



## Notice City Commission Study Session

7:00 PM

Monday, November 8, 2010

Governmental Center, Commission Chambers, 400 Boardman Avenue  
Traverse City, MI 49684

Posted: 11-05-10

The meeting informational packet is available for public inspection at the Traverse Area District Library, Law Enforcement Center, City Manager's Office, and City Clerk's Office.

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If you are planning to attend and you have a disability requiring any special assistance at the meeting and/or if you have any concerns, please immediately notify the ADA Coordinator.

At the request of the City Manager, the City Clerk has called this study session.

City Commission  
c/o Debra A. Curtiss, MMC, City Clerk  
400 Boardman Avenue  
Traverse City, MI 49684  
(231) 922-4480  
<http://www.ci.traverse-city.mi.us>

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*The mission of the Traverse City City Commission is to guide the preservation and development of the City's infrastructure, services, and planning based on extensive participation by its citizens coupled with the expertise of the city's staff. The Commission will both lead and serve Traverse City in developing a vision for sustainability and the future that is rooted in the hopes and input of its citizens and organizations, as well as cooperation from surrounding units of government.*

### **Welcome to the Traverse City Study Session!**

Any interested person or group may address the City Commission on any agenda item when recognized by the presiding officer or upon request of any commissioner. Also, any interested person or group may address the City Commission on any matter of City concern not on the Agenda during the agenda item designated Public comment. The comment of any member of the public or any special interest group may be limited in time. Such limitation shall not be less than five minutes unless otherwise explained by the presiding officer, subject to appeal by the Commission.

### **Agenda**

Pledge of Allegiance

Roll Call

Announcements by the Mayor, City Manager, and City Commissioners

1. Review of budget forecasts. (R. Ben Bifoss)
  - a. Review sales and tax base
2. Review status on City Commission Priorities. (R. Ben Bifoss)
3. Discussion of Strategic Planning Process. (R. Ben Bifoss)
4. Public comment.
5. Adjournment.

**Status as of October 29, 2010**  
*Current status in italics*

**2010 City Commission Priorities**

The City Commission has undertaken a process to develop and review what will become the final priorities for the coming years. Like all City Commission activities, the final results do not reflect the individual priorities for each Commissioner; rather they reflect the collective judgment of all of the City Commissioners.

The final document will not be a static document; as circumstances change over the course of time the priorities may also change. An initial review of these priorities and a status report is scheduled for November 8, 2010.

**1. Infrastructure Issues**

*Goal Statement*

The City of Traverse City will maintain its infrastructure to enhance the quality of life in the City. It will manage its assets in a way that is long-term cost effective. Infrastructure includes the streets, sidewalks and other non-motorized paths, the storm water system and the water and sewer systems.

Specific steps include the following: 1) Make infrastructure a budget priority with an annual goal of at least \$1 million General Fund transfer to the Capital Improvement Projects Fund. 2) Revise the Infrastructure Policy and/or Master Plan as necessary to address conflicts between the policies. Consider increasing City participation on SID projects to better utilize the Special Assessment Fund. 3) Continue efforts to fully implement the Asset Management Program. 4) Enhance the CIP process to ensure Context Sensitive Solutions (CSS) are included in all reconstruction designs. 5) Examine ways to develop sustainable funding for the Storm Water System. 6) Work with MDOT on Division Street and Grandview Parkway improvements that value both motorized and non-motorized transportation users for future projects.

1. *Completed in 2010/11 Budget; anticipated in 2011/12 Budget.*
2. *Revised Infrastructure Policy and increased City participation in SID projects.*
3. *Ongoing.*
4. *Revised schedule on annual streets program for spring Planning Commission, Neighborhood Associations, and fronting property owners review on projects to be undertaken the following year.*
5. *Little progress.*
6. *Division Street – Computer modeling is complete and to be reviewed by Steering Committee on Nov. 10. Grandview Parkway – See Bayfront Plan.*
7. *See Attachment 1 for summary of completed and planned infrastructure work. Please note that not all of the work scheduled for 2011-12 will be undertaken but all of it is in the planning stage.*

## **2. Employee Benefit and Cost Issues**

### *Goal Statement*

The City of Traverse City will attract and retain the best human resources possible. However, that must be managed within the context of long-term financial sustainability.

Specific steps include the following: 1) Continue efforts to reverse the trend lines for the cost of employee pensions. 2) Continue efforts to reduce Health Insurance costs. 3) Review every vacancy that develops to determine whether it is necessary to fill or whether the workforce can be reduced by attrition. 4) File appeal with MERS regarding accelerated funding schedule on plan closure. 5) Research and analyze other options such as flex time, furlough days, early out program, etc., with the goal of reducing employee costs. 6) Consider contracting out services if cost effective.

- 1. Efforts continue.*
- 2. New High Deductible HSA Plan held cost increase to 6.25% compared to 10% for old plan. Vision and dental plans are flat or very small decreases.*
- 3. Ongoing. Current total employee count is 155 compared to budgeted 159 positions. See Attachment 2. From a long term perspective, it is worthy to note that during the 1970's and 1980's, the City workforce numbered around 250 employees. Reductions have been occurring for a long time.*
- 4. Ongoing research on this issue.*
- 5. Ongoing.*
- 6. Recent contract with the Ski Club for Hickory Hills operation. Recent contract to survey for 2011 Streets. Ongoing contracts for snowplowing, cemetery maintenance, restroom cleaning in parks, other.*

## **3. Police Department Issues**

### *Goal Statement*

The City of Traverse City will provide quality police public safety services. However, that must be managed within the context of reduced costs and recognition of the regional resources available.

Specific steps include the following: 1) Continue to reduce the size of the department by attrition. 2) Appoint an Ad Hoc of the City Commission to retain the services of a consultant who specializes in police work load analysis for specific recommendations regarding the right configuration for the department. 3) Review consultant recommendations and provide recommendations to City Commission. 4) Implement.

- 1. Current total staff is 32 compared to budgeted 33.*
- 2. Recommendation on a consulting firm is scheduled for the November 1 agenda.*

## **4. Bayfront Plan**

### *Goal Statement*

The Bayfront Planning effort with preliminary engineering was completed in June 2010. Implementation efforts should commence immediately.

Specific steps include the following: 1) Working with local funding agencies, develop a funding plan that can lead to construction of various plan elements in 2011. 2) After Phase I construction, consider the option of a Brown Bridge Trust Fund ballot question for Phase II construction with consideration for improvements in other City parks. 3) Continue working with the neighborhood for improvements on the West End Beach. 4) Continue the high level of maintenance on the Bayfront.

1. *The following grant applications are pending:*
  - a. *Michigan Natural Resources Trust Fund for Clinch Park area*
  - b. *Coastal Zone Management for tunnel design in Garland Street area*
  - c. *Rotary Charities*
  - d. *Oleson Foundation*
  - e. *MDOT Enhancement Grant for Elmwood Street crossing and trail extension.*
  - f. *DDA has provided match for Trust Fund application and tunnel funding.*

## **5. Economic Development Issues**

### *Goal Statement*

The City of Traverse City will maintain and enhance its role as the economic core of the five-county region. However, that role must be managed with recognition that the neighborhoods and corridors outside of the downtown are central to Traverse City remaining a community with a high quality of life for its residents. Specific corridors include portions of 8<sup>th</sup> Street, Garfield Avenue, 14<sup>th</sup> Street and a portion of South Airport Road. Community Development must become a larger part of Economic Development.

Specific steps include the following: 1) Focus the Community Development Office on a) putting the Depot property on the tax roll, b) creating an inventory of major commercial and industrial vacant space in industrial parks and along the major corridors, c) assisting in the creation of higher density and affordable housing, d) implementing the neighborhood signage project, e) making progress on West Front Street redevelopment, f) being responsive to development opportunities that arise throughout the City, and g) working with the City Commission to select a single corridor for focused attention. 2) Meet with the development community to determine whether regulatory reforms might improve the business climate within the City. 3) Consider tax strategies as necessary to promote job creation and economic growth within the City while considering the long-term impact on the tax base.

- 1a. Depot property out for proposals until April 2011.*
- 1b. In process.*
- 1c. One housing density zoning ordinance amendment scheduled for adoption Nov. 1  
A second amendment is before the Planning Commission.*
- 1d. To the Neighborhood Associations.*
- 1e. Little movement by property owners.*
- 1f. Major efforts for industrial expansion for Century and National Vacuum  
including CDBG Grant application.*
- 1g. Planning Commission has established a committee to work and a \$100,000 grant  
has been received for funding.*
- 2. Ongoing.*
- 3. Tax abatement policy revised.*

## **6. Fire Department Issues**

### *Goal Statement*

The City of Traverse City will provide quality fire prevention and suppression services. However, that must be managed within the context of reduced costs and recognition of the regional resources available.

Specific steps include the following: 1) While continuing the process of reducing the size of the Department by attrition, review options that may be available with the GT Metro Department a) appoint an Ad Hoc of the City Commission to work with the City Manager and GT Metro to thoroughly evaluate alternatives and the cost of those alternatives.

- 1. The Ad Hoc Committee has been meeting with GT Metro to discuss options.*

## **7. Long-Term Tax Issues**

### *Goal Statement*

Due to its role as a Regional Center, the City of Traverse City provides many services that benefit the regional population. This results in Traverse City taxpayers bearing a disproportionate tax burden. This situation should be addressed.

Specific steps include the following: 1) Circulate the last report prepared to reexamine a City Income Tax with an offsetting reduction in the City property tax levy to spread the tax base to the surrounding region. 2) Contact neighboring townships for population proportionate participation at specific cost centers like Hickory Hills and the Senior Center (if the Senior Center millage request is not successful). 3) Consider integrating parks and recreational services and other governmental activities with the County and adjacent townships. 4) In the mid-long term, consider reductions in the City property tax levy.

1. *The City Income Tax Report has been circulated.*
2. *Sr. Center vote pending with City Commission on record to reduce millage by equal amount. Work continues to reduce cost and increase revenue at Hickory Hills to minimize General Fund subsidy prior to contacting Townships.*

## **8. City Opera House**

### *Goal Statement*

The historic City Opera House is a significant public asset. It has added vitality to the downtown and is a showcase and destination. However, the City's role in managing the retail spaces on the ground floor is inefficient. Alternate arrangements with other interested parties should be considered.

Specific steps include review of the following: 1) Due to the current state of the economy, and because Wharton has only recently contracted for the Opera House space, defer for one year.

1. *Deferred for one year.*

## **9. Other**

The following items received one "vote." These items will be kept in mind as the higher priority goals are accomplished:

Address declining revenue.

Address traffic through the neighborhoods. Staff is working on a draft "traffic calming plan" that has been available for review in late July. (Ian Lockwood has reviewed.)

*Draft Plan is under review by the Planning Commission and Neighborhoods. Expect City Commission discussion in Dec/Jan.*

Improve the City's parks.

Improve bicycle and pedestrian access.

Discuss Roundabouts. Ian Lockwood presentation on July 26.

Other items that are on the City Manager's list and in process include:

Design Hickory Hills capital improvements to increase revenues.

*Possible tubing run under review.*

Revise the History (Heritage) Center lease to reduce City cost.

*Revised lease stepping the City cost down to \$60,000 in December.*

Enhance WIFI and broadband capacity.

Contract for solid waste services.

*Bids due on November 18.*

Implement Boardman Lake Avenue.

*First ROW purchase authorized. Study Session scheduled for December 13.*

Review structure of TCL&P. Petitioned Charter change under review.

*November 2 election.*

Continue dams removal process.

*Revised plan for possible earlier work. Fisheries Trust Fund Grant application pending.*

Address West End parking.

*Development Agreement pending.*

Budgeting For Outcomes - Monitor County FY 2012 process and report back to City Commission.

*Pending County 2012 budget process.*