# CITY OF MUSKEGON

## CITY COMMISSION MEETING

### NOVEMBER 26, 2019 @ 5:30 P.M.

### MUSKEGON CITY COMMISSION CHAMBERS

### 933 TERRACE STREET, MUSKEGON, MI 49440

## MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, MI at 5:30 p.m., Tuesday, November 26, 2019, Pastor EJ Wood, All Shores Wesleyan Church, opened the meeting with a prayer, after which the Commission and public recited the Pledge of Allegiance to the Flag.

**ROLL CALL FOR THE REGULAR COMMISSION MEETING:**

Present: Mayor Stephen J. Gawron, Vice Mayor Eric Hood, Commissioners Byron Turnquist, Ken Johnson, Debra Warren, Dan Rinsema-Sybenga, and Willie German, Jr., City Manager Frank Peterson, City Attorney John Schrier, and City Clerk Ann Meisch.

**HONORS AND AWARDS:**

**A. City of Muskegon Employees – Years of Service Awards**

The Mayor and Commissioners congratulated and thanked city employees for various levels of years of distinguished, loyal service. Certificates of Appreciation were presented to those employees that were in attendance.

**B. LC Walker Arena Renaming to Mercy Health Arena Information Presentation** City Manager

City Manager Frank Peterson presented information relevant to the naming rights sponsorship opportunity for the LC Walker Arena.

**PUBLIC COMMENT ON AGENDA ITEMS:** Public comments were received.

**2019-91 CONSENT AGENDA:**

**A. Approval of Minutes** City Clerk

SUMMARY OF REQUEST: To approve the minutes of the November 12, 2019 Regular Meeting.

STAFF RECOMMENDATION: To approve the minutes.

**B. Extension of Temporary Employment Services Agreement** EEO & Employee Relations

SUMMARY OF REQUEST: To approve a one-year contract extension with GoodTemps Temporary Staffing Services, Inc. for temporary and seasonal employment services. The current agreement expires on December 31, 2019 and has an option for a one-year extension.

STAFF RECOMMENDATION: To approve the agreement with GoodTemps Temporary staffing Services, Inc. and authorize the Mayor and City Clerk to sign the agreement extension.

**C. <u>First Quarter 2019-2020 Budget Reforecast</u>** Finance

SUMMARY OF REQUEST: At this time staff is transmitting the First Quarter 2019-20 Budget Reforecast which outlines proposed changes to the budget that have come about as result of changes in revenue projects, policy priorities, labor contracts, updated economic conditions, or other factors.

General Fund revenue adjustments include the City of Muskegon receiving an additional $91,000 from the State of Michigan for Fire Protection.

Building Code Inspections and Enforcement has reduced contractual expenses by $200,000 mostly due to reduction in the cost of mowing/maintaining City owned lots.

The Major Street Fund and the Water and Sewer Funds have significant changes to their capital budgets mostly due to projects coming in over budget.

STAFF RECOMMENDATION: To approve the 1st Quarter 2019-20 Budget Reforecast.

**D. <u>New Copiers and Updated Maintenance Agreement with Applied Imaging</u>** Finance

SUMMARY OF REQUEST: Staff is seeking approval to purchase 14 new copiers on a 60-month lease and update our maintenance agreement with Applied Imaging.

All but one of the copiers are replacing existing copiers we have had since 2011 One of the copiers is a new copier for the office at the LC Walker Arena. The City has had a relationship with Applied Imaging for copiers and printers since 2011 and have been very happy with the product and their service. Applied Imaging is the current supplier under the State of Michigan MITN Cooperative. The new copiers will lower our maintenance costs to .007 cent per copy for black and white copies and .059 for color copies. This is down from .01232 and .07885 respectively. The proposed monthly savings will be $681.80 for an annual savings of $8,181.60

STAFF RECOMMENDATION: To authorize staff to enter into agreements to lease 14 new copiers and lower the per copy maintenance agreement currently in place with Applied Imaging.

**E. Police Cruiser Replacement** DPW/Equipment

SUMMARY OF REQUEST: The Equipment Division is requesting permission to purchase four Chevy Tahoe Police Cruisers from Berger Chevrolet, the Mi Deal State Contract holder. The cost is $35,822.00 each, for a total of $143,288.00.

STAFF RECOMMENDATION: To authorize staff to move forward with the purchase.

**F. Hurst Combi Rescue Tool Sets** Public Safety/Fire Department

SUMMARY OF REQUEST: To authorize the purchase of two Hurst Combi Rescue Tool Sets. Cost for one set is $13,550 from Apollo Fire Equipment, offered to the City of Muskegon at consortium pricing. Each set includes shipping, training, and the additional equipment needed to use and mount the rescue tools. The purchase equals $27,100, which is $100 more than the budgeted $27,000.

STAFF RECOMMENDATION: To approve the purchase of two Hurst Combi Rescue Tool Sets for Fire Department rescue efforts.

**G. Setting The Docks Brownfield Public Hearing** Economic Development

SUMMARY OF REQUEST: The Brownfield Redevelopment Authority recommended approval of Brownfield Plan Amendment for The Docks (Damfino Development, LLC) at 1490 Edgewater Street and now the city commission must schedule a public hearing on that plan for December 10, 2019.

Damfino Development LLC submitted a Brownfield Plan Amendment for the Docks at 1490 Edgewater to the Brownfield Redevelopment Authority, which approved it on November 12, 2019. The city commission must set a public hearing on the plan for December 10, 2019 A resolution setting the December 10 public hearing is provided.

STAFF RECOMMENDATION: To approve the resolution setting a public hearing for December 10, 2019 on the Docks Brownfield Plan Amendment and notify the appropriate taxing units.

**J. PILOT Ordinance Revision** City Manager

SUMMARY OF REQUEST: Staff is seeking an amendment to Section 82-51(1) of the Code of Ordinances regulating Payment in Lieu of Taxes to allow for a 1% PILOT fee. The change is necessary to reduce the Royale Glen PILOT to 1%.

STAFF RECOMMENDATION: To adopt the ordinance as presented.

**Motion by Commissioner Rinsema-Sybenga, second by Vice Mayor Hood, to accept the consent agenda, except items H, I, K, and L.**

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

**Nays: None**

*MOTION PASSES*

**2019-92 ITEMS REMOVED FROM CONSENT AGENDA:**

**H. <u>Brownfield Agreement for 1208 Eighth</u>** Economic Development

SUMMARY OF REQUEST: A request to approve a brownfield redevelopment and reimbursement agreement for 1208 Eight Street among the city, Core Development and the city's Brownfield Redevelopment Authority.

The Muskegon City Commission approved a Brownfield Plan for Core Development on November 12, 2019. The next step is for the city, Core Development and the Brownfield Redevelopment Authority to approve a development and reimbursement agreement. The BRA unanimously approved that agreement on November 12, 2019. The brownfield plan is for a former Volkswagen dealership building to be renovated into a commercial-office building with a private investment of $700,000. The Brownfield Plan calls for eligible costs of $145,129 to be reimbursed the developer over the next 30 years from property tax increments, included in that is $40,000 for the city's public improvements for on-street parking.

STAFF RECOMMENDATION: To approve the Development and Reimbursement Agreement for the 1208 Eighth Street Brownfield and authorize the mayor to sign the agreement.

**Motion by Commissioner Johnson, second by Commissioner Rinsema-Sybenga, to approve the Development and Reimbursement Agreement for the 1208 Eighth Street Brownfield and authorize the mayor to sign the agreement.**

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

**Nays: None**

*MOTION PASSES*

**I. <u>Veteran's Memorial Park Pump</u>** City Manager

SUMMARY OF REQUEST: Staff is seeking to commit $24,233 toward the cost to install a water control structure at Veteran's Memorial Park.

In an effort to address flooding at the memorial park, staff is seeking to partner with Muskegon County, the City of North Muskegon, and NOAA to install a replacement seawall and a new pump. NOAA funds will be used to replace the seawall, while the funds from the local government will be used to replace the pump that operated for many years in the reservoir. The arrangement is the same as had been in place for approximately 30 years before the previous seawall was removed. This partnership should address the ongoing flooding.

STAFF RECOMMENDATION: To authorize the expense of up to $24,233 toward the replacement of the Veteran's Memorial Causeway reservoir pump.

**Motion by Commissioner Warren, second by Commissioner German, to authorize the expense of up to $24,233 toward the replacement of the Veteran's Memorial Causeway reservoir pump.**

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

**Nays: None**

***MOTION PASSES***

**K. <u>Royale Glen PILOT Extension</u>** City Manager

SUMMARY OF REQUEST: Staff is seeking approval of the Second Amendment to the Contract for Housing Exemption as well as the Development Agreement with Hackley-Barclay Limited Dividend Housing Association.

In an effort to free up capital for necessary improvements at Royale Glen Townhomes, staff has negotiated two agreements. The first agreement is the Second Amendment to the Contract for Housing Exemption and the second agreement is a Development Agreement for Campbell Field. The owner will receive a reduction in taxes and fees in exchange for a commitment to invest $600,000 in residential improvements and contribute $156,000 for the city to use as desired on improvements to Campbell Field. Staff is currently seeking community input on Campbell Field, and would expect to make the improvements in the next 12-18 months.

STAFF RECOMMENDATION: To approve the Second Amendment to the Contract for Housing Exemption and the corresponding Development Agreement with Hackley-Barclay Limited Dividend Housing Association, and authorize the Mayor and Clerk to sign.

**Motion by Commissioner German, second by Commissioner Warren, to approve the Second Amendment to the Contract for Housing Exemption and the corresponding Development Agreement with Hackley-Barclay Limited Dividend Housing Association, and authorize the Mayor and Clerk to sign.**

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

**Nays: None**

***MOTION PASSES***

**L. <u>Convention Center Naming Rights</u>** City Manager

STAFF RECOMMENDATION: Staff is seeking authorization to enter into a contract with WC Hockey, LLC to assist in selling the naming rights to the Muskegon Convention Center.

In an effort to raise additional capital to ensure the highest quality convention center without levying additional taxes or fees, staff is seeking strategic advertising partners with in the new convention center. The goal is to raise at least $1 Million over a period not to exceed 20 years. The proposed agreement would allow the city to partner with WC Hockey to identify an advertising partner and negotiate the best deal for the convention center. WC Hockey would be paid a commission based on the income created.

STAFF RECOMMENDATION: To approve the agreement and authorize the City Manager to sign.

**Motion by Commissioner German, second by Commissioner Rinsema-Sybenga, to approve the agreement and authorize the City Manager to sign.**

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

**Nays: Turnquist**

***MOTION PASSES***

**2019-93 NEW BUSINESS:**

**A. <u>Marihuana Facilities Application</u>** Planning

SUMMARY OF REQUEST: Request to approve the Marihuana Facilities Application that includes a social equity component.

STAFF RECOMMENDATION: To approve the Marihuana Facilities Application.

**Motion by Commissioner German, second by Commissioner Rinsema-Sybenga, to approve the Marihuana Facilities Application.**

**Motion by Commissioner Rinsema-Sybenga, second by Vice Mayor Hood, to call the question.**

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

**Nays: Warren, German, and Johnson**

***MOTION FAILS***

**Motion by Commissioner Johnson, second by Commissioner Warren, to amend the original motion to approve the Marihuana Facilities Application by amending Appendix 3 under MSEP REVENUE by removing the $35,000 cap from the 35% of all local excise tax receipts being allocated to the City's MSEP, and under ALLOCATION OF MSEP RESOURCES by amending number 3 to include youth support and changing the ALLOCATION OF MSEP RESOURCES percentages to:**

**1. From 55% to 30% for business micro-loans/grants for those that have had a low-level marihuana conviction.**

**2. From 30% to 35% will be dedicated towards facilitating marihuana related expungement clinics. and,**

**3. From 15% to 35% for education and community outreach for responsible marihuana consumption related to harm reduction (and youth support).**

**ROLL VOTE: Ayes: Warren, German, Turnquist, and Johnson**

**Nays: Rinsema-Sybenga, Gawron, and Hood**

***MOTION PASSES***

**VOTE ON ORIGINAL MOTION – WITH AMENDMENT:**

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

**Nays: German**

***MOTION PASSES***

**ANY OTHER BUSINESS:**

**A. <u>Firearm Activity Information Presentation</u>** Public Safety

This presentation was postponed to December 10, 2019.

**PUBLIC COMMENT ON NON-AGENDA ITEMS:** Comments were received from the public.

**ADJOURNMENT:** The City Commission meeting adjourned at 9:12 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC – City Clerk