

The regular meeting of the Clare City Commission was called to order at 6:00 p.m. in the City Commission Chambers of Clare City Hall, 202 West Fifth Street, Clare, Michigan by Mayor Pat Humphrey who led with the Pledge of Allegiance. Present were: Commissioners Bob Bonham, Pat Humphrey, Maegan Jenkins, and Nick Loomis. Absent: None. Also, present: Jeremy Howard, City Manager; Dave Saad, Police Chief, and Sarah Schumacher, Deputy Clerk.

2. CONSENT AGENDA:

Moved by Commissioner Jenkins second by Commissioner Murphy to approve the items listed with an asterisk (*) (Agenda, Minutes, Department Reports, Communications, Professional Development, and Bills) that are considered to be routine by the City Commission. Roll call vote: Yeas: Commissioners Bob Bonham, Pat Humphrey, Maegan Jenkins, Nick Loomis and Carolyn (Gus) Murphy. Nays: None. Absent: None. *Motion Carried.*

3. *APPROVAL OF MINUTES:

Approved by Consent Agenda.

4. *APPROVAL OF AGENDA:

Approved by Consent Agenda.

5. PUBLIC COMMENT:

Bobby Miller asked for guidance from the commission regarding the temporary parking of trailers in his driveway. The commission is willing to discuss grey areas in the ordinance at a future meeting if needed.

6. UNFINISHED BUSINESS: None.

7. NEW BUSINESS:

A. ORDINANCE 2022-001 – DOWNTOWN DEVELOPMENT DISTRICT -2ND FLOOR RESIDENTIAL USE

The City has been working toward receiving Redevelopment Ready Essentials Certification (RRC) in order to be eligible to apply for certain community development grants. One of the requirements for certification is to provide flexible zoning regulations which are inviting to encourage desired development and will provide for a walkable community. One of the zoning recommendations is to allow second floor residential by right within the Downtown Development District. Mixed use developments can increase a sense of place and spur revitalization efforts. As such, our RRC Community Planner recommends that we update our ordinance codes to allow for mixed use by right in areas of concentrated development rather than requiring a special use permit as is required within our current Codes of Ordinance.

As the proposed ordinance falls under the purview of the Planning Commission, a review of the proposed ordinance is required by that body. The Planning Commission completed the required review at its June 8, 2022 meeting and recommended approval of the proposed ordinance

All changes to zoning within the City must be accomplished by ordinance change. All ordinance code changes or amendments require the approval of the City Commission, and all ordinances require two readings and approval of the City Commission subsequent to a public hearing.

The City Commission was asked at its meeting on June 20, 2022 whether it desired to adopt the proposed ordinance amendment and if so, to commence the process for ordinance adoption. The required public notice announcing the hearing was published and the City Commission held a public hearing and directed the First Reading of the Ordinance at that meeting.

The Commission now has the option of allowing a Second Reading of the proposed Ordinance 2022-001 or denying the conduct of a Second Reading, thereby rejecting the proposed new ordinance.

The Commission is now asked to allow a Second Reading and either approve or deny the adoption of the proposed Ordinance.

Motion by Commissioner Murphy second by Commissioner Jenkins to allow the second reading and approve the adoption of Ordinance 2022-001 by adoption of Resolution 2022-061 Roll call vote: Yeas: Commissioners Bob Bonham, Pat Humphrey, Maegan Jenkins, Nick Loomis and Carolyn (Gus) Murphy. Nays: None. Absent: None. *Motion Carried.*

B. ESTABLISH A COMMERCIAL REHABILITATION DISTRICT

Michigan Public Act 210 of the Acts of 2005 established a law that allows individual property owners to request, or governmental units on their own initiative, to establish Commercial Rehabilitation Districts for the purpose of enabling commercial property owners within the established District to apply for a Commercial Exemption Certificate to assist in rehabilitating aging facilities, thereby providing an incentive for improvement of aged buildings and promoting economic development. PA 210 and the provisions therein use similar principles established in Michigan Public Act 198 of the Public Acts of 1974, which the City has effectively been using for the past two decades to approve Industrial Facilities Exemption Certificates for its local industrial business community, thereby achieving tremendous success in expanding the City's industrial base and contributing to local job creation.

Clare's Ideal Theater opened with its first movie debut in 1930; continuing to provide low-priced first-run movies until March of 2020. The theater, located in the city's Downtown Historic District, was purchased in 2021 and the new owners have been developing plans to rehabilitate this iconic theater for the past year. The estimated cost of the project is in excess of \$1.5M; consequently, the proprietors have made a request for the city to consider establishing a Commercial Rehabilitation District to allow the Ideal Theater, LLC. to apply for a Commercial Rehabilitation Exemption Certificate, thereby defraying local taxation on the project improvements for the period of the exemption certificate granted.

The Ideal Theater Rehabilitation Project will address wheelchair, hearing, and visual accessibility, life safety and comfort, health related mitigation strategies, and restoration of historic features in keeping with the Clare Historic District and the city's Master Plan.

If the City Commission establishes the Commercial Rehabilitation District at tonight's meeting, a public hearing will be held at the July 18th City Commission meeting for consideration of a Commercial Rehabilitation Exemption Certificate application of the Ideal Theater Clare, LLC.

The City Commission has the prerogative of whether to establish the Commercial Rehabilitation District, and it may also determine the boundaries of the district. The boundaries of the district can be limited to just the Ideal Theater parcel that will be rehabilitated or to a much larger boundary area. If the City Commission determines it is in the best interests of the City to establish the district, I recommend that the district boundaries coincide with those of the Clare Downtown Development Authority, thereby providing all commercial property owners within that district the same opportunity that will be provided to the Ideal Theater. The Clare DDA is scheduled to meet on Thursday, July 14th. The Commercial Rehabilitation District and the Ideal Theater Clare, LLC request for an exemption certificate will be on the agenda of the DDA for consideration. I will advise the City Commission of the DDA's recommendation in this matter subsequent to that meeting.

The City Commission is required to hold a public hearing prior to considering whether to establish the Commercial Rehabilitation District. We've published and posted the required notice for the hearing and have provided all affected property owners with the mandated written notice - the notices were sent to all property owners within the currently established DDA District, and to all property owners within 300' of the Ideal Theater.

There is no fiscal impact associated with establishing the Commercial Rehabilitation District other than notice and mailing costs. The primary fiscal impact is directly dependent upon the number and duration of any exemption certificates granted after the district is established - and that impact falls predominantly upon the DDA and the taxing jurisdictions within the DDA. Similar to the IFE's granted by the City, the commercial exemptions approved (if any) are for the value of the improvements made to respective

buildings or facilities within the district - not to the existing tax base. And since the tax revenues provided to the DDA are largely based on the improvements made within its district, the DDA's revenues essentially remain "flat" for the duration of any approved exemptions

Motion by Commissioner Bonham second by Commissioner Murphy to open the public hearing. Roll call vote: Yeas: Commissioners Bob Bonham, Pat Humphrey, Maegan Jenkins, Nick Loomis and Carolyn (Gus) Murphy. Nays: None. Absent: None. *Motion Carried.*

Public Comment: Sarah Adkins, Clare County Director of Middle Michigan Development Corporation and Lisa Benic, Representing Ideal Theater spoke of the benefit to downtown and the community as a whole with the establishing of this District. Local business owners, Greg Rynearson and Larry Kleinhardt, also expressed their support.

Motion by Commissioner Bonham second by Commissioner Murphy to close the public hearing. Roll call vote: Yeas: Commissioners Bob Bonham, Pat Humphrey, Maegan Jenkins, Nick Loomis and Carolyn (Gus) Murphy. Nays: None. Absent: None. *Motion Carried.*

Motion by Commissioner Jenkins second by Commissioner Bonham approve the establishment of a Commercial Rehabilitative District by adoption of Resolution 2022-062. Roll call vote: Yeas: Commissioners Bob Bonham, Pat Humphrey, Maegan Jenkins, Nick Loomis and Carolyn (Gus) Murphy. Nays: None. Absent: None. *Motion Carried.*

8. TREASURER'S REPORT: The Treasurer provided a report to the Commission.

9. CITY MANAGER'S REPORT

Well Transmission Lines. Recently I informed you that we found a leak in our transmission line from Well 6/7 to the water plant. City staff was able to locate the leak in a swampy area on the west side of town and crews were able to locate and complete the repair of the break. Excellent job by staff and the crew from Isabella Corporation on getting a difficult repair located and completed quickly.

Little Tobacco Drain Project. The 5th Street bridge is being completed as I type this report. It should be open to traffic June 30th.

Lake Shamrock Dredging Project. We continue to meet with our engineers at Progressive to develop the new permits needed for EGLE and we will be submitting the 3 new locations as soon as possible so that we can hopefully get some quick approvals from EGLE so that we can begin dredging again.

Trash and Recycling. The new bins from GFL, our new waste hauler, have been starting to be delivered to residents. GFL will begin pickups of trash and recycling starting in July. Trash/Recycling Day is remaining on Thursdays, with Fridays being yard waste pickup day.

Summer Concert Series. The 2022 Summer Concert Series in Shamrock Park continues with good crowds at Shamrock Park and runs through the summer every Thursday night from 6-8. See the attached flyer for more information and who will be playing at each concert.

Summerfest. The 2022 Clare Summerfest held recently was a huge success. All of the events, new and old, were well attended and fun for everyone. Thanks to the Chamber of Commerce and Summerfest Committee as well as all the volunteers, businesses, city staff, and everyone else who helped make it such great event.

Reminder. The City Commission meeting is being held on Tuesday, July 5th instead of Monday, July 4th due to the holiday. Have a great 4th of July Holiday!

10. *COMMUNICATIONS: *Approved by Consent Agenda.*

11. EXTENDED PUBLIC COMMENT: None.

12. COMMISSION DISCUSSION TOPICS: None.

13. *APPROVAL OF BILLS: *Approved by Consent Agenda.*

14. *PROFESSIONAL & EDUCATIONAL TRAINING OPPORTUNITIES: *Approved by Consent Agenda.*

15. ADJOURNMENT: Motion by Commissioner Jenkins second by Commissioner Murphy to adjourn the meeting. Roll call vote: Yeas: Commissioners Bob Bonham, Pat Humphrey, Maegan Jenkins, Nick Loomis and Carolyn (Gus) Murphy. Nays: None. Absent: None. *Motion Carried.* Meeting adjourned at 6:32 p.m.

Pat Humphrey, Mayor

Sarah Schumacher, Deputy Clerk