CITY OF LUDINGTON
PLANNING COMMISSION
MINUTES – 02/04/02

The regular meeting of the Ludington Planning Commission was held on February 4, 2002. The meeting was held at the Ludington Municipal Building, 400 S. Harrison St., Ludington, MI and was called to order at 7:00 p.m. by Tom Coleman, Chairperson.

ROLL CALL: The roll call showed the following results:

Present: Commissioners: Tom Coleman, Kaye Holman, Robert Garrett, Joe Moloney, Mike Nekola, Dave Weston, Joyce Usiak, Randy Haight and Clay Olmstead

Absent:

Also Present: Building Inspector John Healy, City Attorney Roger Anderson, and Recording Secretary Carol Ann Foote.

Chairman Coleman welcomed new member, Randy Haight and appointed him to the Zoning Committee.

AGENDA APPROVAL:

PUBLIC COMMENTS & COMMUNICATIONS:

Scott Sitler, 202 N. Gaylord, as you decide on this issue tonight, I would ask that you remember all of the concerns and comments of the last meeting and consider our neighborhood. He told the Commission that the Dain property still had all types of equipment that should not be there. It is time to say no.

Chuck Davis, Vice President of Operations, spoke in behalf of House of Flavors. He stated that in the past four months $387,000 has been spent on plant improvements. Last week they completed a project that would increase the ice cream mix-making process by 50%. The changes were made within the existing wall of the facility. They have cleaned up the area within a couple of days. At the last meeting we made you a promise to be good neighbors and that we would strive to keep our buildings neat and clean. He said that they were living up to that promise. He told the Commission that they instituted a new work schedule with more days off and not as much overtime. The only project left is the 120 square foot addition. By adding the addition, they can get the trucks in during the daytime and unload them in a timely manner. They cannot use the new tanks until it is enclosed. In an observation he made of the community, there are at least 8 buildings for sale or lease within 10 or 12 blocks of House of Flavors. He does not want to see House of Flavors become one of them. If House of Flavors leaves Ludington, it is very unlikely that they would relocate anywhere near Ludington. It is time to think about the conflict that has existed between House of Flavors and the community all these years and put it behind us.

John Riedl, 202 N. Robert, said enough is enough. There have been mistakes made with House of Flavors for decades. It's not the 120 ft. addition that bothers me, but the 300 or 400 more trucks that are going to be coming out of there all summer long. At one time there was a community with houses there. Now you've let a business expand that should be in the industrial park.

Commissioner Garrett asked Mr. Davis if there was an increase of 50% would that increase employees. Mr. Davis said that the 50% increase would be the mix making only. The additional employees would be for the additional volume of finished product.

Barb Sitler, 202 N. Gaylord, asked the Commission to look at the whole picture, not just the small addition. Obviously they are making plans to expand further because they are using more facilities to increase the mix. We drove by the Dain's property, the tanks that used to be on the A & W property are now there. There is a trailer, pallets, all kinds of things. The only thing I see is the dumpster is no longer in the A & W parking lot. She hopes the people that have been on the Commission let the new people know the past issues.

Sue Russell, 807 E. Ludington Ave., said that she felt the current problem has evolved by not saying no. Growth and development are a good thing in the appropriate zone. She said that she feels that people have been afraid to get up and do what is right.

Jay Sherman, 417 N. Washington Ave., told the Commission that he has been an employee of the House of Flavors for twenty-six years. The picture is a big picture, 130 families we are talking about. We are doing the things we have to do to improve our efficiency and profitability. Some of the growth we have had this year was from three ice cream companies in this country closing their doors. If the House of Flavors cannot grow and prosper, they will move to another plant, and it won't be here.

Kathleen Bromley, 312 N. Gaylord Ave., stated that House of Flavors was not parked in her front yard, but it does affect her neighborhood. I don't think they have been a good neighbor. I have seen trash, litter and have seen them break all the rules the Commission has tried to make them follow. The three tanks have been brought in, stood up; no they have not been hooked up. Legally they can't do that without the building. There must have been an assumption somewhere that the building was just going to happen. I am opposed, it is time to say no, we must make it stop. I am crushed that they would say, "If we don't get this, we are leaving Ludington." It's not good business.

Paul Bromley, 312 N. Gaylord Ave., I am dissatisfied with the gentleman's statements. We have to look at the history, because the history says it all. They have been dishonest in the past; there have been promises that have been broken It is time to stop. I am sympathetic to jobs and to the tax base it means to Ludington, but this plant does not belong in a residential neighborhood.

Colleen Bowden, Director of Human Resources, gave the Commission a brief history of the beginning of House of Flavors. She said that their 130 employees spend their money at downtown businesses. If they were to move to the industrial park, there would be a significant change to the downtown. She said that their employees deserved raises, benefits, better health insurance and life insurance. These things could be provided only when the company makes more money.

Tim Myer, 310 N. Rowe, said that the area needed to take some pride, for example, the ice cream served in the Hard Rock Café, Atlanta, GA, is made here. It is not a threat, it is all good business.

Tom Watkins, Technical Director, said that he was involved with the company's food safety. Internally they try to bring in transports and products in a reasonable time to be good neighbors, and they spend a lot of time internally talking about it. Our ability to be a good company and a good neighbor requires us to do this and we appreciate your consideration.

Dina Hackert, 421 N. Gaylord, told the Commissioners that she was Jeff Hackert's wife. One of the things she keeps hearing is the track history, the record. One of the things the Commission has in front of them is the truck traffic is not going to increase that much. I read what my husband gave you, and I was shocked to see the improvements. Yes, if someone sits and watches 24-7, they are going to find that they are not perfect in anything they do. If this were truly a community issue, more people would be represented. Consider what the House of Flavors brings to Ludington.

Sarah Holmes, Vice-President of Finance, in the ice cream business there are a lot of fixed cost. Fixed cost only improves when you have more volume. We all try to make as much money as we can and keep cost down. We have to find ways to make our products cheaper. We need to grow our business to make ice cream more efficiently and more effectively than our fixed investment.

John Riedl, 202 N. Robert, when I moved into that area, 1975, there were homes in that area. They were moved. When the people in that area move out, they will be empty or you will have a very low class of people moving in there. He stated that the reason they are still there is that he has invested a lot of money in his house, and he was there before expansion began.

Bill Kratz, Mason County Economic Development, stated that he felt that a lot of these issues had to do with conflicting land use concerns that arise when you have a manufacturing use in close proximity to a central business district or a residential area. That puts the Planning Commission and City Council in an uncomfortable position, but more importantly it puts the neighborhood and House of Flavor's management team in an uncomfortable position. With the current recession or adjustment period that we find ourselves in, 130 jobs are a substantial number of jobs in Ludington, Mason County or the State of Michigan. Relocation may look like an easy solution. For House of Flavors to invest in a new facility would be a challenging task to achieve. Other states would be very aggressive to attract a company like House of Flavors. The best long-term solution is to work with the House of Flavors management to help them economically stage relocation within 10 or 15 years. Hopefully to relocate in Mason County. It is not realistic to think they could do so in the next twelve months. The House of Flavors is a very important employer.

Jeff Hacker, President, House of Flavors, told the Commission that it was unfortunate that they were there because of their success. Recently they secured the LDI building as a means of helping the inbound traffic to the facility. The last support we got from the City Commission and Council was in 1999 when we asked for a 1 million dollar tax abatement. Obviously our request to use the Dain's property was rejected. When we went for the Dain's property we learned a lot about ourselves and have made improvements there. The Daily News, as a manufacturer, came before you with two requests. It was this body that granted the Daily News, a manufacturing facility, to expand in a residential district. I believe, because there was no opposition. They are a little smaller than me, fewer trucks, and people go get the newspapers to distribute them. The people here tonight, as we watch the Daily News, maybe that will be the next House of Flavors. I ask that you consider the 120 sq. ft. There have been improvements. I ask to allow a manufacturer to grow.

Public Comment Closed

MINUTES:

Commissioner Olmstead made a motion to approve the minutes of January 7 2001, with a change to the last page, seconded by Commissioner Garrett. Motion carried unanimously.

PUBLIC HEARINGS:

To add provisions to the Ludington Zoning Ordinance 23-00 to allow Planned Development as a Special Land Use in the W (Waterfront), WS (Waterfront Shipping), M-1 (Wholesale and Light Industry) and M-2 (Heavy Industry) Districts and to provide for uses, conditions and restrictions applicable to Planned Development

No Public Comment

Chairman Coleman told the Commission that the Adhoc Committee did not meet that month, but they felt that they were there. He went through the minor technical changes that had been made.

Chairman Coleman made a motion to send the Planned Development ordinance to City Council, seconded by Kay Holman.

Commissioner Nekola wanted to know if language would be added under the general provisions of the Special Land Use section. Chairman Coleman said that there was work that would need to be done.

Attorney Anderson agreed. They recognize that there are some technical changes to be made.

The motion to send the Planned Development ordinance to City Council carried unanimously.

UNFINISHED BUSINESS:

To consider a request from House of Flavors for a special land use for the expansion or rehabilitation of an existing light industrial, warehouse, or wholesale use in order to construct a 19 X 6 tank room and to install three new liquid tanks at the following described property:
ORIGINAL PLAT LOT 8, AND PART OF LOTS 9 & 10, BLOCK 29 DESCRIBED AS COM AT SE CORNER OF LOT 10, BLOCK 29 FOR THE POB, TH S 89 DEG 54 MIN 39 SEC W ALONG N'LY ROW LINE OF LUDINGTON AVE 180.09 FT, TH N 00 DEG 01 MIN 58 SEC W ALG W LINE OF LOT 8, 150.14 FT TO NW COR OF LOT 8, TH N 89 DEG 58 MIN 11 SEC E ALG N LINE OF LOTS 8 & 9, 86.80 FT, TH S 00 DEG 12 MIN 50 SEC E 40.35 FT, TH S 89 DEG 47 MIN 10 SEC W 160.00 FT,TH S 00 DEG 12 MIN 50 SEC E 37.40 FT,TH S 28 DEG 50 MIN 26 SEC W 6.18 FT,TH S 00 DEG 12 MIN 50 SEC E 4.60 FT, TH S 47 DEG 11 MIN 20 SEC E 4.10 FT,TH S 00 DEG 12 MIN 50 SEC E 1.00 FOOT,TH N 89 DEG 47 MIN 10 SEC E 24.80 FT,TH S 00 DEG 12 MIN 50 SEC E 11.30 FT, TH N 89 DEG 47 MIN 10 SEC E 21.80 FT,TH S 00 DEG 12 MIN 50 SEC E 9.90 FT,TH N 89 DEG 47 MIN 10 SEC E 26.50 FT,TH N 00 DEG 12 MIN 50 SEC E 9.00 FT, TH N 89 DEG 47 MIN 10 SEC E 21.50 FT TO W ROW OF WILLIAM ST, TH S 46.50 FEET ALONG W ROW LINE OF WILLIAM ST TO P.O.B, also known as 402 W. Ludington Ave.

Commissioner Usiak made a motion to un-table the House of Flavors request, seconded by Kaye Holman. Motion carried unanimously.

Chairman Coleman said that in the last meeting, the recording secretary reported that twenty-six notices were sent out with one reply in opposition.

Commissioner Nekola reported that the Special Land Use Committee had met, but they had not contacted the House of Flavors. Looking at the standards, they would like to recommend a couple of

stipulations for a possible approval of the special land use. First, trucks and forklifts would be limited on city streets between the hours of 7:00 a.m.-9:00 p.m. That means that this would be the time they could operate. After 9:00 p.m., trucks and forklifts would not be allowed down there. Second, the House of Flavors would have to come up with a truck off site where they would be staged off site and called, as they were needed. We have not approached the House of Flavors for such a plan, but would like discussion from the full board.

Chairman Coleman stated that listening to neighbors, trucks, noise and cleanliness is the issue. The 120 sq. ft. addition was not a key issue.

Commissioner Nekola said that if the increase is going to bring more trucks, they were trying to come up with some kind of solution.

Commissioner Usiak wanted to know where the trucks would be directed from the LDI building, US 31 or First St. Jeff Hackert said that they had not decided yet. Commissioner Usiak asked if they had any long term plans, for the next ten to fifteen years. Mr. Hackert told her that there was no definite plan, but they had made substantial investments off sight. We are the biggest user of the City Waste Water Plant. We have to be hooked to a municipality. If we move, it would make sense to be closer to our market. Commissioner Usiak asked if there was any space left, where they were, to expand. Mr. Hackert said that the only space left is the Dain's property. The USDA is currently in the process of requiring liquid unloading to be done under-roof. We currently don't have that. When that day comes, we will have to come in and present our case. We could not stay in business without that property. Commissioner Usiak asked Mr. Hackert why the tanks were brought in before anything was said to the Commission. Mr. Hackert explained that he bought these tanks three years ago at an auction. When the opportunity came with Weight Watchers they needed the tanks. It could be six months before there was a yes or no to build the enclosure. We continued with the project. The tanks are not hooked up. We did everything to the letter of the law, footings and so forth. Commissioner Usiak wanted to know if one of the new tanks would replace an existing tank. Mr. Hackert explained that the old tank would not be removed, but not used. Commissioner Olmstead asked what would happen if truck traffic was limited to 7 a.m. to 9 p.m. Mr. Hackert explained about the liquids and the sugars. The current trucks hauling to the freezer is from 6 a.m. to 4 p.m. The inbound trucks hauling liquids and sugar are on an as needed basis. He stated that there might be one truck or three trucks coming in, depending on the product. With the addition we can improve the inbound traffic. Commissioner Olmstead asked how many more trucks, with the expansion, between the hours of 9 p.m. and 7 a.m. Mr. Hackert said that he really did not know. Chuck Davis said that he felt that they could almost eliminate the traffic between the hours of 9 p.m. and 7 a.m. There may be an occasion that we would need to bring in a truck. Maybe a couple of times a week. Right now on inbound we might have four a week. Commissioner Nekola said that is why they would put conditions on the special land use. It would be a violation to bring trucks in between 9 p.m. and 7 a.m. We could have some flexibility. Commissioner Olmstead wanted to know how many more trucks, with the 20% increase, during the daytime. Mr. Hackert said that they average three a day now and it would go to four.

Commissioner Weston told Mr. Hackert that the LDI building was in the fourth ward, and he was Commissioner of the fourth ward. He said that he gets complaints on trucks right now. First Street is the worst. I want to be involved with routing your trucks, because there is a problem now.

Commissioner Moloney said that it was important to remain focused on what Mr. Kratz said. The House of Flavors needs to work with Mr. Kratz. It is impossible not to expand if you want to survive. It is not a minor issue. It takes long term planning.

Commissioner Nekola said the Committee recommended tabling the issue until they get a plan from the House of Flavors in black and white or they could turn them down. Commissioner Olmstead stated that he would like to take action on the issue now. He said that his major concern was the truck traffic and the litter. Commissioner Nekola commented, they could say that this is the way it is going to be, but if it does not work for them, it will not do us any good. Commissioner Olmstead stated that if they denied the slu request, they would still have the same amount of truck traffic. This way, it would be reduced.

Mr. Hackert said that he does not want to agree to conditions and not be able to hold his ground. To say that he would never have a truck between those hours, he could never say that. We are continually trying to be better.

Chairman Coleman said, that after learning things tonight, he thought they might be close. He said that he could call a Special Meeting. He set the meeting for Monday, February 18th, at 7:00 p.m.

Commissioner Nekola made a motion to table the issue until February 18, seconded by Commissioner Holman. Motion carried unanimously.

Chairman Coleman recessed the meeting at 8:40 p.m. The meeting was called back to order at 8:50 p.m.

Waterfront Adhoc Report:
None

Comprehensive Plan:
Commissioner Garret reported that 1200 surveys would be sent out at the end of the week. They would be back within a week to 10 days.

Rules of Procedure:
Commissioner Garrett made a motion to approve the Rules of Procedure, seconded by Commissioner Moloney. Motion carried unanimously.

NEW BUISNESS:

Adult Business:

Chairman Coleman told the Committee that they were drafting text to control the location of adult businesses within the City Limits. He said that Hamlin and P.M. townships had just passed ordinances for control of adult businesses.
Commissioner Holman explained that the City of Ludington did not have a plan for controlling adult businesses. She presented a colored map that showed the distances that adult businesses had to be away from churches, day cares, parks, public buildings, etc. The only district that could be used by adult businesses would be the industrial park.

Attorney Anderson said that adult businesses had to have a place that they could locate according to the first amendment.

Chairman Coleman said that a public hearing would be set for the March meeting.

SITE PLAN REVIEW:
Nader's Motel:
Commissioner Garrett reported that a site plan review was held on January 18 for a 10-room addition to Nader's Motel. A very professional plan was submitted and approved unanimously.

COMMENTS AND COMMUNICATIONS:
None

ADJOURNMENT:

Motion was made by Commissioner Holman to adjourn the meeting at 9:15 p.m., seconded by Commissioner Olmstead. Motion carried unanimously.

Respectfully submitted,
Carol Ann Foote, Recording Secretary

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Tom Coleman, Chairperson