenda as presented.

Yeas: Cole, Knapp, Parr, Kalbfell, Hagen

Nays: None

Absent: Spring

Motion carried.

A. City Council Meeting Minutes - February 5, 2024

Motion to approve the minutes as presented.

B. Accounts Payable and Payroll Check Registers

Motion to approve the accounts payable and payroll check registers as presented.

Dates		Amount
02/16/2024	Payroll Transmittal Checks	\$5,725.11
02/16/2024	Payroll (net pay)	\$99,702.84
02/20/2024	Regular Accounts Payable	\$346,559.24
02/05/2024-02/16/2024	ACH/WIRE Payments	\$186,594.02
02/14/2024	Special A/P Tax Disbursement	\$972,811.12
Grand Total		\$1,611,392.33
The entire accounts payable and payroll check registers can be viewed on our website.		

C. 2024 Trout Tournament Requests

Motion by Parr, second by Kalbfell to approve use of East Park for the Trout Tournament and to allow parking at no charge for registered participants at Ferry Beach Boat Launch from June 7-9, 2024.

CITY OF CHARLEVOIX

RESOLUTION NO. 2024-02-04

WAIVE LAUNCH FEES FOR TROUT TOURNAMENT

WHEREAS, the Lake Charlevoix Area Trout Tournament will be held on June 7-9, 2024; and

WHEREAS, the Lake Charlevoix Area Trout Tournament is requesting that boat launch fees be waived for the tournament and the June 6 practice fishing day; and

WHEREAS, Title VII, Chapter 71, Section 71.04 of the City Code permits City Council to waive boat launch fees for special or public events.

NOW THEREFORE BE IT RESOLVED that the City of Charlevoix hereby waives launch fees for the Lake Charlevoix Area Trout Tournament from June 7 to June 9, 2024.

RESOLVED this 19th day of February 2024 A.D.

Resolution was adopted by the following yea and nay vote:

Yeas: Cole, Knapp, Parr, Kalbfell, Hagen

Nays: None

Absent: Spring

Motion carried.

D. Use of Odmark Pavilion for Shabbat

Motion to approve the use of Odmark Pavilion for Shabbat Service on August 9, 2024, from 6:00 p.m. to 8:00 p.m.

6. Public Hearings and Actions Requiring Public Hearings

A. Ordinance 844: Adoption of Amended 2023-24 Budget

Mark Heydlauff, City Manager

City Manager Heydlauff thanked Kelly McGinn, City Treasurer for all her hardwork in preparing the budget.

Mayor Gennett opened the public hearing. None were heard.

CITY OF CHARLEVOIX ORDINANCE NO. 844 OF 2024

2023-2024 BUDGET AMENDMENT #1

The Budget for the fiscal year beginning April 1, 2023 shall be amended for operating the City of Charlevoix. Ordinance 844 of 2024 Budget Appropriation Act of 2023-24, is hereby amended as follows:

		Original	Amended	Net
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		Budget	Budget	Change
General Fund	RV Total	4,377,600	4,508,423	130,823
- Legislative	EX Total	62,200	77,836	15,636
- General Government	EX Total	792,300	809,811	17,511
- Public Safety	EX Total	1,261,000	1,294,292	33,292
- Public Works	EX Total	409,700	402,566	(7,134)
- Recreation & Culture	EX Total	1,816,050	1,857,949	41,899
- Other	EX Total	20,900	37,400	16,500
- Fund Transfers	EX Total	48,500	48,475	(25)
Major Street Fund	RV Total	437,725	447,737	10,012
Major Street Fund	EX Total	417,676	467,555	49,879
Local Street Fund	RV Total	197,888	213,190	15,302
Local Street Fund	EX Total	167,900	175,808	7,908
Parking Services Fund	RV Total	133,800	146,600	12,800
Parking Services Fund	EX Total	118,900	154,150	35,250
Housing Initiatives Fund	RV Total	6,000	6,035	35
Housing Initiatives Fund	EX Total	0	4,625	4,625
DDA Fund	RV Total	651,100	719,613	68,513
DDA Fund	EX Total	709,800	743,573	33,773
Airport Fund	RV Total	2,704,457	2,415,076	(289,381)
Airport Fund	EX Total	2,614,150	2,423,054	(191,096)
Infrastructure Debt Service	RV Total	322,200	322,300	100
Public Services Facility Debt Service	RV Total	489,500	489,600	100
PI#2 - Sewer Capital Fund-Tap Ins	RV Total	15,080	42,300	27,220
PI#6 - Infrastructure	RV Total	425,000	910,939	485,939

Improvements Fund				
PI#6 - Infrastructure Improvements Fund	EX Total	1,272,200	1,866,282	594,082
PI#7 - Street Improvements	RV Total	271,500	285,224	13,724
PI#7 - Street Improvements	EX Total	200,000	243,755	43,755
PI#9 - Business Park Fund	EX Total	5,000	9,000	4,000
PI#12 - Mt. McSauba Recreation Improvement	RV Total	7,020	8,170	1,150
PI#15 - Trail Development-Improvement Fund	RV Total	662,871	5,500	(657,371)
PI#15 - Trail Development-Improvement Fund	EX Total	1,027,300	16,500	(1,010,800)
PI#17 - Building Capital Improvement Fund	RV Total	0	200	200
PI#17 - Building Capital Improvement Fund	EX Total	73,700	87,975	14,275
Electric Fund	RV Total	8,062,436	8,935,516	873,080
Electric Fund	EX Total	10,236,200	8,765,686	(1,470,514)
Sewer Fund	RV Total	2,547,580	2,811,399	263,819
Sewer Fund	EX Total	3,610,800	3,701,587	90,787
Water Fund	RV Total	1,740,900	1,993,064	252,164
Water Fund	EX Total	2,635,900	2,796,964	161,064
Marina Fund	RV Total	942,260	1,007,641	65,381
Marina Fund	EX Total	1,598,400	1,636,209	37,809
Employee Fringe Benefit Fund	RV Total	3,197,100	3,167,466	(29,634)
Employee Fringe Benefit Fund	EX Total	3,078,800	3,015,782	(63,018)

Motor Pool Fund	RV Total	1,132,736	1,152,624	19,889
Motor Pool Fund	EX Total	1,213,700	1,277,047	63,347
Perpetual Care Trust Fund	RV Total	6,000	14,000	8,000

Bad Debt Write-Offs

General Fund/EMS	23,721
Electric Fund	9,963
Water Fund	1,285
Sewer Fund	2,031
DDA Fund	-
Misc	<u>6,279</u>
2023-2024 TOTAL:	43,279
2022-23	\$90,459
2021-22	\$146,992
2020-21	\$244,662
2019-20	\$164,129
2018-19	\$40,680
2017-18	\$47,070
2016-17	\$40,120

This ordinance shall become effective thirty (30) days after its enactment.

Ordinance No. 844 was adopted on the 19th day of February 2024 A.D., by the Charlevoix City Council as follows:

Motion by Kalbfell, seconded by Hagen to approve Ordinance 844 as presented.

Yeas: Cole, Knapp, Parr, Kalbfell, Hagen

Nays: None

Absent: Spring

Motion carried.

B. Ordinance 845: Adoption of 2024-25 Budget

Mark Heydlauff, City Manager

City Manager Heydlauff presented the 2024-25 Budget to Council.

Mayor Gennett opened the public hearing. None were heard.

CITY OF CHARLEVOIX
ORDINANCE NO. 845 of 2024
BUDGET APPROPRIATION ACT

THE CITY OF CHARLEVOIX ORDAINS:

WHEREAS, the City Council of the City of Charlevoix did give notice of the time and place when a public hearing would be held in conformity with provisions of Section 7.8, Article VII of the City Charter, which Public Hearing was duly held pursuant to said notice and in conformity therewith.

THEREFORE, BE IT RESOLVED, that the revenues and expenditures for the fiscal year commencing on April 1, 2024 and ending March 31, 2025 are hereby appropriated on a fund level basis (a detailed breakdown by activity level can be found in the Budget Details document) as summarized by the following:

<u>GENERAL FUND</u>	
TOTAL REVENUES:	<u>\$4,355,600</u>
TOTAL EXPENSE:	<u>\$4,299,650</u>

BE IT FURTHER RESOLVED, that the City Council of the City of Charlevoix does hereby levy 10.6052 mills (9.4052 mills operating and 1.2000 mills infrastructure) for the period of April 1, 2024 through March 31, 2025 on all real and eligible personal property in the City of Charlevoix according to the valuation of the same. This tax is levied for the purpose of defraying the general expense and liability of the City of Charlevoix and for infrastructure improvements, and is levied pursuant to Section 8.1, Article VIII of the City Charter; and

BE IT FURTHER RESOLVED, that the City Council does hereby levy a tax not to exceed 1.3252 mills for the period April 1, 2024 through March 31, 2025 on all real and eligible personal property in the Downtown Development District, according to the valuation of the same within the district; and

BE IT FURTHER RESOLVED, that the City Council does hereby levy a tax not to exceed 1 mill for the period April 1, 2024 through March 31, 2025 on all real and eligible personal property in the City of Charlevoix, according to the valuation of the same. This tax is levied for the purpose of defraying the cost of rubbish collection and other related services provided citizens allowed by the act, and is levied pursuant to Michigan Public Act 213 of 1969; and

BE IT FURTHER RESOLVED, that the City Council does hereby approve the following budgets for the period April 1, 2024 through March 31, 2025 in the amounts set forth below by fund:

FUND	REVENUE	EXPENSE
Major Street Fund	\$ 459,139	\$ 441,579

Local Street Fund	215,511	176,500
Parking Services	148,200	137,800
Housing Initiatives	231,040	175,000
Electric Fund	10,911,000	10,911,000
Sewer Fund	3,628,400	3,628,400
Water Fund	2,415,600	2,415,600
Marina Fund	1,620,900	1,620,900
Airport Fund	2,572,508	2,428,500
Downtown Development Authority	686,400	665,800
Employee Fringe Benefit	3,313,300	3,130,700
Motor Vehicle Fund	1,583,700	1,583,700
Perpetual Care Trust Fund	6,000	0
General Debt Service Fund - Infrastructure	323,100	323,100
General Debt Service Fund – New Services Facility	485,100	485,000
Fire Fund	59,440	0
Sewer Tap-in Fund*	15,200	0
Northside/Southside Sewer Fund*	4,500	0
Infrastructure Improvement	358,200	122,800
Road Improvements	298,100	200,000
Industrial Park Fund	7,570	5,000
Mt. McSauba Recreation Fund	7,320	0
Trail Development-Improvement Fund	960,400	960,400
Building Capital Project-Improvement Fund	228,600	228,600
* These funds are part of the Sewer Fund.		

Ordinance # 845 was enacted on the 19th day of February, 2024 A.D., by the Charlevoix City Council as follows:

Motion by Kalbfell, seconded by Hagen to approve Ordinance 845 of 2024 as presented.

Yeas: Cole, Knapp, Parr, Kalbfell, Hagen

Nays: None

Absent: Spring

Motion carried.

**CITY OF CHARLEVOIX
RESOLUTION NO. 2024-02-03**

RATES & FEES ASSOCIATED WITH THE 2024-25 BUDGET

WHEREAS, the City of Charlevoix annually must adopt a balanced budget to comply with the City Charter; and

WHEREAS, the City of Charlevoix in preparing the budget, assumes the adoption of rates and fees for various services they provide in order to pay for those services in whole or in part as proposed in their annual budget; and

WHEREAS, the City of Charlevoix defines all of their rates and fees in the rate section of the proposed budget; and

WHEREAS, the City of Charlevoix proposes to make these rates and fees effective on April 1, 2024.

NOW THEREFORE BE IT RESOLVED that the City of Charlevoix adopts all rates and fees included in the 2024-25 Proposed Budget with changes to the rates and fees for the following areas: airport, cemetery, parking, recreation, miscellaneous, and Utility Rates which includes water, wastewater, and electric rates.

RESOLVED, this 19th day of February, 2024 A.D.

Motion by Parr, second by Knapp to adopt Resolution 2024-02-03 Rates & Fees associated with the 2024-25 budget as presented.

Resolution adopted by the following ye and nay votes:

Yeas: Cole, Knapp, Parr Kalbfell, Hagen

Nays: None

Absent: Spring

Motion carried.

C. VMB Properties, LLC Commercial Facilities Exemption Certificate Transfer Request

Mark Heydlauff, City Manager

City Manager Heydlauff explained the exemption certificate transfer request.

Mayor Gennett opened the item for public comment. None were heard.

Motion by Knapp, second by Hagen to approve the Commercial Facilities Exemption Certificate transfer request from Victoria Boucher of VMB Properties, LLC for 217 Bridge Street.

**CITY OF CHARLEVOIX
RESOLUTION NO. 2024-02-01**

Resolution Approving Transfer of a Commercial Facilities Exemption Certificate Application for VMB Properties LLC located at 217 Bridge Street, Charlevoix, Michigan
(PA255 of 1978 as amended)

WHEREAS, the City of Charlevoix legally established the Charlevoix Main Street Commercial Redevelopment District No.1 on October 17, 2016, after a public hearing held on October 17, 2016; and

WHEREAS, on April 3, 2017, the Charlevoix City Council granted Celebrate Me Home LLC a Commercial Facilities Exemption for the real property, excluding land, located in the Charlevoix Main Street Commercial Redevelopment District No.1 at 217 Bridge Street, for a period of 12 years, beginning December 31, 2017, and ending December 30, 2029, pursuant to the provisions of PA 255 of 1978, as amended; and

WHEREAS, a Commercial Facilities Exemption Certificate may be transferred and assigned by the holder of the certificate to a new owner of the facility with the approval of the local governmental unit after application by the new owner and with a properly noticed public hearing; and

WHEREAS, the applicant VMB Properties, LLC (Victoria Boucher) purchased 217 Bridge Street on January 18, 2024; and

WHEREAS, the applicant VMB Properties, LLC has provided answers to all required questions under Section 6(1) of PA 255 of 1978 to the City of Charlevoix; and

WHEREAS, the City Assessor certified that the property is eligible to be covered by the exemption; and

WHEREAS, the application for transferring the Commercial Facilities Exemption Certificate was considered at a public hearing as provided by section 6(2) of Public Act 255 of 1978 on February 19, 2024.

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Charlevoix, that VMB Properties LLC is granted a transfer of the Commercial Facilities Exemption for the real property, excluding land, located in the Charlevoix Main Street Commercial Redevelopment District No.1 at 217 Bridge Street, for a period of 12 years ending December 30, 2029, pursuant to the provisions of PA 255 of 1978, as amended.

RESOLVED this 19th day of February 2024 A.D.

Resolution was adopted by the following yea and nay vote:

Yeas: Cole, Knapp, Parr, Kalbfell, Hagen

Nays: None

Absent: Spring

Motion carried.

D. Community Development Block Grant (CDBG) Housing Improving Local Livability (CHILL) Program

Mark Heydlauff, City Manager

City Manager Heydlauff explained the Community Development Block Grant Housing Improving Local Livability Program requires the City to hold a public hearing to give low and moderate

income residents an opportunity to influence the final local grant rules to benefit the local participants. The grant will be used to help owner-occupied residences make changes to ensure homes remain livable and part of the local housing stock.

Mayor Gennett opened the public hearing. One was heard.

Mayor Gennett closed the public hearing.

E. Set Public Hearing: Rezone of 13513 Division Street

Mark Heydlauff, City Manager

City Manager Heydlauff stated that with the recent annexation of the property owned by Charlevoix County at 13513 Division Street by default, the annexed land is given an R-1 designation per the Zoning Ordinance. This rezone will designate the property as Public Facility, consistent with all other public-use properties in the City.

Mayor Gennett opened the item for public comment. None were heard.

Motion by Cole, seconded by Hagen to set a public hearing on March 4, 2024, at 6pm in Council Chambers, 210 State Street, for the rezone of 13513 Division Street to Public Facility.

Yeas: Cole, Knapp, Parr, Kalbfell, Hagen

Nays: None

Absent: Spring

Motion carried.

F. Revised Draft Short Term Rental Ordinance Amendment

Mark Heydlauff, City Manager

Council discussed the revised short term rental ordinance amendment language. City Manager Heydlauff answered questions from Council. Council concurred not to change the proposed language.

7. All Other Actions and Requests

8. Reports and Communications

A. Public Comment

- John Cooksey stated his concerns about the upcoming Recreation Authority Board Millage

B. City Manager's Comments

- Gave condolences to Ed Whitley's family
- Gave condolences to Ken Morrison and family, his brother passed away
- Gave condolences to County Commissioner Pat Harmon's family

C. Mayor and Council Comments

9. Other Council Business

10. Adjourn

Mayor Gennett adjourned the meeting at 6:33 p.m.

Sarah J. Dvoracek

City Clerk

Lyle Gennett

Mayor