



## Notice City Commission Study Session

7:00 PM

Monday, August 31, 2015

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

Posted and Published: 08-28-2015

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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At the request of City Manager Marty Colburn, City Clerk Benjamin Marentette has called this Study Session.

City Commission:

c/o Benjamin C. Marentette, MMC, City Clerk  
(231) 922-4480

Email: [tcclerk@traversecitymi.gov](mailto:tcclerk@traversecitymi.gov)

Web: [www.traversecitymi.gov](http://www.traversecitymi.gov)

400 Boardman Avenue

Traverse City, MI 49684

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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

1. Discussion regarding a request for a Special Land Use Permit in connection with a development at 305 West Front Street, as recommended by the Planning Commission. (Marty Colburn, Russell Soyring)
2. Announcements from the Deputy City Clerk. (Katie Stroven)
3. Public comment.
4. Adjournment.



The City of Traverse City

## Communication to the City Commission

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FOR THE CITY COMMISSION STUDY SESSION OF AUGUST 31, 2015

DATE: AUGUST 28, 2015

FROM: MARTY COLBURN, CITY MANAGER

SUBJECT: AUGUST 31 STUDY SESSION

At the August 17, 2015, Regular City Commission Meeting, the Commission took action to schedule the request for a Special Land Use Permit in connection with the development at 305 West Front Street, for a Study Session on August 31, 2015. (The City Commission also scheduled a public hearing on the request for September 21, 2015, and also referred the request for a PILOT, or payment-in-lieu-of-taxes arrangement, to the September 21, 2015, Regular Meeting.)

In connection with this matter, attached are two letters which were received by the City Clerk's Office – one from Erik Falconer and Joe Zarafa and another from Criag Patterson. These gentlemen are aware that the Study Session on Monday will be held.

MC/bcm

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copy: Jean Derenzy, Grand Traverse County Deputy Director of Planning and Development  
Russell Soyring, City Planning Director  
Rob Bacigalupi, Downtown Development Authority Executive Director  
Joe Zarafa, Pine Street Development One, LLC  
Erik Falconer, Pine Street Development One, LLC  
P. Craig Patterson, Woda Development Construction Management  
Senior Vice President

August 26, 2015

City of Traverse City  
City Commission  
400 Boardman Avenue  
Traverse City, MI 49684



Dear City Commissioners,

On behalf of Pine Street Development One, LLC (PSDO), and in partnership with The Woda Group, Inc. (Woda), we are asking the Traverse City City Commission to table consideration of the Special Land Use Permit for the proposed development of the property located at 305 W. Front Street.

Earlier this year, PSDO met with the Traverse City Planning Commission and heard a number of concerns and issues. In response, we took the time necessary to properly address them, and in a subsequent meeting our project passed the planning commission with a 5-2 vote. At the August 17 City Commission meeting, we heard different concerns and questions, several of which require substantial review and coordination. After careful consideration and discussion with various organizations and individuals, it is clear that we will need additional time to properly consider and respond to the issues raised.

PSDO believes that its proposal is compliant with all city ordinances and the Master Plan, as well as all recent regional planning initiatives, including the Grand Vision. However, we do recognize that those responsible for approving significant initiatives such as 305 W. Front Street need—and deserve—time and information in order to be comfortable with their decisions. PSDO is committed to providing all reasonable information and presenting the case that this project is an asset to the city and essential to our community.

As such, we are asking for the City Commission to table the consideration of our Special Land Use Permit until such time that additional information can be gathered to consider the concerns and questions that have been raised by the City Commission. It is expected that this time frame will be approximately 90 days.

Additionally, please note that Woda still seeks the City Commission's approval of a Payment in Lieu of Taxes (PILOT) as required by their Michigan State Housing Development Authority (MSHDA) application for 64-units of single-family affordable housing. Approval of this PILOT in September is essential to Woda's application, which has an October 1 submission deadline. However, it is important to understand that approval of the PILOT does not mean approval of the SLUP. They are two separate issues and both must be obtained before the project can commence. PILOT approval at this time simply affords Woda the courtesy of

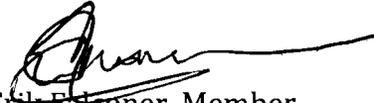
proceeding—at its own cost—with its MSHDA application and competition with other downstate affordable housing projects.

Thank you for your consideration of this request. We look forward to the opportunity to share additional information and continue a conversation that is so important to our city and community.

Sincerely,



Joseph Sarafa, Member  
Pine Street Development One, LLC



Erik Falconer, Member  
Pine Street Development One, LLC



DEVELOPMENT  
CONSTRUCTION  
MANAGEMENT

wodagroup.com

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AUG 27 2015  
CITY OF TRAVERSE CITY  
CITY CLERKS OFFICE

August 26, 2015

Mr. Joseph Sarafa  
Mr. Erik Falconer  
Pine Street Development One, LLC  
11123 Burgai Road  
Traverse City, Michigan 49684

RE: Special Land Use Permit; August 31 Meeting

Erik, Joe.

I request that we delay our presentation to the Commissioners on August 31. I believe more time is needed to prepare the required information supporting the SLUP; especially in light of comments made by Mayor Estes and the Commissioners on August 17. Our combined affordable and market-rate housing project is far too important to the stakeholders of the City and Downtown to "rush" the process.

I do think it is important to reintroduce the PILOT and seek approval in the upcoming September 8<sup>th</sup> Commission meeting. The PILOT is an essential component to our application and I don't want to delay the discussion and vote. In our experience, most Michigan PILOT ordinances have a contingency that construction must start within 18-24 months after the PILOT is approved. A contingency such as this will give assurance that the PILOT will not take affect if the SLUP is ultimately denied by the Commission. A positive vote in September will underscore the Commissioner's commitment to establish affordable workforce housing in Traverse City.

Please let me know if you have any questions.

Sincerely,

  
P. Craig Patterson  
Sr. Vice President

Craig Patterson is aware the PILOT is scheduled for 9/21, not 9/8.

  
City Clerk

21st