

CITY OF MUSKEGON
SPECIAL CITY COMMISSION MEETING

A Special City Commission Meeting is scheduled for

Tuesday, December 18, 2018

5:30 p.m. @

Muskegon City Hall

933 Terrace Street

Muskegon, MI 49440

In the Commission Chambers, Room 107

2018-91 MINUTES:

1. Second Reading – Amendment to PILOT Ordinance

SUMMARY OF REQUEST: To amend Section 82-51 of the City Code of Ordinances to reduce the service charge to be paid in lieu of taxes from a 3% minimum to a 2% minimum. The new essential service fees that the City has been included in development agreements will allow the City to collect more revenue.

FINANCIAL IMPACT: The City will gain more revenue through essential services fees than from service charges.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the amended ordinance.

**2. Second Amendment to Contract for Housing Exemption –
Nelson Place**

SUMMARY OF REQUEST: The City granted a PILOT to the developer on March 26, 1996 and executed the first amendment to the Contract for Housing Exemption on March 11, 2014. The developer has now decided to refinance the building and this amendment is necessary to insure the continued operation of the project. The current PILOT, which expires in 2019, mandates that the developer pay 4% of the total of the contact rents to the City. The developer is requesting to extend the PILOT until 2036.

The developer has agreed to amend the PILOT to pay 2% of the total of the contract rents and a 2% essential services fee from not until 2029 and then 2% of the total of the contract rents and a 4% essential services fee from 2030 until 2036.

FINANCIAL IMPACT: The City will gain increased revenue from increased essential services fees.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the second amendment to the contract for housing exemption and development agreement.

3. Second Reading - Parking Ordinance Amendment – LO7

SUMMARY OF REQUEST: The Director of Public Safety requests that the Commission authorize the approval of the changes for Chapter 92, LO7 to read as follows:

(LO7) Along or on any unpaved parkway, except where the same is used for a driveway to enter private or public property. Parking on the terrace (i.e., the area between the property line and the street) is permitted for December 1 through March 1 on those streets having allowed parking on only one side of the street, but not on paved portion of the terrace.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends approval of the Parking Ordinance change.

4. Second Reading - Parking Ordinance Amendment – LO9

SUMMARY OF REQUEST: The Director of Public Safety requests that the Commission authorize the approval of the changes for Chapter 92, LO9 to further expand the downtown business area to extend to Ninth Street between Muskegon and Western.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends approval of the Parking Ordinance change.

5. Second Reading - Amendment to the Downtown Development Plan and Tax Increment Finance Plan of the City of Muskegon

SUMMARY OF REQUEST: To approve the amendment to the Downtown Development Plan and Tax Increment Finance Plan, which includes adding certain parcels into the plan.

FINANCIAL IMPACT: It is anticipated that the Downtown Development Authority will capture increased values with future development.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the plan amendments.

COMMITTEE RECOMMENDATION: The Downtown Development Authority unanimously approved the plan amendments at their October 30 meeting.

Motion by Commissioner Turnquist, second by Commissioner Rinsema-Sybenga, to approve items 1, 2, 3, 4 and 5.

ROLL VOTE: **Ayes:** Turnquist, Gawron, Hood, Warren, German, and Rinsema-Sybenga

Nays: None

MOTION PASSES

ADJOURNMENT: The Special City Commission Meeting adjourned at 5:32.

Respectfully Submitted,

Ann Marie Meisch, MMC – City Clerk