

March 13, 2016

### **Fireworks –**

Second time this has come up – it was defeated the first time, so I'm not sure who got it on the agenda a second time (only those on the majority vote side can have it re-introduced, and it takes two members). State law allows municipalities to regulate all but "novelty" fireworks (small fireworks, pull string, sparklers, "snakes", etc.). Major fireworks can be regulated. In 2014 and 2015 there were 52 fireworks complaints filed and 12 warning citations issued (about 90% on the beach) with no civil infractions issued. It is illegal to discharge fireworks on public beaches or property without a license issued by the municipality. It is legal to discharge fireworks on private property any day of the year (generally not later than 10:00 PM or earlier than 8:00 AM), as long as you don't discharge onto other's property. It is also illegal to discharge fireworks when under the influence of drugs or alcohol. Unless a violation is observed by Public Safety, a private party would have to make and sign a complaint for a violation. A lot of people complain, but don't do so to their neighbor or the offender, and are not willing to be identified by signing a complaint. Making a local ordinance to restrict the discharge of all but novelty fireworks to the day before, day of, and day after a National Holiday – with a five day before/after window for the Fourth of July would result in a lot of enforcement effort, with historically little results – and possibly impact tourism to the community. Council had the option of abiding by State law, or passing an ordinance to regulate other than novelty fireworks but Councilman Wittlief's motion did not receive a second, and the issue failed. Mayor Kenney chastised Council for wasting the time of the City Attorney in preparing the ordinance, but it was essentially the same ordinance that was prepared and failed by a majority vote before. The Mayor could have vacated her seat to the City Clerk and seconded the motion if it was that important to her (Mayor Pro Tem absent) for it to proceed to discussion and then a vote, but I'm sure she realized that the four members who did not second the motion would probably not support it. It was well discussed the first time it was presented and I didn't see a need for further discussion. There are several bills pending at the State level that may further limit the type of fireworks allowed in Michigan or uniformly limit the days they may be discharged and I'll provide updates as those bills proceed through the legislative process.

### **Ramsdell –**

I found it hard to believe the statement that we've (Council) have failed to support the Ramsdell. In 2009 Council went into debt \$485,000 for the roof, in 2011 Council went into debt for \$1,260,000 for replacement heating and to add air conditioning (under the premise it would increase rentals), Council has provided operating subsidies over a long period of time – some pretty significant support! The RGA was pretty much run by users, who were very reluctant to agree to or pay "fair market" rent and limited the power of the Director (they hired). A group of citizens has been meeting and forming a proposal to contract for management of the Ramsdell under a not-for-profit structure with the express purpose of creating a financially self-sustaining business model. Such a model exists in Frankfort and Traverse City, where corporate sponsorships, theatre members, and events combine to provide the resources for operation and maintenance of City owned property. The vast majority of facilities like the Ramsdell are unable to operate without endowments, sponsors, and members contributing to the expenses. I know Dr. Dillion is enthusiastic and dedicated to changing the direction – he arrived at West Shore Community College with a meager \$75,000 endowment fund and left 16 years later with over \$5,200,000 in the fund in addition to funding the Ice Arena (\$2,000,000) without debt to the school. I raised the issue of adding

\$90,000 to the budget in 2015/2016 when there was an \$89,000 fund balance – and feel I’ll have more support for that issue this year. It takes about \$110,000 a year to operate the facility (not including the \$178,830 in debt service) and I’ll propose no more in the 2016/2017 budget than enough to meet that level with the current fund balance – I’m guessing around \$40,000 (\$50,000 less than last year) to meet the typical operating needs. Under the proposed structure, the Director would become the employee of the non-for-profit as opposed to the City of Manistee and financial services would continue to be provided by the City (accounting – not management control). It would be a dream for someone to purchase the Ramsdell, operate it and pay taxes on it – but who do you think would be willing to take on such a venture knowing they are not going to make money on it? If the not-for-profit can evolve to operate and build a sustaining endowment, we’ll see value in the facility (still no property taxes as it is City owned). The roof debt will be paid in 2017, but the heating and cooling runs through 2027. Closing the doors and putting it in “caretaker status” would save the costs of a director, but also eliminate the income being received. There are successful operations out there that can be duplicated to get this property operating without taxpayer subsidies.

#### **Attendance –**

A lot has been said about missed City Council meetings lately. I know that City Council members get paid \$309.42 monthly, with or without being there for the meetings. With regular, work, and special sessions – there are approximately 36 meetings a year – so that comes to about \$100 a meeting. The Mayor is paid slightly more than other Council members. Roger Zielinski and I are the only two members who have attended Michigan Municipal League training and conference sessions (Lynda Beaton recently attended a newly elected official session) and our registration and hotel expenses are paid by the City (we don’t file for mileage or meal expenses). Members are not docked for missing meetings. I’ve missed a single meeting since election (Elks National convention I was required to attend as Exalted Ruler for the Manistee Lodge) and Roger missed one meeting due to the death of his brother. I donate the gross pay received each month to charitable causes because I consider it a privilege to provide the public service they elected me to (and can afford to do so). I was told I could not decline the payment when I was elected, so I attempt to provide community service with it. City Council declined a raise suggested during the last Compensation Commission session. Many Commissions and Committees have attendance stipulations (none of them paid positions) that provide criteria for removal based on both “excused” or un-excused absences – that needs to be addressed at the next Organizational Meeting and something put into the Council Guideline Policy. I make every effort to schedule around City Council and work sessions – and arrive at meetings with research on the agenda items ready to take part in the business at hand. You have a right to challenge absences by people who are being paid to serve your interests.

#### **Strategic Planning –**

A cumbersome process at best. I’ve complained about real objectives – those that are realistic, attainable, and measurable. I’m used to working with real data – which is lacking. In my opinion, we don’t need AES to facilitate this process – we have enough talent to do it ourselves. We don’t need to work on flowery phrases and adjectives – we need to state simply and plainly what our vision, objectives, and mission statements are – then we need real goals to support them. An example would be the Industrial Park – when was the last occupant recruited? Who “exit interviewed” the last occupant who left? Instead of having a “goal” of 100% occupancy (nice vision) why don’t we have a goal

of recruiting a new occupant this year (that would certainly improve on where we are and is more realistic than filling it all at once). If we exceeded that, it would be wonderful! We have to list what is available and look for businesses that need the facilities and resources available – define and narrow the search. When Roger and I were attending the past downtown business “round robin” events last year, one of those businesses indicated a need for more space and hinted at the Industrial Park as an option, if we would offer some help (financial) relocating and possible tax abatement as an incentive. We need new businesses with additional job opportunities, not just to finance relocations that that fill one need and create vacant space in another. Back to planning –

There is no need for improving the 9<sup>th</sup> Street Boat Launch. The City does not “own” the property, it has a license that is very restrictive.

AES entwines itself into the Strategic Plan – but delivers very little for the \$46,500 the gets from the City each year (in addition to \$90,000 from the County). Why the City pays in addition to the County for AES and 2-1-1 is lost on me, no other governments in Manistee County contribute other than normal County taxes that we also pay. If AES does get a grant for the City, they take a generous “administrative fee” off of the top of it for their role.

I’ll apologize if the wording in what is produced does not exceed all other communities in adjectives and flowery language – but I favor substance and directness over what is typically seen.

#### **Condo/North Channel Outlet-**

I posted the plan on this website. The developer is putting over \$4,000,000 into this project. Brownfield (State) funds are paying for some of the costs of abatement (leather processing residue, lead, asbestos) and we are using Tax Increment Financing through Brownfield Re-development to pay for resurfacing a street, parking lot, sewer replacement, and other infrastructure – that will be paid for through the increased tax value, instead of bonds. The increased tax value to the public schools will be paid by the State of Michigan as part of the process. We will be able to retire the recent Water and Sewer bond earlier due to this process – thus saving interest on that obligation. Give me an example of any company or business (excluding Meijer’s) who develops anywhere these days without some sort of tax abatement, Brownfield Redevelopment, or other financial incentive. I opposed this project when the DDA had the lead – but Brownfield is a very different process.

#### **DDA –**

Change is in the wind. I approached the acting director and City Manager concerning assessing what type of leadership was needed in the wake of Mr. Kay’s departure (Lynda Beaton also brought it up at the Blacker Airport meeting). Between the Chamber of Commerce (County function), DDA, AES, Historical Commission, and Planning Department, we don’t have a single source for anyone to go to for downtown development and have a lot of hoops to jump through. It needs streamlined and to work in concert with each agency – harmony is the key for development.

DDA Tax Increment Financing expires in 2019 and the DDA is interested in getting it renewed early so they can “plan” for the future. I’m interested in looking at the history, form, and function of the DDA in that process. I’ve been attending DDA meetings lately and will continue to do so to gain firsthand knowledge and get to know the Board members. By State Law, the Mayor is on the Board and appoints Board members (with consent of Council) and I want to make sure those who are appointed actually

attend and provide service. The 2015/2016 Budget addresses the City's high level of support to the DDA and the need to see some return on that investment.

#### **Marina –**

I'd like to point out the Marina "operates" with a profit – it is the past decision making and resulting debt service that consumes what profit is made and requires a subsidy. Several of those loans run for an extended period of time (Boat Launch is the shortest). The decision to build the new Marina (even the Manager's Budget said it was unnecessary) and the resulting cost overruns and debt are the issue.

#### **Fix What We Have –**

I've told the City Manager we don't need to build anything else – we need to maintain and operate what we have. We need to resolve debt and pay-as-we go. We still have Water and Sewer issues to resolve and we're under a license deadline to get it done. We need to find street maintenance resources and set an aggressive plan to improve conditions and upkeep. We can blame others (like the State or Federal Governments), but we decide what to spend locally – and for a long time we've been putting our priorities on the wrong issues. When there are limited resources, apply them to the essential items first. For example; if I need a new furnace for my home, I don't buy a new car with the money I need for the furnace, when the old one is serviceable – I replace the furnace and keep driving the serviceable car - and I apply the same logic to the City.

#### **Recycle and Trash –**

A date is being set for the "Spring trash haul" this year. We've gone to a process of allowing a single bulk item the first trash day of each month (gives everyone 12 opportunities to get rid of a large item) and it is being well received. In budgeting this year, I'll support either the alternating year bulk pick up, or the monthly bulk item – not both. We are paying for both this year. The bulk Spring pickup creates quite a clutter and results in people picking through other's trash (sometimes making a mess) as well as non-city residents dumping in front of resident homes. I'm leaning toward the once-a-month bulk item because there is less clutter and it is more cost effective.

As always – thank you for your support, your comments, and aid in decision making as a Council member. There is an opportunity to begin recruiting candidates for this fall – 4 seats are up for election (including mine). Thanks - Jim