



CITY OF
TRAVERSE CITY



Annual Report

**City of Traverse City
Planning Department &
Planning Commission
Annual Report**

2024

**Prepared For
Liz Vogel, City Manager
City Planning Commission
City Commission**

Planning & Zoning

The Planning & Zoning Department is responsible for preparing and implementing the City's Master Plan, which influences regulations & standards in the zoning ordinance, as well as future changes to it. The department is also responsible for the institution of zoning districts and appropriately enforced regulations, code enforcement, and approval of site plans.

The department is also responsible for ongoing land-use planning efforts, grant preparation and administration, strategic planning processes, comprehensive plans, neighborhood plans, campus plans, policy recommendations, implementation, and management.

The Planning Department administers the City's Capital Improvement Plan (CIP), working with city departments on project submissions. The department also administers the City's Design Team, a dedicated weekly staff meeting of the development-based department heads and their staff, to work more collaboratively on planned capital projects, and reviewing private developments & commission-initiated projects (i.e. public art installations). This approach has led to greater efficiency and comprehensive input on projects, while simultaneously breaking institutional silos.



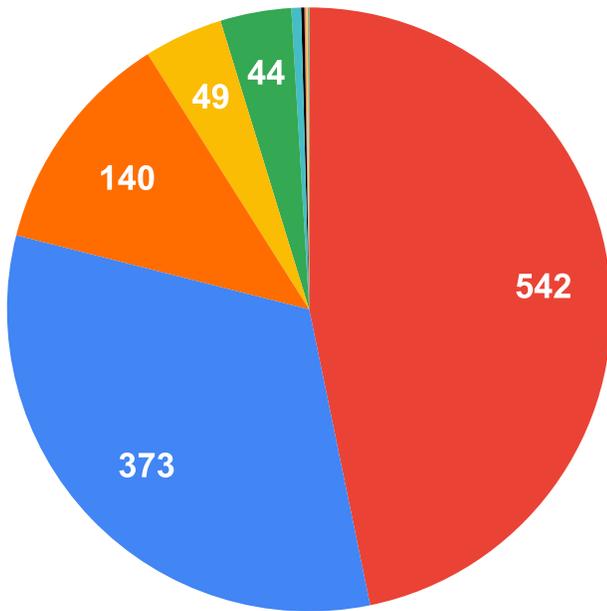
In July 2024, the Planning Department hosted an Open House at the Governmental Center for the draft Master Plan.





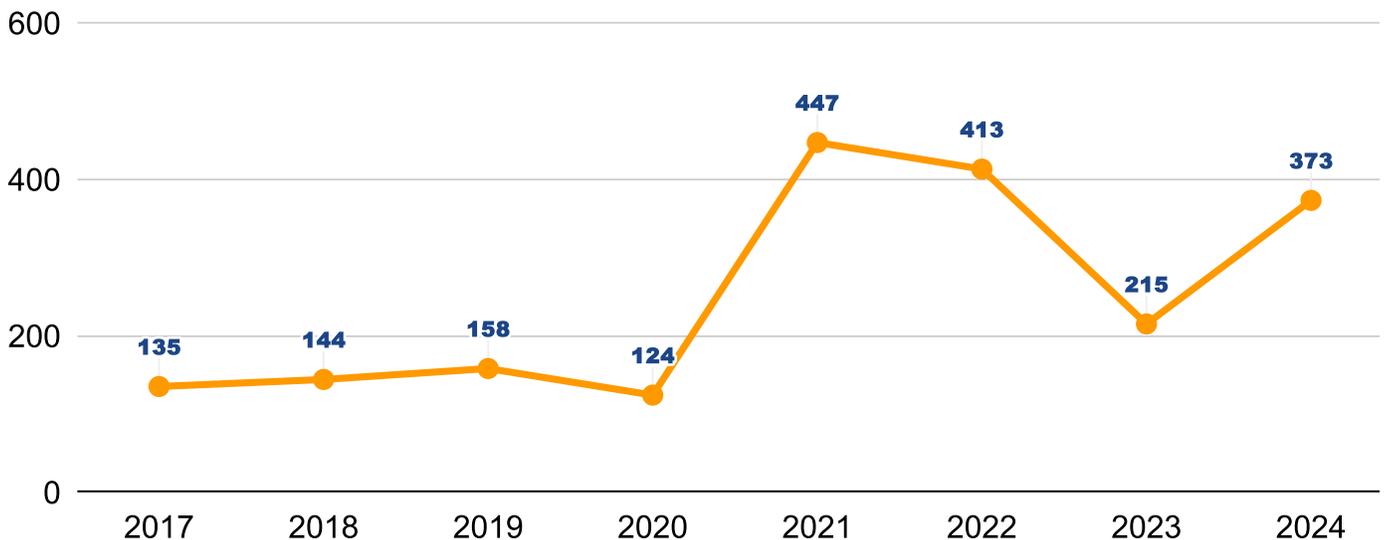
2024 Year End Totals

Planning Department Requests



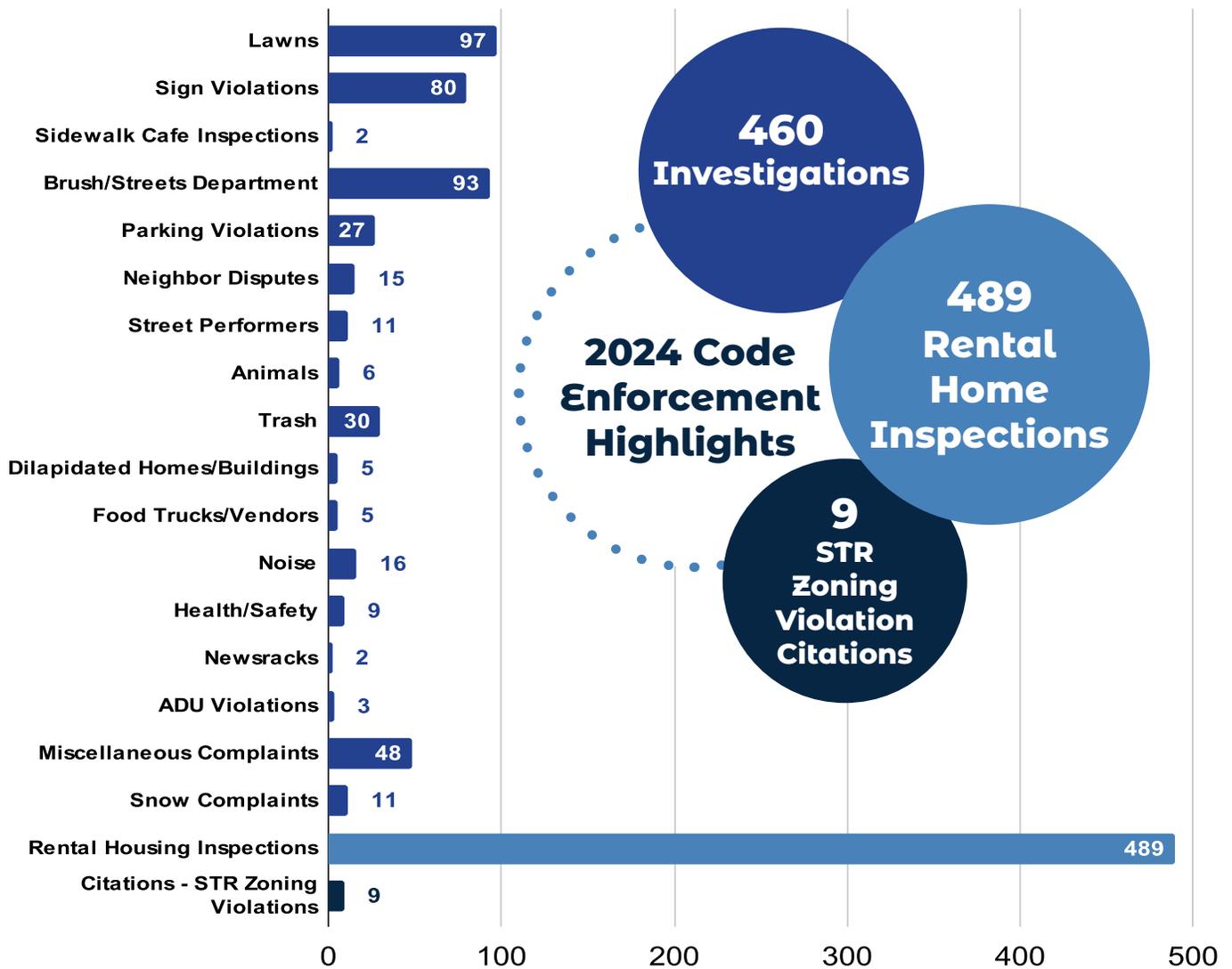
- Vacation Home Rental License Approvals: 542
- New Dwelling Units Permitted: 373
- Land Use Permits Issued: 140
- Sign Permits Issued: 49
- "Notice of Violation" Citations Issued: 44
- Historic District Commission Requests: 6
- Board of Zoning Appeals Requests: 2
- PUDs: 0
- SLUPs: 0
- PC Site Plan Reviews: 0

Permitted Dwelling Units Per Year



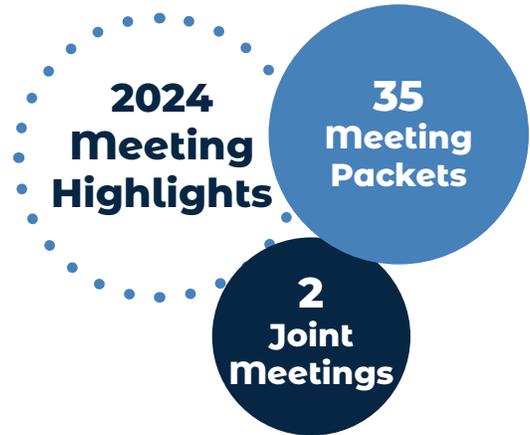
2024 Code Enforcement Investigations

The Code Enforcement Officer addresses the preservation, maintenance and aesthetics of all residential, commercial, and industrial properties throughout the City. Code Enforcement works with citizens to resolve issues affecting the quality of life in Traverse City by enforcing a broad range of public health and safety regulations including rental housing, zoning, health, parking, public nuisance, and other safety codes.





2024 Year End Totals



- **Planning Commission: 20**
- **Historic District Commission: 5**
- **GT Commons Joint Planning Commission: 4**
- **Board of Zoning Appeals: 2**
- **Riparian Buffer Committee: 4**

The Department prepared a total of 35 packets for the following boards and commissions: Planning Commission, Historic Districts Commission, Grand Traverse Commons Joint Planning Commission, Board of Zoning Appeals, and Riparian Buffer Committee. The Planning Commission participated in two joint meetings. One with the City Commission in February 2024, and the other with the City Commission and Downtown Development Authority Board of Directors in June 2024.

2024 Planning Commission

In 2024 the Planning Commission met a total of 20 times:

5 Regular Meetings — 6 Study Sessions — 7 Special Meetings
2 Joint Study Sessions with the City Commission

Commissioner	Attendance	Commissioner	Attendance
Jackie Anderson*	18 of 20	Brian McGillivray	16 of 20
Anna Dituri	18 of 20	Shea O'Brien	15 of 20
Jess Heller	18 of 20	Jerry Swanson	5 of 9
Debbie Hershey	18 of 20	Mitch Treadwell*	18 of 20
David Knapp	14 of 20	Jim Tuller	8 of 10
Madeleine George**	7 of 15		

Planning Commission Representatives on Additional Committees/Commissions

- **GT Commons Joint Planning Commission** (Anna Dituri, Mitchell Treadwell)
- **Board of Zoning Appeals** (Debbie Hershey, Mitchell Treadwell)
- **Master Plan Leadership Team** (Debbie Hershey, Mitchell Treadwell)
- **Mobility Action Plan Leadership Team** (Anna Dituri, Mitchell Treadwell)
- **Riparian Buffer Committee** (Anna Dituri, Shea O'Brien)

* : Commissioners Treadwell and Anderson are City Commission representatives.

** : Madeleine George served as student liaison to the Planning Commission through Government for Tomorrow.



2024 Planning Commission Meeting Discussions

- Presentation & discussion of the 2023 Planning Commission & Planning Department Annual Report, discussion of bylaws, election of officers, and discussion of annual goals. (01/17/24)
- Discussion of forming a Riparian Buffer committee, and 2024 goals.(02/06/24)
- Joint meeting with City Commission to discuss the potential of year-round operation at Safe Harbor, the Master Plan & Mobility Action Plan review & approval process, and short term rental regulations. (02/21/24)
- Change of meeting time to 6:00 p.m., public hearings for rezoning of 412 Webster St Traverse City CIP, and TCLP CIP. Discussion of short term rental committee. (03/05/24)
- Presentation on the DDA TIF, and campaigning rules for public officials. (03/19/24)
- Draft Master Plan and draft Mobility Action Plan presentations and discussions. (04/02/24, 04/09/24, 04/16/24, 04/23/24, 04/30/24)
- Approval to send the draft Master Plan and draft Mobility Action Plan on to the City Commission, and discussion on Possible Amendments to the Minimum Parking Requirements and Service Stations with Fuel Dispensing. (05/21/24)
- Joint meeting with the DDA and City Commission, presentation of a housing policy workshop. (06/18/24)
- Introduction of—and setting public hearings for—two zoning amendments, and setting the public hearing for the draft Master Plan and draft Mobility Action Plan. (07/16/24)
- Public hearings for zoning amendments and Master Plan/Mobility Action Plan, and recommendation to approve reducing the minimum lot size for a PUD. (08/07/24)
- Adoption of the Master Plan and Mobility Action Plan. (08/20/24)
- Master Plan action plan prioritization, short term rental discussion. (09/17/24 and 10/15/24))
- Presentation from the City Clerk, City Attorney, and Planning Director on Planning Commission procedures, legal framework, and fundamentals. (11/19/24)
- Conceptual review & discussion of a PUD application. (12/03/24)
- Short term rental discussion. (12/17/24)

2024 Planning Commission Actions

Action	Description	Planning Commission Action	City Commission Action
Rezoning	Consideration of enacting an ordinance amendment which would rezone the property commonly known as 412 Webster Street, from an R-2 to D2 Development District	Recommended Approval 03/05/24 6-0-3	Approved 04/01/24 6-0-1
CIP Public Hearing & Submission to City Commission	Approval of the City of TC & TCLP Capital Improvement Plans, and distribution of the plans to the City Commission.	Public Hearing & Approval to send to CC 03/05/24 6-0-3	Submitted 03/18/24 - No action Required
Draft Master Plan & Mobility Action Plan Submission	Planning Commission formally submitted the draft Master Plan and draft Mobility Action Plan to the City Commission, and requested that the CC take the necessary action to begin the required 63-day public review period.	Sent to City Commission 05/21/24 4-1-3	Public Review Period Opened 06/03/24, Closed 09/03/24
Master Plan & Mobility Action Plan	Planning Commission formally approved the Master Plan and Mobility Action Plan, and requested that the CC formally receive.	Sent to City Commission 05/21/24 4-1-3	Public Review Period Opened 06/03/24, Closed 09/03/24
PUD - Minimum Lot Size Reduction	Recommended a reduction in minimum lot size for a Planned Unit Development (PUD) for the property located at 1032 Woodmere Ave, TC Millworks.	Recommended for Approval 08/07/24 5-1-3	Approved 08/19/24 4-1-2
Rezoning	Consideration of rezoning the property at 10200 E Carter Rd. from RC: Residential Conservation to R-3: Multiple Family Dwelling	Recommended for Approval 08/07/24 6-0-3	Approved 08/19/24 5-0-2
Ordinance Amendment - Chapter 1358.01 Uses Allowed	Consideration of amending the Code of Ordinances to add offices, legal & business services, real estate & insurance services as uses allowed by right in H-1 District.	Recommended for Approval 08/07/24 6-0-3	Approved 08/19/24 5-0-2
PUD - Initial Introduction	Conceptual Review and Feedback of the TC Millworks Planned Unit Development Application (24-PUD-01)	Initial Planning Commission Introduction 12/03/24	None at this time



2024 Highlights

Riparian Buffer Committee

A Committee of three Planning Commissioners and four at-large City residents was appointed by the Planning Commission Chair in March. The at-large resident members are riparian property owners representing four different riparian types: Creekside property, Bayfront property, riverfront property, and inland lakefront property. The RB Committee, along with City personnel representing related interest areas, met twice to review background information and to establish a set a shared of goals to be addressed by the Committee. Members toured waterfront properties in July and met in August to finalize their broad regulatory recommendations. Once the RB Committee completed their preliminary work, staff set to work on

reviewing all existing zoning regulations, identifying current regulations that may require updates to dovetail with the RB Committee's recommendations. Staff met internally to review preliminary recommendations with legal, zoning, and planning officials. Staff also met with the Watershed Center staff to get their further input and recommendations.

A preliminary report and ordinance draft is expected to be completed in early 2025 for review by the RB Committee, so the Planning Commission could take it up in the first quarter. Additional input from the public will also be sought prior to making a recommendation to the City Commission.

CDBG Funding

In 2024, Traverse City became a new entitlement community for CDBG funding through the Department of Urban Development (HUD). In order to meet federal HUD deadlines, the City had a short time frame in which to establish its CDBG program. The City hired Wade Trim to consult with staff to begin the process. Following required stakeholder and public input, and a public hearing, the City's proposed Five Year Consolidated Plan and One Year Action Plan were developed and ultimately adopted in August. HUD approved the plans, and the

grant agreement with HUD was executed in September. The City's program year runs concurrent with its fiscal year, giving the City until June 30 th to draw down over \$365,000 in program spending in accordance with the Plans. The City's initial focus for its CDBG funding is on homeless prevention, housing, and program administration. The City issued an RFP in November for prospective sub-recipients. Staff expects that early 2025 will see the awarding of funding to sub-recipients, and will begin planning for the 2025/26 program year.

Short Term Rentals

In 2024, the Planning Commission established revising short-term rental (STR) regulations as a goal. The commission originally intended to form a committee to do the work and bring a recommendation to the full Planning Commission. However, there was much committee interest from the Commission, so ultimately it was decided to have the discussions at the Commission level. Those conversations began in earnest last fall.

To help the conversations, staff has provided the Commission with memos detailing some

of the background and status of current STR regulations. Commissioners have engaged in thoughtful conversations about STRs, regarding the roles they play in affordable housing & the fabric of the City, as well as discussing general local and national appetites for STRs.

The STR conversation will continue in 2025, and is expected to culminate with a recommendation to the City Commission regarding caps and other possible changes.





Housing Reform Update

2024 was the first full year the housing reforms were in effect after the City Commission enacted a number of small scale zoning amendments. The regional housing crisis we're currently experiencing is driven by a lack of available housing, as well as affordable housing for the residents in the region. Data indicates this to be true at all price points, housing typologies, and occupancy models.

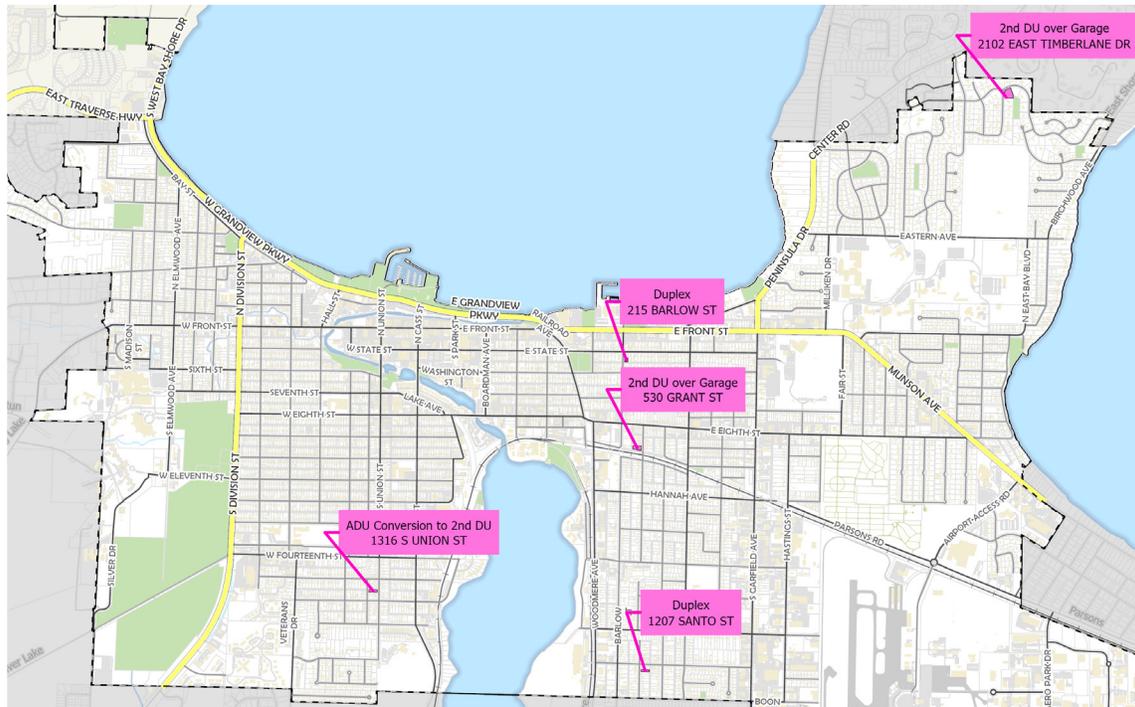
The availability and typology of housing is directly related to land use and falls under the purview of the Planning Commission, which is where they focused their efforts. Although the affordability of housing is largely established through financial incentives that fall under the purview of the City Commission, the Planning Commission understood that as the availability

of housing increased, the price of housing could potentially decrease, following the economic model of supply and demand.

For over four years, the Planning Commission worked in conjunction with City staff on a series of small-scale housing reforms intended to add quantity & diversity to the City's housing stock.

As a largely built out community, approaches that work in neighboring jurisdictions – such as large scale multifamily developments – simply are not applicable in the City. Therefore, the Planning Commission focused on small land use modifications intended for infill development that respected the scale and character of existing residential areas in the City. The changes the City Commission supported and enacted included:

- **Reduced minimum lot size for the cluster development option from five acres to one acre, and approvable through an administrative SLUP;**
- **Reduced minimum lot width in the R-1a district from 90 feet to 70 feet; lot area from 9,000 to 7,000 square feet, and increased maximum impervious surface from 30% to 35%, however, properties over 30% impervious must comply with the City's stormwater ordinance;**
- **Reduced minimum lot width in the R-1b district from 45 feet to 35 feet; lot area from 5,000 to 4,000 square feet, and increased maximum impervious surface from 45% to 50%, however, properties over 45% impervious must comply with the City's stormwater ordinance;**
- **Increased maximum impervious surface in the R-2 from 45% to 50%, however, properties over 45% impervious must comply with the City's stormwater ordinance;**
- **Removed the annual cap of 15 accessory dwelling units (ADUs) in the City;**
- **Allowed duplexes by right in the R-1a and R-1b districts; and**
- **Allowed two single family homes on lots with twice the minimum area without requiring a lot split in the R-1a and R-1b**



Some of the concerns expressed during the multi-year process were that the changes would lead to wide-scale transformation of existing neighborhoods. In the approximately 15 months since the changes have been enacted, the City has issued a total of five land use permits under the new regulations.

Rarely do zoning amendments result in quick, wide-scale transformation. Most modifications enacted are not scalable, and apply to individually owned private lots, making most improvements one-offs by the property owner. As was discussed through this process, the potential amount of change under a zoning amendment is almost always greater than the actualized change. Some variables that slow or prevent quick, wide-scale transformation include: owning an eligible property for an improvement; a willing property owner; financial

resources; the availability of contractors; etc. The above map illustrates the location and type of housing improvement under the five land use permits issued since enactment.

One potential change left unresolved in 2023 was the recommendation to proportionally increase the density in the R-2 district from two dwelling units to four dwelling units, with no more than two structures to be used for residential purposes, maintaining the existing allowable building pattern and scale. Though the City Commission formally introduced the amendment for consideration, it never received a motion or vote, and was perhaps simply overlooked. The Planning Commission recently expressed a desire to reconsider the item in an attempt to receive a more definitive decision from the City Commission. Furthermore, this is a modification prescribed in the City's Master Plan.



2025 Planning Commission Goals

In early 2025, the Planning Commission adopted the following annual goals:

Improve Communications

The Planning Commission will work to improve communication between:

- Planning Commission and the public,
- Planning Commission and the City Commission, and
- Planning Commission and staff.

Expand Housing Opportunities

Many housing-related zoning amendments introduced by the Planning Commission were adopted by the City Commission in 2023. Addressing additional ways to expand housing choice & encourage more housing, especially for households earning below the median area income.

Create a Riparian Buffer Zone Ordinance

In 2024, a Riparian Buffer Committee was appointed to establish guidance for a Riparian Buffer Ordinance. The Committee met and recommended a basic format and direction an ordinance. They are expected to return a completed draft ordinance to the Planning Commission by spring.

Short Term Rental Ordinance Refinements

The Planning Commission identified establishing an appropriate cap for vacation home rentals in all commercial zoning districts as a high priority. The Planning Commission took up the issue in late 2024 and will continue to review information and options in early 2025.

Targeted Zoning Amendments

There were several Master Plan implementation tasks that the Planning Commission felt were high priority and relatively straight forward:

- a. Consider electric vehicle infrastructure in private site plan approval process.
- b. Create zoning standards that require parking areas for new commercial and multiple family developments to be EV ready.
- c. Evaluate current standards for drive thrus and other auto-centric uses to determine if uses are in proper zoning districts with appropriate standards
- d. Rezone the 300, 400, and 500 blocks of S. Union St. to C-4a to better reflect existing development & create a stronger connection to downtown.
- e. Rezone W. Front St. (west of Pine to Division, not zoned D) to C-4a
- f. Establish a Development (D) Zone along Fourteenth St. allow for more vibrant development and redevelopment opportunities.

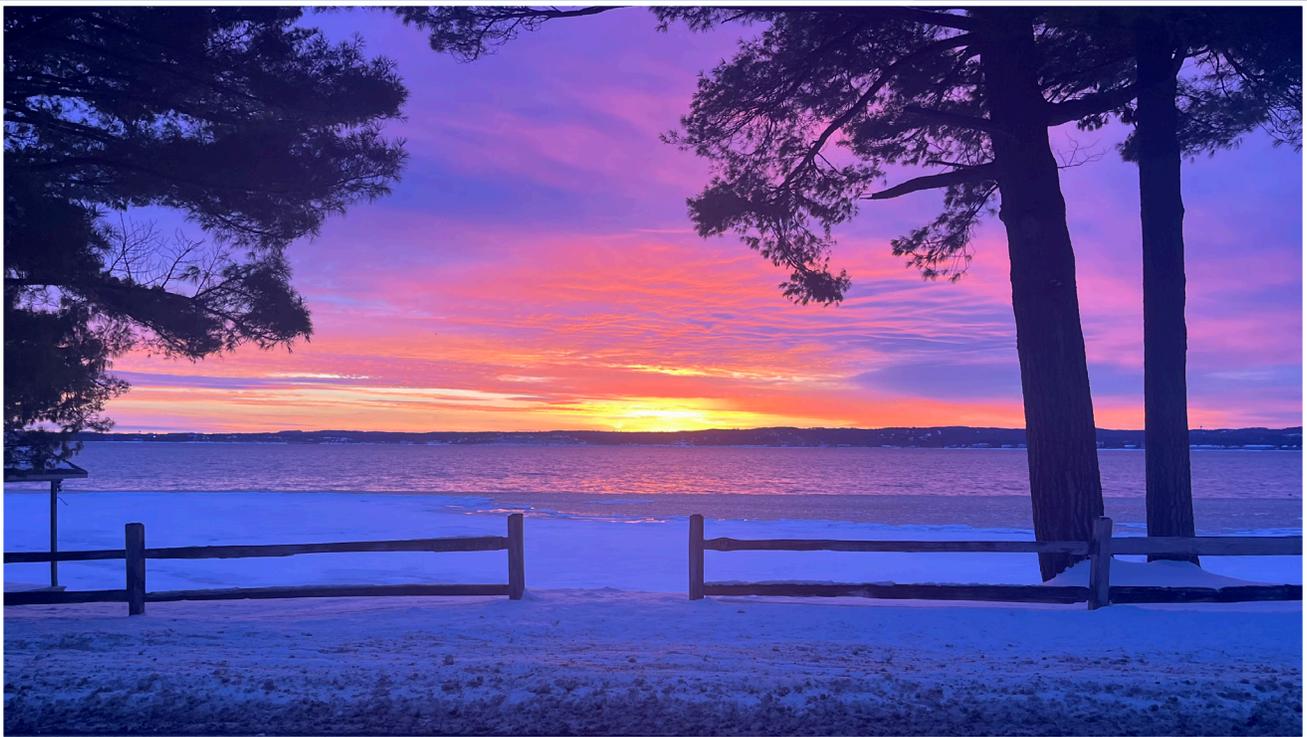
High Resource Zoning Amendments

There were several Master Plan Implementation tasks that the Planning Commission felt were important, timely, and are also crucial to realizing the greater goals laid out in the Master Plan, but that will require more time and resources to complete:

- a. Explore creating building design standards for new commercial development.
- b. Create an overlay district applicable to specific legacy redevelopment sites, to allow for staff administrative review for uses permitted in the underlying district.
- c. Allow triplexes, quadplexes, and ADUs with a duplex in the R-2 zoning district through preapproved plan sets (i.e. pattern book homes).
- d. Establish locations for community/economic hubs along corridors and/or intersections.

Looking Towards 2025

The Planning Department staff looks forward to continuing to serve you in 2025!



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Planning Director



Leslie Sickterman
Deputy Planning
Director



Dave Weston
Zoning
Administrator



Mike Trombley
Code Enforcement



Katie Miller
Planning Assistant