

CITY OF GRAND HAVEN
GRAND HAVEN, MICHIGAN
PLANNING COMMISSION MINUTES

February 8, 2022

APPROVED

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CITY OF GRAND HAVEN
PLANNING COMMISSION

A regular meeting of the Grand Haven Planning Commission was called to order by Chair Robert Grimes at 6:30 p.m. at the Grand Haven Community Center. On roll call, the following members were:

Present: Debi Hulverson, Mike Dora, Andrew Alt, Ryan Galligan, Eric Inlaw, David Skelly, Magda Smolenska, Tamera Owens (6:35pm), Chair Robert Grimes

Absent: None

Also present were Jennifer Howland, Community Development Manager and Kelly Beattie, City Clerk.

SWOT Analysis

Kelly Beattie, City Clerk, facilitated a discussion with the Planning Commission about the strategic planning process the City Council is working through. The commissioners provided feedback on the Council's SWOT analysis. The top 7 items that received the most votes were:

1. short term rentals (8)
2. rapid over-development (5)
3. receptive, interested corporate leadership (5)
4. Centertown and east town ripe for attention (5)
5. Location (5)
6. lack of youth participation and engagement (5)
7. lack of public awareness of city issues (5).

The Planning Commission confirmed that they highly endorse these 7 items.

Approval of Minutes

Motion by Dora, seconded by Galligan, to approve the December 14, 2021 and January 11, 2022 minutes was approved unanimously by voice vote.

Call to Audience – First Opportunity

Mike Westbrook, 423 Lafayette Ave stated that the medical marihuana discussion was mostly represented by marihuana advocates and very little from residents. He encourages the city to do a citywide survey about recreational sales to inform the decision-making process. He encourages use of sensitive land use buffers.

Karen Sortman, 305 Sherman Ave lives here full time and is very concerned about legalizing recreational marihuana. It is still illegal federally. We are a family-oriented community. She doesn't like the smell of marihuana during the summer season; it would be worse year round in our small community.

Case 21-52: Proposed text amendments to Sections 40-201, 40-331, 40-411.02.B, 40-413.02.B, 30-413.03, 40-414.02.B, 40-415.02.B, 40-416.02.B, 40-417.02.B, 40-419.02.B, 40-

420.02.B, 40-543a of the Grand Haven Zoning Ordinance to regulate recreational (adult use) marihuana retail facilities.

Howland provided an overview of the proposed text amendments.

Chair Grimes opened the public hearing.

Cathy McNally, 100 Franklin Ave stated that Howland misstated guidance given to the City Council about whether the Planning Commission is supposed to consider whether to change the rules for recreational or supposed to consider how. She recited the resolution made by the City Council. In her view, the Planning Commission has the authority to consider amendments, not just how to implement, but also whether it is a good choice for our community.

Erin Lyon, 620 Clinton Ave is in support of the proposed ordinance as drafted. Necessary limits were set for medical marihuana facilities. Marihuana helps medical conditions.

Mary Sweet, 65 Poplar Ridge suggested that resources be provided for young people and post information in areas where they spend time. He referenced a family member dealing with effects from marijuana use.

Marianne McNally, 11 Howard Ave, said that many cities are in litigation over marihuana laws, and that the State law is vague. We don't have the money in this town to fight this kind of litigation. We also shouldn't allow these stores downtown.

Landon Barkley, 40 Pearl St NW, Grand Rapids, is a former cannabis administrator for the City of Grand Rapids. He fully supports the licensed cannabis industry and noted that it is difficult for a medical marihuana operator to stay afloat. He also noted that there is no correlation to crime or youth use when retail sales are allowable.

Rebecca Neil, 1644 Franklin Ave is a local partner for the provisioning center proposed at 1021 Jackson Ave. She uses medicinal marihuana to treat her seizure disorder. She is not a threat to the community even though maps indicate that marihuana needs to be buffered from sensitive areas. Neil urged the community to instead focus on mental health issues that lead to substance use disorders.

Oliver Shampine, 12296 Lakeshore Dr is a medical marihuana user and stated there are many uses for cannabis. He recommended doing a citywide survey to see what people say. He said that some courts have supported communities' ability to limit the number of facilities.

Aaron Smith, 491 Nathans Way is affiliated with New Standard. He supports the proposed ordinance to allow adult-use sales. He reminded the commissioners that he was involved in the development of the medical marihuana ordinance and gave city officials a tour of his Muskegon facility a couple of years ago. Rapid changes in regulations at the State level in 2019 led many medical facilities to convert to adult-use facilities.

Sheila McNally, 100 Franklin Ave encouraged the commissioners to review the public comments from Dr. McAree. Many children in this town lose their way with marihuana. Although the proposal is for adult-use facilities, she asked the commissioners to consider why Grand Haven needs this use. We already have access to medicinal marihuana. If you want recreational, order it to your

home or go to a neighboring town. Communities don't have war chests to fight off litigation.

Mason Osborne, 618 Sheldon R is in support of the proposed amendments. His friends want to move back to the community but are weary of it. He has found no correlation between mental health and marihuana use. He asked the commissioners to consider all generations of people in their deliberations.

Motion by Dora, seconded by Smolenska, to close the public hearing carried unanimously on roll call vote.

Grimes noted that the Planning Commission will make a recommendation to City Council and that the Commission's primary role is to facilitate changes to the ordinance and land use. According to the City Council resolution, we have until April 18th to send a recommendation to the City Council.

Dora said that a simple survey can gather city feedback on whether to allow retail sales. He asked Howland to break down the public comments into resident and non-resident groups. He is concerned about not having local ownership incentive or a cap in number of facilities. He questioned our ability to prohibit adult-use retailers fronting on Washington Ave if we allow general retail. He questioned how existing medical facilities will be treated and whether a lottery system would apply. The industry is rapidly changing and there are legal concerns of litigation. He would like a legal opinion and recommended postponing a decision.

Skelly recalled the medical marihuana discussion and noted that we had high level discussions about adult-use as a future possibility. There was interest in seeing how things went with medical marihuana facilities first. It hasn't been very long since we created the medical marihuana ordinance and only one provisioning center is operating. He supported conducting a survey to broaden feedback.

Galligan is in support of any additional survey. Land use buffers do seem to be working, although just one facility is operating right now. If we have a 1000-foot buffer from facilities, he would support allowing adult-use retail facilities.

Smolenska said she would support the proposed ordinance if Washington Avenue was excluded. She noted retailers are in nearby communities and the City is missing out on State revenue.

Owens noted that the product being sold for recreational is the same as medical use, and she indicated that it is a question of existing businesses being able to expand their clientele. Medical card holders are opting not to renew their cards. She has seen no evidence that allowing adult-use retailers increases crime or creates a bigger problem in the community. Adding marihuana to a legal recreational use is no more dangerous than alcohol. She said that a 1,000-foot or 2,500-foot buffer zone would be preferable. She supported excluding Washington Avenue downtown. She discouraged the community from polling until decision-makers get the answer they want. She feels the public has spoken (ref. 2018 vote). She likes the suggestion that literature be provided in stores and other location if people need help.

Inlaw said the question is about management. The public wants something...it's the job of the City to offer advice and determine how to manage it. Prohibition provides a good footprint to look back on. How can we creatively manage a formerly legal substance? It comes down to

management.

Alt asked questions about the process and the role of the Planning Commission. Grimes and Howland explained the medical marihuana process and how the maps were created. We are using those maps as a starting point for the adult-use discussion. Alt said that this is a relatively new land use, with only one currently operating; the City should be thoughtful. He doesn't feel he can understand the impact of uses in the community since it is relatively new in Grand Haven and the State. He would like to consider tabling the item to the next meeting.

Hulverson asked for information on the cap issue. Howland explained that we do not have a legal opinion on the concept of requiring a cap on the number of adult-use facilities. However, she wanted an open discussion with the Planning Commission so the proposed ordinance would make sense whether there was a cap or not. Hulverson cautioned against using the 2018 vote to legalize adult-use and expanding it to allowing retail sales. She has concerns about litigation due to the ambiguity of the State law. She is a former statistics teacher and cautioned about survey and bias, and needing a representative sample. She likes the idea of a survey but it needs to be professional and mindful to avoid bias and get a representative sample. She also stated that 124 comments were from New Standard customers wanting New Standard to sell recreational; those comments weren't necessarily in support of allowing adult-use retail sales in the City; don't infer more from comments that what they are at face value. She would like to see a map of alcohol sales in the City. She thinks the Planning Commission should play a role in discussing recommendation about whether adult use sales should be allowed. She would suggest tabling the issue, but in a very focused way. We need more time with specific direction from management.

Grimes said we could conduct additional public surveys, but they can be very dangerous if not done properly. It must be thoughtful and specific. He wants to see a legal opinion on how use can affect community litigation, as well as clarification on the role and responsibility of the Planning Commission in this discussion. He wants the City Council to put together a motion that is agreed on by all members with a specific detailed question for the Planning Commission to consider.

Howland will work on developing a map of liquor stores in the City.

Galligan said that he counts three commissioners in favor of moving forward with the proposed ordinance, so he would like to discuss whether it is the majority who want to table the matter.

Smolenska noted that with the 2,500-foot buffer there would probably be 5 locations for adult-use retailers

Motion by Dora, seconded by Alt, to table the case until the following items are provided:

1. city resident survey
2. legal presentation of pros and cons
3. clarification by council of what is being directed

The motion carried unanimously on roll call vote.

Case 21-53: An application for a Special Land Use Permit for conversion of a Single-family Dwelling into a Two-Unit Dwelling located at 215 South First Street (parcel #70-03-28-105-010).

Owner/applicant Doug Behrendt purchased the property in 1992 as a 2-unit dwelling. In 2012 he pulled a building permit for an addition and forfeited his nonconforming status because he had to convert it into a single-family dwelling in order to expand the building. The property is surrounded by multi-unit dwellings.

Chair Grimes opened the public hearing.

Norma Glass, 100 Clinton Ave asked Behrendt about the history of the property and the number of units. Howland explained that the conversion into a single-family dwelling was awkward and now that the Southside District allows two-unit dwellings, it is possible to revert back to being a two-unit dwelling.

Stuart Becker, 33 Lafayette Ave asked if short term renting would be allowed, and if there was sufficient parking. Howland stated that short-term renting is prohibited in that part of the district for new uses, and that the driveway provided the required 4 parking spaces.

Motion by Owens, seconded by Skelly, to close the public hearing carried unanimously on roll call vote.

Owens said the request meets the Zoning Ordinance and the special land use should be approved.

Galligan said this is a perfect example of why the ordinance was changed.

Skelly received clarification from Behrendt that the property was operated as a short-term rental from 2010 to 2012. He now holds a long term rental certificate

Dora asked Howland to explain how the moratorium affects this property. Howland stated that the temporary moratorium excludes existing single family dwellings from converting into 2-unit dwellings.

Motion by Owens, seconded by Galligan, to APPROVE a request for a Special Use Permit and associated site plan for conversion of a Single-family Dwelling into a Two-Unit Dwelling located at 215 South First Street (parcel #70-03-28-105-010), based on the information submitted for review, and subject to the following:

1. A building permit is required for the official change of use and any necessary interior changes

The motion carried unanimously on roll call vote.

Case 21-54: An application for a Special Land Use Permit for a Mixed Use Development at 518 South Harbor Drive, commonly known as the diesel plant (parcel #70-03-20-399-006). The proposed uses include Eating & Drinking Establishment, Public Assembly (event center), and Office.

Howland provided an overview of the proposal.

Chair Grimes opened the public hearing.

Jamie Walter said that Mulligan's Hollow has some congestion in summer, but there should be no issue with parking in winter. He asked how people will get there in the winter safety with the stairs.

Ken Terpstra, 419 Sandpiper said that the City has agreed to move the Harbor Ave sidewalk into the grassy area, which is currently right off the curb. Fast moving vehicles are a concern. The sidewalk should be moved in front of the diesel plant, too. Consider parking needs of staff for the event center and the walking distance for employees at night. The area designated for condos or an outdoor event space is within 72 feet of a residential home; that is not appropriate.

David TenCate, 300 Washington Ave, stated that the reasons why Capstone didn't decide to reuse the building was 1) parking constraints and demand at the Y as-is, 2) traffic flow, and 3) viability of a restaurant here given seasonality. He also asked if the Community Center is so busy that we need another event center 4 blocks away.

Scott Blakeney, 310 S Fifth St asked if the walkway would be public and if the parking lot would be screened. People go very fast on Sherman Ave so safety is a concern at the proposed crosswalk.

Howland summarized written correspondence received.

Motion by Skelly, seconded by Smolenska, to close the public hearing carried unanimously on roll call vote.

Hulverson asked about proposed condos/greenspace at the southeast corner. There is no market study to justify that we need another event center.

Alt serves on board of directors for Mulligans Hollow. They issued 900 season passes this year; 12pm-8pm typical hours for ski bowl (right now 12pm to 5pm). The parking lot is chaotic in the winter and worse in summer. A traffic study should be conducted. The crosswalk and proximity of the proposed outdoor space to residential uses are concerning but there is not enough detail at this time.

Inlaw said the idea is attractive; it requires a lot of engineering to solve building issues. Harbor Drive is bumper to bumper; parking and driveway to the facility would be a challenge. Perhaps they could add a parking deck to the property. It is exciting to see the proposed use. The existing Community Center should be used for an event space.

Owens quoted the developer's narrative related to special events and the potential for other off-site parking areas. She is not sure they can find off-site parking sites. Parking in the winter at Mulligans Hollow could be reduced due to snow banks. Use of limos for events could take up additional space. The parking plan is aspirational; she is not comfortable with what they are proposing.

Smolenska said the parking plan doesn't work out. Realistically, even if you carpool, it's not 75 cars, its 100+ cars for the event space, which would require all of Mulligans Hollow.

Galligan said that he supports using the roof and building an elevator shaft. He doesn't have a problem having part of the parking demand supported by public parking. If the developer proposes a plan that uses Mulligan's Hollow and other sources, perhaps he could support that.

Environmental, traffic and perhaps a parking study are needed.

Skelly asked if this proposal deviates from the original proposal when they submitted their bid. Howland stated that not much has changed. He asked wondered how Mulligan's Hollow parking lot would function as a family friendly place if parking lot is used in this way.

Dora stated that the Mulligan's parking lot is often full. He suggested adding parking to the southeast corner of the site instead of condos, or add a parking deck to the surface lot. The proposed elevator shaft is not an issue, although he would prefer that it not block views from adjacent homes.

Grimes concurred with parking comments. It is not a responsible use of Mulligan's lot.

Dora asked about handicap accessibility. Howland stated that all required accessible parking spaces for the building would be provided on site with an accessible path to the building entrance.

Kyle Engbers, CL/Lakewood stated that they need Planning Commission approval of certain aspects to move forward with the purchase agreement. He noted that the county courthouse parking lot could be an option for event space parking overflow. He said that the MEDC believes the diesel plant could be one of the most beautiful event spaces in the State. He said it was unfair to compare the Community Center with the diesel plant. He also stated that a parking deck wouldn't work.

Hulverson asked what is certain about the building. Howland said nothing is certain. The community consensus sounded like they want to keep the building. Whether it gets sold to CL/Lakewood is the City Council's decision.

Engbers stated that the BLP is interested in 5,000 sq. ft. of office space, which would eliminate the restaurant use. This would solve a lot of the parking issues. The team presented the worst case scenario from a parking demand perspective. If the Planning Commission would allow use of a certain number of Mulligan's Hollow spaces, that would be helpful to know.

Hulverson asked about the buy/sell agreement terms. Engbers stated that the buy/sell agreement has language about selling the property, first right of refusal, etc. A separate meeting might be valuable if the Planning Commission has a role in that. The walkway would be maintained by CL/Lakewood for the portion on their property. Cost sharing for the full connection to Mulligan's Hollow has yet to be determined, according to Howland. The walkway/crosswalk would not be warranted if the diesel plant were not being redeveloped in this way.

Engbers stated that a Phase 1 and Phase 2 environmental assessment has been completed. The appraisal should be available later this month per Howland.

Skelly inquired about why the use of the city parking lot wasn't discussed at the beginning of the bidding process. Engbers said it was discussed with Greg Holcomb, the City's consultant, who noted that the Zoning Ordinance allows the Planning Commission to grant a waiver. Skelly said the mix of uses appears to be uncertain. Engbers said if an office use were interested, that would fix the parking concern.

In response to a question posed by Inlaw, Engbers has a very detailed pro forma that backs up

the proposed mix of uses. Engbers said turning the open space off of Sherman into a parking lot could be difficult with grades and would result in an inefficient triangular lot.

Hulverson asked for total parking space count at Mulligan's Hollow and asked about zoning code vs actual demand for parking. Howland explained parking ratios and noted that the city's planning consultant recently confirmed that our parking ratios were in line with industry standard.

Smolenska stated that the traffic impact report only reviewed ingress and egress. There was no study for traffic patterns related to people seeking parking.

Owens said that the public wanted a sense of accessibility to the space, like a restaurant or retail space. They didn't want it to be off limits to the general public. She likes idea of restaurant so people can walk in and enjoy the space. If there is no restaurant, it would help the parking situation. What is being asked for (50% reduction) is within reason in the Zoning Ordinance, but she is having a hard time picturing it. She would be more comfortable with 75% parking provided on site.

Skelly reviewed potential numbers of people on site (15-20 people in the office space, plus 300 event attendees + 116 diners = 436 people + staff. Engbers noted that providing a mixed use development means that it won't be full capacity at any given time.

Smolenska said that the YMCA might want to expand in the future. She expressed concern about granting use of Mulligan's Hollow to multiple users in the neighborhood without understanding the available capacity of the lot.

Inlaw described a community in Rhode Island where taxis are utilized to take people from their hotel to the event center. Engbers said that arrangement has been discussed by the development team.

Motion by Galligan, seconded by Hulverson, to allow a 25% reduction in parking because of city lot adjacent, subject to a parking study related to Mulligan's Hollow lot proves the parking lot has capacity and subject to a traffic study for Sherman, Harbor, Y Drive. The reduction could be increased to up to 50%.

The motion carried on the following roll call vote: Ayes: Alt, Hulverson, Owens, Galligan, Grimes. Nays: Inlaw, Dora, Skelly, Smolenska.

Case 22-02: An application for an amendment to the Noto's at the Bil-Mar Planned Development located at 1223 South Harbor Drive (parcel #70-03-29-312-004) to add a residence above the garage and a second story deck on the water side.
Howland introduced the case.

Owner Tony Noto addressed objections to the lack of maintenance of the back of house area. He is requesting that the addition be approved to be used as a hospitality suite during the day and as an overnight space for the owners.

Jamie Walter of Nederveld provided an overview of the request.

Chair Grimes opened the public hearing.

Denny Demock, 502 Montague St loves the restaurant and supports the proposal.

Linda Demock, 502 Montague St said that the Notos are conscientious people and do everything first class.

Mary Sweet, 65 Poplar Ridge said that these winter amendment requests exclude summer residents of Highland Park from participating in person.

Laurie Kelley, 1813 Doris Ave and 59 Poplar Trail said that there are too many vehicles in the southern area of the site. Vehicles park on the beach, too. It's ugly and dirty. They should be respectful.

Motion by Skelly, seconded by Smolenska, to close the public hearing carried unanimously on voice vote.

Smolenska said that the dwelling/apartment is odd. The decking is acceptable because it is in line with the restaurant use.

Galligan doesn't think that a dwelling unit makes sense, although additional dining space or office space might make sense.

Skelly has no issue with the beachside changes (decking, garage doors, etc.). Walter stated that the 2 BR/2 BA suite would be used by the owners only overnight; daytime use would be break time space and a bridal suite. Skelly noted it seems unclear how it would be a personal space for owners and then convert to a bridal space.

Dora is concerned about the stairway down to the kitchen area being the only access. Walter said people can walk across the event space to the north stairway, as well. Dora questioned the narrative which implies it could be an available dwelling for others. Also, pedestrian boardwalk was missing in proposed site plan. He is hesitant to move forward with a new request when they haven't done what they originally agreed to do.

Walter explained that the rollup boardwalk was shown along the south side of the property and was meant to then head north. The Notos purchased an interlocking pathway system but it wasn't a good design. They want to install a boardwalk where it was supposed to go and also a second one from the bike racks south to the patio.

Owens said the suite doesn't count as an apartment, it doesn't encroach further onto the land and doesn't obstruct views. She likes the proposed walkway plan.

Inlaw asked about any health department concerns about having people sleep overnight in a restaurant building. Howland said she was not sure if there would be any issues with that.

Alt noted that the proposed second story deck could generate noise issues because it is not covered. He said there needs to be assurances that the space will be used in a particular way. He noted that the ongoing concerns about the cleanliness of the property doesn't give him confidence that they will manage the dwelling space well.

Hulverson is opposed to allowing a residence; it deviates too much from the original plan. The other changes don't affect the building footprint so she is not opposed. Neighbors who did send in comments are mostly opposed to the proposal, which should be taken into consideration as well.

Grimes stated that the apartment seems odd. He doesn't believe it would have been approved if it has been part of the original application in 2017. If it is just a bridal room/larger area with sofas, etc. that would be a part of the event space and could work.

Dora asked about potential impacts to views. Howland said all owners were notified of the public hearing via the mailing addresses on record with Ottawa County.

Tony Noto said the intent was a hospitality suite. He would be willing to amend the layout to be a more open space/extension of the event space, with a focus on a bridal suite rather than a residence. He also stated that the hours of operation for the addition would match that of the restaurant/event space.

Motion by Smolenska, seconded by Galligan, to recommend APPROVAL of the proposed amendment to the Noto's Planned Development and preliminary development plan located at 1223 South Harbor Drive (parcel #70-03-29-312-004), subject to the following conditions:

1. The project will be constructed in one (1) phase.
2. Restaurant and event space seating capacity will not change due to lack of additional proposed parking.
3. The dwelling will be redesigned to be a bridal suite.
4. The parking in front of the cooler will be striped.
5. Outdoor storage will be confined to the cooler/trash/storage structure.
6. The pedestrian boardwalk will be re-installed in two pieces.

The motion carried unanimously by roll call vote.

Case 21-51: Applications for the final development plan, special land use permit, and sensitive areas overlay review for 1021 Jackson Ave Planned Development (parcel #70-03-21-199-021).

Howland provided an overview of the request. Dryer pointed out changes, including adding a driveway connection to LMCU. These changes were made to the plans today.

Dora verified with Dryer that the dumpster would be placed in an enclosure.

Galligan recommended that the site plan be approved pending staff approval of the changes.

Motion by Galligan, seconded by Skelly, to APPROVE a request for the final development plan, special land use permit, and sensitive areas overlay review for 1021 Jackson Ave Planned Development (parcel #70-03-21-199-021), based on the information received and subject to the following:

1. The project will be constructed in one (1) phase.
2. As previously approved, allowable land uses added to Grand Plaza Planned Development include Medical Marihuana Provisioning Center (special land use), Medical Office (permitted use), and Professional Service Establishment (permitted use).

3. Exterior cladding materials and transparency shall meet the requirements of the Commercial District.
4. Signage shall meet the requirements of the Commercial District.
5. An ingress/egress easement between 1021 Jackson Ave and 1051 Jackson Ave must be recorded.
6. A permit from EGLE due to development within the 100-year floodplain will be required.
7. Staff must approve the changes to the site plan, specifically the connection to the west.

The motion carried by unanimous roll call vote.

Case 21-42: The Planning Commission will review proposed amendments to the Zoning Ordinance concerning residential density (lot area, width, setbacks, two-unit dwellings) in certain zoning districts.

Due to the late hour, this item was not discussed.

Case 22-01: The Planning Commission will review proposed amendments to the NMU, Neighborhood Mixed Use District concerning side yard setbacks and number of stories for nonresidential uses.

Due to the late hour, this item was not discussed.

Zoning Board of Appeals Liaison Report

At the December meeting, the variance request for a rear yard setback at 815 Verhoeks St was denied.

Community Development Manager's Report

The first meeting of the Master Plan Steering Committee will be held on Tuesday, February 15th at 7pm at the Community Center.

Call to Audience – Second Opportunity

No comments.

Adjournment:

Chair Grimes adjourned the meeting at 11:34 p.m.



Jennifer Howland

Community Development Manager