

# **CITY OF MACKINAC ISLAND**

## **AGENDA**

### **PLANNING COMMISSION SPECIAL MEETING**

**Tuesday, May 13, 2025 at 3:00 PM**

**City Hall – Council Chambers, 7358 Market St., Mackinac Island, Michigan**

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- I. Call to Order**
- II. Roll Call**
- III. Pledge of Allegiance**
- IV. Adoption of Agenda**
- V. New Business**
  - [a.](#) MSHDA Grant Discussion
  - [b.](#) Zoning Ordinance Updates Discussion
- VI. Public Comment**
- VII. Adjournment**

**HOUSING DEVELOPMENT FUND GRANT AGREEMENT  
HOUSING READINESS INCENTIVE  
ENHANCEMENT GRANT # HRI-2024-10590-LEG**

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY  
735 East Michigan Avenue, Lansing, Michigan 48912

THIS ENHANCEMENT GRANT AGREEMENT ("Agreement") made and entered into as of February 22, 2024, by and between City of Mackinac, a local unit of government, whose address is 7358 Market St Mackinac Island, Michigan 49757 (the "Grantee"), and the Michigan State Housing Development Authority, a public body corporate and politic of the State of Michigan, whose address is 735 East Michigan Avenue, Lansing, Michigan 48912 (the "Authority").

**RECITALS**

A. Enacted on July 31, 2023, 119 PA 2023 (the "Act") appropriated funding to the Michigan Department of Labor and Economic Opportunity for "Enhancement Grants" intended to be allocated to the Michigan State Housing Development Authority ("Authority") to award and administer special grants to eligible grantees.

B. Funds appropriated pursuant to the Act are to be used to support initiatives and expand opportunities for low- and moderately low-income housing, including but not limited to improving the Grantee's ability to provide housing services, building capacity, initiate and coordinate housing development, and to provide gap funding for housing projects falling at 120% or less of the local region's Area Median Income.

C. The Authority is responsible for administering Enhancement Grants, ensuring that funds are distributed in accordance with 119 PA 2023.

D. The Authority, as a public body, is charged with the responsibility of regulating the use of funds advanced by it to assure that such funds are being used for authorized purposes and in a manner that are in accordance with the Act and the Authority's General Rules (R 125.101, et seq., as amended) (the "Rules").

E. The Grantee has represented to the Authority that it is not debarred, is authorized to conduct business in the State of Michigan, that the signatory executing this Agreement is authorized to bind the Grantee to the terms of this Agreement and fully intends to distribute funds in accordance with the Act for housing-related purposes as described in Exhibit A attached and incorporated in this Agreement.

F. This Enhancement Grant, HRI-2024-10590-LEG, in an amount not to exceed Twenty-Two Thousand Eight Hundred (\$22,800.00) (the "Grant") is for housing-related activities more specifically described in Exhibit A (the "Program").

NOW, THEREFORE, in consideration of and as a condition to receiving the Grant, the Grantee agrees that:

1. The terms and conditions set forth herein are a reasonable and appropriate means to assure the use of funds in accordance with the Act, the Rules, and the Authority's Authorizing Resolutions.

2. All aspects of the Grantee's plan for the use of the Grant are specifically described in the Program attached hereto as Exhibit A, which Program is incorporated herein, and the Grantee will operate the Program as described in Exhibit A.

3. All actions of the Grantee and requirements of the Grantee's Program are subject to the terms of this Agreement, the provisions of the Act and the Rules of the Authority.
4. The activities of the Grantee will be subject to the review of and, in the discretion of the Authority, audit by Authority staff to ensure compliance with this Agreement, the Act and the Authority's Rules, and the Grantee will provide any books, records or documents in such form and at such place as the Authority may request.
5. The Grantee agrees to draw down Grant proceeds only when and, in such amounts, as may be necessary to pay for the activities as Authorized in the Act or otherwise described in Exhibit A.
6. All requests for the disbursement of Grant proceeds shall be submitted to the Chief Executive Officer and Executive Director of the Authority or their designee, shall be made in writing, and shall include the amount of Grant proceeds to be disbursed, a description of the purposes for which the proceeds are to be used, copies of invoices, billings, or such other documentation as may be necessary to demonstrate project costs, and such other information as the Chief Executive Officer and Executive Director or their designee may request.
7. If an advance or a portion of the Grant for a specific purpose is not used for that purpose due to conditions that make it impossible to use as provided herein, or if the Grantee decides not to use the money, upon such decision, the sum shall be returned to the Authority immediately.
8. Grant proceeds are to be used for housing-related activities. Accordingly, the Grantee shall, prior to disbursement of funds, prepare and submit to the Authority a detailed budget of work to be completed.
9. Any of Grantee's activities that are assisted using grant proceeds and the selection of persons for participation in the Program shall not discriminate against any person on the grounds of race, color, creed, religion, height, weight, sex, sexual orientation, age (except for a Development specifically designed for elderly occupants), national origin, handicap, or marital or familial status except as provided by law. The Grantee shall comply with all requirements imposed by Title VIII of the Civil Rights Act of 1968 (as amended by the Fair Housing Amendments Act of 1988), the Americans with Disabilities Act, the Elliott-Larsen Civil Rights Act, and the Michigan Persons with Disabilities Civil Rights Act.
10. Unless otherwise specified in Exhibit A, within 30 days from the Authority's request, the Grantee shall provide to the Authority a report including, but not limited to, all receipts, expenditures, project activities and accomplishments including a comparison of the final budget to the approved budget, and supporting documentation for claimed expenditures.
11. The Grantee assumes responsibility for any and all costs to implement the Grantee's Program exceeding the amount of the Grant.
12. All documents and reports delivered to the Grantee under this Agreement shall become and be the property of the Grantee.
13. In the event of a violation of any of the provisions of this Agreement, the Authority will notify the Grantee in writing of the violation and the Grantee will have a 30-day period in which to correct the violation. In the event the violation is not corrected to the satisfaction of the Authority within the time prescribed herein, Authority actions could include but may not be limited to:
  - a. immediately terminate the Grant, without further notice, in a writing signed by the Authority's Chief Executive Officer and Executive Director or their designee; and
  - b. recapture grant funding; and
  - c. pursue any other remedy provided at law or in the Act.
14. The Grantee hereby agrees that an election by the Authority to pursue any one remedy shall not be construed to preclude or be a waiver of the right to pursue any other remedy available to it.

15. The term of this Agreement shall commence on February 22, 2024 and shall terminate, unless extended by the Authority, on February 21, 2026.

16. The invalidity of any clause, part, or provision of this Agreement shall not affect the validity of the remaining portion hereof.

17. This Agreement may be signed in several counterparts and all so executed shall constitute one agreement, binding on all parties hereto.

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SIGNATURE PAGES TO FOLLOW

Signature Page  
Enhancement Grant # HRI-2024-10590-LEG

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year shown above.

City of Mackinac

By:  Margaret H. Doud  
Its:  Mayor

Signature Page  
Enhancement Grant # HRI-2024-10590-LEG

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year shown above.

City of Mackinac

By: Danielle Leach  
Danielle Leach

Its: City Clerk

Signature Page  
Enhancement Grant # HRI-2024-10590-LEG

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year shown above.

**MICHIGAN STATE HOUSING  
DEVELOPMENT AUTHORITY**

By: Timothy Klont

Timothy Klont

Its: Chief Engagement & Strategy Officer

Exhibit A  
ENHANCEMENT GRANT # HRI-2024-10590-LEG  
Grantee: City of Mackinac

Public Purpose:

Housing is an especially critical issue on Mackinac Island, with limited land availability (80% of the island is State Park land) and a major tourism industry which results in significant demand for employee housing in addition to housing for year-round and seasonal residents. There is a limited supply of housing and the city lacks affordable housing, particularly for year-round residents and low- and moderate-income households. The city believes that preparing and adopting certain zoning ordinance amendments will be an important step to identify and eliminate existing regulatory barriers to housing. Zoning amendments will support the recommendations outlined in the city's new master plan and housing study to increase housing diversity, supply and affordability.

Disbursement and Use of Funds:

Up to two disbursements are available per grant. Upon request by the recipient and MSHDA's receipt of an executed contract, a recipient may receive an advance for the lesser of: 1) 50% of the total grant amount; or 2) the amount of the executed contract (if the grantee is engaging a third party). After the initial 50% disbursement, the second will be a reimbursement upon completion of the proposed activities, after verification that the initial payment has been fully expended, in accordance with the project purpose. A grantee may have two disbursements without an advance. If the first disbursement is a reimbursement, there is not a maximum amount.

The grant cannot be increased or deviated from the boilerplate language. Grant funds can only be used for expenditures that occur on or after the effective date of February 22, 2024, through February 21, 2026.

Progress Reports and Final Reporting:

A final narrative report that summarizes the changes made as a result of the eligible activities during the grant term is required. An accounting of Grantee's actual expenditure of all funds on the Project over the grant period is required, including the breakdown of Grantee's actual use of Grant funds on the Project within each applicable category of the Budget, and corresponding copies of supporting documentation of such expenditures, such as receipts, general ledgers, or other evidence of expenditure activity statements; the Grantee's estimated percentage of completion of the Project; and any other information deemed relevant by Grantee to support the grant activities actually performed. Each Financial Status Report ("FSR") and Quarterly Update must be submitted on the MSHDA IGX grant management system by the designated authorized signatory. A FSR is required for payment disbursement. Quarterly Updates must be submitted 30 days after the end of a calendar quarter.

Reporting requirements include the following:

- 1. Summary of Changes
- 2. Two Financial Status Reports
- 3. Calendar year Quarterly Updates

Budget:

Component/Activity	Approved MSHDA Funds	Leveraged Funds (OPTIONAL)	Total Budget
Public Outreach & Engagement	\$7,500.00	\$0.00	
Zoning Amendments Development and Adoption	\$15,000.00	\$0.00	
Administrative Costs	\$300.00	\$0.00	
Total	\$22,800.00	\$0.00	\$22,800.00





## Professional Services Agreement (Short Form)

### Agreement

To engage the Services of Wade Trim Associates, Inc. as a Design, Planning, Testing and/or Land Survey Professional.

This Agreement, entitled Housing Readiness Zoning Amendments between the City of Mackinac Island of 7358 Market Street, PO Box 455, Mackinac Island, MI, 49757, hereinafter called "Owner," and Wade Trim Associates, Inc., 500 Griswold, Suite 2500, Detroit, Michigan, 48226, hereinafter called "Professional," is as follows:

The Owner and Professional, for mutual consideration hereinafter set forth, agree as follows:

A. Professional agrees to perform certain professional services for Owner as follows:

As outlined in Exhibit A, Scope of Work.

B. Owner agrees to pay Professional as compensation for his services as follows:

Lump sum fee of \$22,500, to be invoiced in accordance with the terms of this Agreement.

C. Owner agrees to establish an allowance of \$ n/a for additional services on this Project (not less than 10% of the compensation amount specified in Item B.)

D. The Owner and Professional agree to conditions as set forth on the reverse side in the General Provisions of this Agreement.

E. The Owner and Professional agree to the following schedule:

Project to be completed by December 31, 2024 or another date mutually agreed upon by the Owner and Professional.

F. Professional has the option to render this Agreement null and void, if it is not executed within 60 days.

Owner:

*Margaret M. Doud*

Professional:

*Jason Smith*

By: Margaret M. Doud  
(Print Name)

By: Jason Smith, AICP  
(Print Name)

Title: Mayor

Title: Vice President

Date Signed: March 6, 2024

Date Signed: March 6, 2024

## General Provisions

Section V, Itema.

### 1.01 Basic Agreement

A. Professional shall provide, or cause to be provided, the services set forth in this Agreement, and Owner shall pay Professional for such Services as set forth herein.

#### 2.01 Payment Procedures

A. *Preparation of Invoices.* Professional will prepare a monthly invoice in accordance with Professional's standard invoicing practices and submit the invoice to Owner.

B. *Payment of Invoices.* Invoices are due and payable within 30 days of receipt. If Owner fails to make any payment due Professional for services and expenses within 30 days after receipt of Professional's invoice, the amounts due Professional will be increased at the rate of 1.0% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day. In addition, Professional may, without liability, after giving seven days written notice to Owner, suspend services under this Agreement until Professional has been paid in full all amounts due for services, expenses, and other related charges. Payments will be credited first to interest and then to principal.

#### 3.01 Additional Services

A. If authorized by Owner, or if required because of changes in the Project, Professional shall furnish services in addition to those set forth above.

B. Owner shall pay Professional for such additional services as follows: For additional services of Professional's employees engaged directly on the Project an amount equal to the cumulative hours charged to the Project by each class of Professional's employees times standard hourly rates for each applicable billing class; plus reimbursable expenses and Professional's consultants' charges with a 15% mark-up, if any.

#### 4.01 Termination

A. The obligation to provide further services under this Agreement may be terminated:

1. For cause,

a. By either party upon 30 days written notice in the event of substantial failure by the other party to perform in accordance with the Agreement's terms through no fault of the terminating party.

b. By Professional:

1) upon seven days written notice if Professional believes that Professional is being requested by Owner to furnish or perform services which are outside of the agreed upon scope of services without compensation, which are contrary to Professional's responsibilities as a licensed professional; or

2) upon seven days written notice if the Professional's services for the Project are delayed or suspended for more than 90 days for reasons beyond Professional's control.

3) Professional shall have no liability to Owner on account of such termination.

c. Notwithstanding the foregoing, this Agreement will not terminate as a result of a substantial failure under paragraph 4.01.A.1.a if the party receiving such notice begins, within seven days of receipt of such notice, to correct its failure and proceeds diligently to cure such failure within no more than 30 days of receipt of notice; provided, however, that if and to the extent such substantial failure cannot be reasonably cured within such 30 day period, and if such party has diligently attempted to cure the same and thereafter continues diligently to cure the same, then the cure period provided for herein shall extend up to, but in no case more than, 60 days after the date of receipt of the notice.

2. For convenience, by Owner effective upon the receipt of notice by Professional.

B. The terminating party under paragraphs 4.01.A.1 or 4.01.A.2 may set the effective date of termination at a time up to 30 days later than otherwise provided to allow Professional to demobilize personnel and equipment from the Project site, to complete tasks whose value would otherwise be lost, to prepare notes as to the status of completed and uncompleted tasks, and to assemble Project materials in orderly files. Professional shall be compensated for Basic Services performed through the date of termination as set forth herein and for work performed per 4.01.B in the manner set forth in 3.01.

#### 5.01 Controlling Law

A. This Agreement is to be governed by the law of the state in which the Project is located.

#### 6.01 Successors, Assigns, and Beneficiaries

A. Owner and Professional each is hereby bound and the partners, successors, executors, administrators, employees and legal representatives of Owner and Professional (and to the extent permitted by paragraph 6.01.B the assigns of Owner and Professional) are hereby bound to the other party to this Agreement and to the partners, successors, executors, administrators, and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements, and obligations of this Agreement.

B. Neither Owner nor Professional may assign, sublet, or transfer any rights under or interest (including, but without limitation, moneys that are due or may become due) in this Agreement without the written consent of the other, except to the extent that any assignment, subletting, or transfer is mandated or restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

#### 7.01 General Considerations

A. The standard of care for all professional engineering and related services

performed or furnished by Professional under this Agreement and skill ordinarily used by members of the subject profession in similar circumstances at the same time and in the same locality. Professional makes no warranties, express or implied, under this Agreement or otherwise, in connection with Professional's services. Professional and its consultants may use or rely upon the design services of others, including, but not limited to, contractors, manufacturers, and suppliers and Professional shall not be responsible for design services provided by others.

B. Professional shall not at any time supervise, direct, or have control over any contractor's work, nor shall Professional have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by any contractor, for safety precautions and programs incident to a contractor's work progress, nor for any failure of any contractor to comply with laws and regulations applicable to contractor's work.

C. Professional neither guarantees the performance of any contractor nor assumes responsibility for any contractor's failure to furnish and perform its work in accordance with the contract between Owner and such contractor.

D. Professional shall not be responsible for the acts or omissions of any contractor, subcontractor, or supplier, or of any contractor's agents or employees or any other persons (except Professional's own employees) at the Project site or otherwise furnishing or performing any of construction work; or for any decision made on interpretations or clarifications of the construction contract given by Owner without consultation and advice of Professional.

E. The provisions in this Agreement supersede and render null and void any contrary provisions in the contract documents between Owner and Contractor.

F. All design documents prepared or furnished by Professional are instruments of service, and Professional retains an ownership and property interest (including the copyright and the right of reuse) in such documents, whether or not the Project is completed.

G. To the fullest extent permitted by law, Owner and Professional (1) waive against each other, and the other's employees, officers, directors, agents, insurers, partners, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to the Project, and (2) agree that Professional's total liability to Owner under this Agreement shall be limited to \$50,000 or the total amount of compensation received by Professional, whichever is less.

H. The parties acknowledge that Professional's scope of services does not include any services related to a Hazardous Environmental Condition (including but not limited to the presence of asbestos, PCBs, petroleum, hazardous substances or waste, and radioactive materials). If Professional or any other party encounters a Hazardous Environmental Condition, Professional may, at its option and without liability for consequential or any other damages, suspend performance of services on the portion of the Project affected thereby until Owner: (i) retains appropriate specialist consultants or contractors to identify and, as appropriate, abate, remediate, or remove the Hazardous Environmental Condition; and (ii) warrants that the Site is in full compliance with applicable Laws and Regulations.

#### 8.01 Dispute Resolution

Except for debt collection cases for less than \$25,000, and except as otherwise provided herein, all claims, counterclaims, disputes and other matters in question between the parties hereto arising out of or relating to this Agreement or the breach thereof will be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then obtaining, subject to the limitations and restrictions stated below. This agreement to arbitrate and any other agreement or consent to arbitrate entered into in accordance herewith as provided in this paragraph will be specifically enforceable under the prevailing arbitration law of any court having jurisdiction.

Notice of demand for arbitration must be filed in writing with the other parties to this Agreement and with the American Arbitration Association. The demand must be made within a reasonable time after the claim, dispute, or other matter in question has arisen. In no event may the demand for arbitration be made after the expiration of one year from the date the cause of action accrued. The cause of action whether based in tort, contract, indemnity, contribution, or any other form of action, legal or equitable, shall be deemed to have accrued at the time the party asserting the claim either knew or, by the exercise of reasonable diligence, should have known of the existence of the facts underlying such claim, dispute or other matter in question regardless of when damages occur. After the expiration of said one year, any claim between the parties hereto shall be barred.

No arbitration arising out of, or relating to this Agreement may include, by consolidation, joinder or in any other manner, any person or entity who is not a party to this Agreement.

The award rendered by the arbitrators will be final, not subject to appeal and judgment may be entered upon it in any court having jurisdiction thereof.

#### 9.01 Total Agreement

A. This Agreement (together with any expressly incorporated appendix), constitutes the entire agreement between Owner and Professional, supersedes all prior written or oral understandings, and becomes binding as if fully executed at the time Professional commences work. To the extent that the terms of any appendices or documents referenced in this Agreement conflict with the terms of this Agreement, the terms of this Agreement shall govern. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.



Wade Trim Associates, Inc.  
500 Griswold Street, Suite 2500 • Detroit, MI 48226  
313.961.3650 • [www.wadetrim.com](http://www.wadetrim.com)

## **Exhibit A: Scope of Work**

### **City of Mackinac Island Housing Readiness Zoning Amendments**

Wade Trim Associates, Inc. will lead the city through a planning process to prepare and adopt zoning ordinance amendments focused on housing. Funding for this project is being provided through a grant from the Michigan State Housing Development Authority (MSHDA). The below Scope of Work is taken from the city's grant application.

The city is currently finalizing a new master plan and is nearing completion of a housing study. Housing is a key topic of both the master plan and housing study, with a variety of recommendations being outlined including zoning ordinance amendments. In line with the new housing study and master plan, the city is proposing to undertake a project to develop and adopt amendments to the city's zoning ordinance that are necessary to increase housing diversity, supply and affordability. The planning process will include public education and engagement, including a community workshop and study-sessions with housing stakeholders (developers, other members from the real estate community, and major employers). The project will also include an analysis of potential new housing projects in targeted locations. The city will then develop and adopt the zoning ordinance amendment language. This will include study sessions with the city Planning Commission where the language is reviewed and refined, as well as a public hearing before final adoption by City Council.

Housing is an especially critical issue on Mackinac Island, with limited land availability (80% of the island is State Park land) and a major tourism industry which results in significant demand for employee housing in addition to housing for year-round and seasonal residents. There is a limited supply of housing and the city lacks affordable housing, particularly for year-round residents and low- and moderate-income households. The city believes that preparing and adopting certain zoning ordinance amendments will be an important step to identify and eliminate existing regulatory barriers to housing. Zoning amendments will support the recommendations outlined in the city's new master plan and housing study to increase housing diversity, supply and affordability.

Wade Trim will also provide assistance to the City in completing MSHDA's required quarterly reports and financial reports.



## Katie Pereny

**Subject:** Next Zoning Update topics to address  
**Start Date:** Monday, June 18, 2018  
**Due Date:** Wednesday, September 24, 2025

**Status:** Not Started  
**Percent Complete:** 0%

**Total Work:** 0 hours  
**Actual Work:** 0 hours

**Owner:** Katie Pereny

Set backs and Density #s – committee has been formed to review

Invasive species & Alternative energy

Landscape buffers

4.01 Landscape buffers add MD – DONE

Temp seasonal weather enclosures/Definition (draft given to PC in Dec) – DONE

Right of way of doors in the HD – Remove from zoning architectural review and put in regular zoning. Reference Jan 8 2019 per minutes – DONE

Ways to provide fractional ownership info to owners – Evashevski to comment on

Possibly add “continuous” to 30 day rental period in ordinance – Evashevski to address

Unrightly rear of buildings in commercial district. Mike says master plan address’ this issue so should be something in ordinance – DONE

Antennas – possible ordinance needed? – will be discussed in the Master Plan

add roof top items of a certain size to our to do list as I feel we need to consider some sort of regulation of these items in the future. This will be discussed at a later date and once we have worked with the city attorney and secured ordinance language there could be a fee associated with that application of possibly \$100.

Penalty for seasonal tents and enclosures in fee schedule. – go to Ordinance committee

Corner lot zoning update – will be discussed in Master Plan and DJD and Erin will discuss

Special Land Use conditions – will be addressed by master plan

Slicing doors on commercial structures – Ordinance and master plan topic

Impervious surfaces like flagstone and pavers adding to calculations. DJD says it should not brick pavers on natural sand used to be part of the section. Section 2.46 – send to ordinance committee

Lot combination process – send to ordinance committee to create approval process for all splits and combinations, including unplatted parcels

Remove gender reference of “him” and “he” from sections 22.09 and 22.10 – Ordinance Committee

Commercial accessory bldgs.. allow minimum size without a zoning permit. It is allowed in residential. (ex. Small storage closet at Woods for golf cart towels)