

City of Muskegon
City Commission Meeting
Minutes

October 10, 2023, 5:30 pm
Muskegon City Hall
933 Terrace Street, Muskegon, MI 49440

Present: Mayor Ken Johnson
Commissioner Rachel Gorman
Commissioner Rebecca St.Clair
Commissioner Eric Hood
Vice Mayor Willie German, Jr.
Commissioner Michael Ramsey
Commissioner Teresa Emory

Staff Present: City Manager Jonathan Seyferth
City Clerk Ann Meisch
City Attorney John Schrier
Deputy City Clerk Kimberly Young

1. Call To Order

Mayor Johnson called the City Commission meeting to order at 5:30 p.m.

2. Prayer

Pastor Russell Damm from Oakcrest Church of God opened the meeting with prayer.

3. Pledge of Allegiance

The Pledge of Allegiance to the Flag was recited by the Commission and the public.

4. Roll Call

As recorded above

5. Honors, Awards, and Presentations

5.a Memorial for Hope Griffith

Mayor Johnson read and presented a Proclamation Honoring Hope Griffith to Hope's family. Hope Griffith was an employee of the City for over 25 years and passed away unexpectedly on August 17, 2023. She had a wealth of knowledge, was extremely helpful, generous, and kind and will be sincerely missed by all.

5.b Recognition of Steve Hammond - Inspector of the Year

Public Safety Director Tim Kozal and Deputy Public Safety Director Jay Paulson introduced award recipient Steve Hammond. He was nominated for the award by Deputy Director Paulson. Steve was awarded the Inspector of the Year Award from the Michigan Fire Inspectors Society in "Recognition of Outstanding Effort and Dedication to Bring About Fire Safety for Your Community and State".

6. Public Comment on Agenda Items

Public comments were received.

7. Consent Agenda

Action No. 2023-106

Motion by: Commissioner St.Clair

Second by: Commissioner Gorman

To accept the consent agenda as presented, minus items 7B, 7C, 7D, 7F, 7L, 7M, and 7N

Ayes: (7): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Commissioner Hood, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

MOTION PASSES (7 to 0)

7.a Approval of Minutes - City Clerk

To approve the minutes of the September 26, 2023 Regular Meeting.

STAFF RECOMMENDATION: To approve the minutes.

7.e Samaritas Municipal Services Agreement - Development Services - 417 E. Jackson

City Staff has negotiated and reviewed a Payment in Lieu of Taxes agreement for commission consideration for an adaptive reuse project at Froebel School into affordable workforce housing apartments.

For several years staff have been attempting to find a partner that had interest and capacity in the adaptive reuse of the long-vacant Froebel School building. Since 2019, we have toured more than 10 entities through the school, and held a community meeting offering several touring opportunities for the public. Through these efforts we have developed interest from Samaritas for the potential installation of affordable housing units by application to the Michigan Statewide Housing Development Authority (MSHDA) Low Income Housing Tax Credit (LIHTC) Program. If awarded, then Samaritas proposes historical preservation and adaptive remodel of the school building into apartments for low to moderate income residents. The attached agreement establishes their Municipal Services Agreement at 3% of shelter rents.

If approved by commission, Samaritas is also proposing a PILOT payment of 2% of net shelter rents, for a total annual payment of 5% of rents. The Municipal Services Agreement (MSA) stays completely with the city to defray costs of public service delivery to the site, while the PILOT payment is divided proportionally to the other taxing jurisdictions, similar to a traditional property tax payment.

This item is connected to the Samaritas PILOT agenda item, as well as the sales agreement item for Froebel School.

STAFF RECOMMENDATION: To approve the Municipal Services Agreement with Samaritas Affordable Living Froebel Limited Dividend Housing Association Limited Partnership and authorize the mayor and clerk to sign.

7.g Spire Development, Allen Crossing Municipal Services Agreement - Development Services - 148 Allen Avenue

City Staff has negotiated and reviewed a Payment in Lieu of Taxes and Municipal Services agreement for commission consideration for a new construction 45 unit Senior workforce/family affordable housing complex at and around 148 Allen Avenue.

Pursuant to our 5 Year Housing Needs Assessments call for over 1,000 rental units priced under \$1,430 a month, staff has made overtures and established relationships with several new Low Income Housing Tax Credit (LIHTC) developers. Spire Development originally responded to our request for proposals at the former Catholic Charities site, and when they were not selected by commission for that project we immediately introduced them to the site owners of this subject property.

Per their request letter, Spire is seeking a Municipal Services Agreement of 3% of net shelter rents. This should equal roughly \$10,000-\$12,000 per year. Spire is also requesting a 6% PILOT, which is detailed in another agenda item in the packet.

STAFF RECOMMENDATION: To approve the Municipal Services Agreement with Allen Crossing Affordable Living Froebel Limited Dividend Housing Association Limited Partnership and authorize the mayor and clerk to sign.

7.h Spire Development, Amity Commons PILOT Agreement - Development Services - 159 Amity Avenue

City Staff has negotiated and reviewed a Payment in Lieu of Taxes and Municipal Services agreement for commission consideration for a new construction 50-unit workforce/family affordable housing complex at and around 159 Amity Avenue.

Pursuant to our 5 Year Housing Needs Assessments call for over 1,000 rental units priced under \$1,430 a month, staff has made overtures and established relationships with several new Low Income Housing Tax Credit (LIHTC) developers. Spire Development originally responded to our request for proposals at the former Catholic Charities site, and when they were not selected by commission for that project we immediately introduced them to the site owners of this subject property.

Per their request letter, Spire is seeking a PILOT Agreement of 5% of net shelter rents. This should equal roughly \$16,500-20,000 per year for all taxing jurisdictions to split. Spire is also requesting a 3% Municipal Services Charge, which is detailed in another agenda item in the packet.

STAFF RECOMMENDATION: To approve the Contract for Housing Exemption with Amity Commons Limited Dividend Housing Association Limited Partnership and authorize the mayor and clerk to sign.

7.i Spire Development, Amity Commons Municipal Services Agreement - Development Services - 159 Amity Avenue

City Staff has negotiated and reviewed a Payment in Lieu of Taxes and Municipal Services agreement for commission consideration for a new construction 50 unit workforce/family affordable housing complex at and around 159 Amity.

Pursuant to our 5 Year Housing Needs Assessments call for over 1,000 rental units priced under \$1,430 a month, staff has made overtures and

established relationships with several new Low Income Housing Tax Credit (LIHTC) developers. Spire Development originally responded to our request for proposals at the former Catholic Charities site, and when they were not selected by commission for that project we immediately introduced them to the site owners of this subject property.

Per their request letter, Spire is seeking a Municipal Services Agreement of 3% of net shelter rents. This should equal roughly \$10,000-\$12,000 per year. Spire is also requesting a 5% PILOT, which is detailed in another agenda item in the packet.

STAFF RECOMMENDATION: To approve the Municipal Services Agreement with Amity Commons Affordable Living Froebel Limited Dividend Housing Association Limited Partnership and authorize the mayor and clerk to sign.

7.j Sale of 1530 Hoyt Street - City Manager's Office

Staff is requesting approval of a purchase agreement for 1530 Hoyt Street. Create an environment that effectively attracts new residents and retains existing residents by filling existing employment gaps, attracting new and diverse businesses to the city, and expanding access to a variety of high-quality housing options in Muskegon.

STAFF RECOMMENDATION: To approve the purchase agreement for 1530 Hoyt Street.

7.k Sale of 1647 Terrace Street - City Manager's Office

Staff is requesting approval of a purchase agreement for 1647 Terrace Street. 1647 Terrace Street was constructed through the agreement with Dave Dusendang to construct infill housing with ARPA funding. The offer is over the full listing price with \$10,000 in seller concessions.

STAFF RECOMMENDATION: To approve the purchase agreement for 1647 Terrace Street.

7.o Amendment to Parks & Recreation Advisory Committee Sec. 58-62 - City Clerk

To amend Sec. 58-62 of the Parks & Recreation Advisory Committee to reflect two Representative At-Large positions for a total of twelve members. To further amend the ordinance to reflect that the member appointed by and from the Commission will serve as chair and be a non-voting member.

On Friday, October 22, 2023 the Community Relations Committee held a special meeting to discuss and make initial appointments to the recently established Parks & Recreation Advisory Committee. The Committee's discussion led to the necessity to amend the ordinance to include two At-large members instead of one At-Large Member and to clarify that the member appointed by and from the Commission will serve as chair and be a non-voting member.

STAFF RECOMMENDATION: To approve the amendment to Sec. 58-62 of the Parks & Recreation Advisory Committee Ordinance.

7.p Parks & Rec Advisory Committee - Member Representing Muskegon Public Schools

To replace the appointment of the Member Representing Muskegon Public Schools made on 9/22/23 and affirmed on 10/10/23 and to appoint Lynnette Marks, President of the Muskegon Public School Board to this position. Muskegon Public School Administration provided feedback on the appointment to this position and would like to have the School Board President appointed to represent the School District on this board.

STAFF RECOMMENDATION: To replace the previous appointment and to appoint Lynnette Marks as member representing Muskegon Public Schools on the Parks and Recreation Advisory Committee.

7.b LIHWAP (Low Income Household Water Assistance Program) Agreement Extension - Treasurer

Staff is requesting approval to extend our current contract with Mid Michigan Community Action Agency to participate in the Low Income Household Water Assistance Program.

In December of 2021, we entered into a contract with Mid Michigan Community Action Agency (MMCAA) to participate in the Low Income Household Water Assistance Program (LIHWAP). The program consisted of funds made available by the State of Michigan, to be distributed to eligible low-income households, to pay water and sewer arrearages in order to avoid discontinuance of water service due to non-payment during the COVID emergency. Those funds were anticipated to be available through September 30, 2023; thus, the original contract ended on that date.

It has been determined that there are still funds available, so MMCAA has provided us with a contract extension through 3/31/2024. Unfortunately,

we did not receive notice or a copy of this contract extension until 9/28/2023, and it needed to be signed prior to 9/30/2023 in order to avoid a lapse in LIHWAP benefits for our residents. Due to the urgent need to protect this benefit for our residents, our Deputy City Manager has signed the contract, and we are bringing this item to the Commission today to get your approval for that extension.

STAFF RECOMMENDATION: To approve the extension of our contract with Mid Michigan Community Action Agency in order to continue to receive funds through the Low Income Household Water Assistance Program through 3/31/2024.

Action No. 2023-107(b)

Motion by: Commissioner Ramsey

Second by: Commissioner Gorman

To approve the extension of our contract with Mid Michigan Community Action Agency in order to continue to receive funds through the Low Income Household Water Assistance Program through 3/31/2024.

Ayes: (7): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Commissioner Hood, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

MOTION PASSES (7 to 0)

7.c Final Approval of the Flock LPR Deployment - Public Safety

Staff is requesting final approval for the purchase and deployment of the FLOCK license plate reader system.

On May 8th. Chief Kozal and Capt. Bahorski presented to the commission during a work session. The request was to move forward with the implementation of a 10-camera FLOCK license plate reader system. That request was supported by the Commission and funding was added to the budget. The Public Safety Department is prepared to enter into a 2-year agreement with FLOCK to deploy the system.

AMOUNT REQUESTED: \$72,000

FUND OR ACCOUNT: 101-301-977

STAFF RECOMMENDATION: To approve the purchase and deployment of the Flock camera system.

Action No. 2023-107(c)

Motion by: Commissioner Emory

Second by: Vice Mayor German

To approve the purchase and deployment of the Flock camera system.

Ayes: (7): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Commissioner Hood, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

MOTION PASSES (7 to 0)

7.d Samaritas Payment in Lieu of Taxes (PILOT Agreement) - Development Services

City Staff has negotiated and reviewed a Payment in Lieu of Taxes agreement for commission consideration for an adaptive reuse project at Froebel School into affordable workforce housing apartments.

For several years staff have been attempting to find a partner that had interest and capacity in the adaptive reuse of the long-vacant Froebel School building. Since 2019, we have toured more than 10 entities through the school, and held a community meeting offering several touring opportunities for the public. Through these efforts we have developed interest from Samaritas for the potential installation of affordable housing units by application to the Michigan Statewide Housing Development Authority (MSHDA) Low Income Housing Tax Credit (LIHTC) Program. If awarded, then Samaritas proposes historical preservation and adaptive remodel of the school building into apartments for low to moderate income residents. The attached agreement establishes their payment in lieu of taxes as 2% of net shelter rents. **Note that this is the lowest proposed PILOT of our proposed MSHDA submissions. This is due to the facts that we are the owners of this facility and will incur significant costs to demolish or otherwise redevelop the site, and that Samaritas is a non-profit housing developer with limited capacity to finance and construct facilities compared with for-profit housing development firms.**

If approved by commission, Samaritas is also proposing a Municipal Services Agreement of 3% of net shelter rents, for a total annual payment of 5% of rents. The Municipal Services Agreement (MSA) stays completely with the city to defray costs of public service delivery to the

site, while the PILOT payment is divided proportionally to the other taxing jurisdictions, similar to a traditional property tax payment.

This item is connected to the Samaritas MSA agenda item, as well as the sales agreement item for Froebel School.

STAFF RECOMMENDATION: To approve the Contract for Housing Exemption with Samaritas Affordable Living Froebel Limited Dividend Housing Association Limited Partnership and authorize the mayor and clerk to sign.

Action No. 2023-107(d)

Motion by: Vice Mayor German

Second by: Commissioner St.Clair

To approve the Contract for Housing Exemption with Samaritas Affordable Living Froebel Limited Dividend Housing Association Limited Partnership and authorize the mayor and clerk to sign.

Ayes: (7): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Commissioner Hood, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

MOTION PASSES (7 to 0)

7.f Spire Development, Allen Crossing PILOT Agreement - Development Services - 148 Allen Avenue

City Staff has negotiated and reviewed a Payment in Lieu of Taxes and Municipal Services agreement for commission consideration for a new construction 45 unit Senior workforce/family affordable housing complex at and around 148 Allen Avenue.

Pursuant to our 5 Year Housing Needs Assessments call for over 1,000 rental units priced under \$1,430 a month, staff has made overtures and established relationships with several new Low Income Housing Tax Credit (LIHTC) developers. Spire Development originally responded to our request for proposals at the former Catholic Charities site, and when they were not selected by commission for that project we immediately introduced them to the site owners of this subject property.

Per their request letter, Spire is seeking a PILOT Agreement of 6% of net shelter rents. This should equal roughly \$20,000-24,000 per year for all

taxing jurisdictions to split. Spire is also requesting a 3% Municipal Services Charge, which is detailed in another agenda item in the packet.

STAFF RECOMMENDATION: To approve the Contract for Housing Exemption with Allen Crossing Limited Dividend Housing Association Limited Partnership and authorize the mayor and clerk to sign.

Action No. 2023-107(f)

Motion by: Vice Mayor German

Second by: Commissioner Emory

To approve the Contract for Housing Exemption with Allen Crossing Limited Dividend Housing Association Limited Partnership and authorize the mayor and clerk to sign.

Ayes: (7): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Commissioner Hood, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

MOTION PASSES (7 to 0)

7.I Arena Solar Exemption Certificate Transfer - DPW

Staff requests approval of the attached resolution, supporting the transfer of the PA 328 Exemption Certificate for the Arena Solar Project from New Energy Equity to Sunwealth LLC.

In 2019 the Commission approved a Power Purchase Agreement (PPA) with New Energy Equity (NEE) to place solar on the arena roof. After the pause due to COVID restrictions, New Energy Equity was not interested in continuing the project, so a new agreement was secured with Sunwealth LLC and approved by this Commission earlier this year.

As a part of the previous negotiation a Public Act 328 Personal Property Tax Exemption Certificate was obtained for the project, however it was issued with the system owner named as New Energy Equity. In order to allow the DDA (which would have received the taxes) to transfer the certificate into Sunwealth LLC's name, the City must pass a resolution supporting the transfer.

The attached resolution indicates the City's support for the transfer, and will allow Sunwealth LLC to make formal application to the DDA for the

transfer. This is an important component of the financial benefits to the City, since the tax exemption is a part of the calculations that allow the City to pay a reduced rate for the solar energy compared to grid energy.

STAFF RECOMMENDATION: To approve the resolution supporting the transfer of the PA 328 Exemption Certificate for the Arena Solar Project from New Energy Equity to Sunwealth LLC

Action No. 2023-107(L)

Motion by: Commissioner St.Clair

Second by: Vice Mayor German

To approve the resolution supporting the transfer of the PA 328 Exemption Certificate for the Arena Solar Project from New Energy Equity to Sunwealth LLC

Ayes: (6): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Commissioner Hood, Vice Mayor German, and Commissioner Emory

Absent (1): Commissioner Ramsey

MOTION PASSES (6 to 0)

7.m City Hall Seagull Control System - DPW (Building Maintenance)

Staff requests approval to enter into a contract with Seagull Control Systems of City Island, NY for a post-and-wire seagull control system in the amount of \$27,880.

City Hall has become an annual nesting ground for seagulls, with detrimental effects to the building and surrounding area. The seagulls get very territorial during nesting season and have been known to dive at employees and visitors in an attempt to drive them away. Once hatched the young seagulls are a protected species, so the key is to prevent the nesting behavior in the first place.

Staff solicited proposals and recommends Seagull Control Systems from City Island, New York based on their proposal being the lowest cost post-and-wire system. Great Lakes Nuisance Animal Control is a local option, however they did not respond to our request for a proposal and staff understands the post-and-wire system to be more effective for our issues than the netting system GLNAC would use.

1. Seagull Control Systems (City Island, NY): \$27,880
2. Aviaway Bird Control Systems (Wall Township, NJ): \$36,500

Portions of the City Hall roof are planned for replacement in FY24-25, however this system will be able to be reinstalled after that process with minimal new parts. The effort would be paid for with funds budgeted for the boiler replacement project, which had bids come in under budget.

AMOUNT REQUESTED: \$27,800

FUND OR ACCOUNT: 445 (Public Improvement)

STAFF RECOMMENDATION: To authorize staff to enter into a contract with Seagull Control Systems of City Island, NY for a post-and-wire seagull control system in the amount of \$27,880.

Action No. 2023-107(m)

Motion by: Commissioner Emory

Second by: Commissioner St.Clair

To authorize staff to enter into a contract with Seagull Control Systems of City Island, NY for a post-and-wire seagull control system in the amount of \$27,880.

Ayes: (7): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Commissioner Hood, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

MOTION PASSES (7 to 0)

7.n Fireworks Agreement - Parks & Recreation

Staff is requesting authorization to enter into an agreement with Pyrotecnico Fireworks for \$40,000 for the annual fireworks show in downtown Muskegon, and approval of the fireworks display permit for Pyrotecnico contingent upon inspection of the fireworks and approval of the insurance.

The annual Fireworks contract of \$40,000 will be scheduled for July 4th, 2024. The agreement is of the standard form with Pyrotecnico that the City has entered into for the past several years.

AMOUNT REQUESTED: \$40,000

FUND OR ACCOUNT: 101 (General)

STAFF RECOMMENDATION: To authorize staff to enter into an agreement with Pyrotecnico Fireworks for \$40,000 for the annual fireworks show in downtown Muskegon, and approval of the fireworks display permit for Pyrotecnico contingent upon inspection of the fireworks and approval of the insurance.

Action No. 2023-107(n)

Motion by: Commissioner Ramsey

Second by: Commissioner St.Clair

To authorize staff to enter into an agreement with Pyrotecnico Fireworks for \$40,000 for the annual fireworks show in downtown Muskegon, and approval of the fireworks display permit for Pyrotecnico contingent upon inspection of the fireworks and approval of the insurance.

Ayes: (7): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Commissioner Hood, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

MOTION PASSES (7 to 0)

8. Public Hearings

8.a Establishment of an Industrial Development District - Beacon Recycling, 1241 East Keating - Economic Development

Beacon Recycling has requested the establishment of an Industrial Development District at 1241 East Keating in order to further their expansion plans in the City of Muskegon.

On September 8, 2023, city staff received a letter from Beacon Recycling to request the establishment of an Industrial Development District. Beacon is pursuing an expansion project that will involve the purchase of a new shredder machine to support its existing metal recycling business and the creation of a new materials services division to support the re-use of certain metals. This project has a total capitol investment of \$17,500,000 and the creation of up to 36 new jobs. If the district is passed, Beacon will seek a PA 198 tax abatement to support its development in the City of Muskegon.

STAFF RECOMMENDATION: To approve the resolution establishing an Industrial Development District at 1241 East Keating and authorize the City Mayor and Clerk to sign.

Development Analyst Contessa Alexander provided an overview of the request from Beacon Recycling.

PUBLIC HEARING COMMENCED: No Public Comments were received.

Action No. 2023-108(a)

Motion by: Commissioner Ramsey

Second by: Commissioner St.Clair

To approve the resolution establishing an Industrial Development District at 1241 East Keating and authorize the City Mayor and Clerk to sign.

Ayes: (7): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Commissioner Hood, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

MOTION PASSES (7 to 0)

8.b Lakeside BID Special Assessment Tax Roll Approval - Economic Development

A public hearing has been scheduled to receive comment on a proposed Lakeside Business Improvement District special assessment roll for 2024-2026.

The Muskegon City Commission approved a three-year renewal of the Lakeside BID at its September 12, 2023 meeting, including the district and special assessment rate. The special assessment roll includes 41 parcels and annually would generate \$22,457.44 for the BID at a 20% reduction than the previous 3 years. There were no parcels that have objected to this renewal. The three-year BID budget would focus downtown work on seasonal landscaping, winter sidewalk snow removal, holiday decorations and marketing and events. The City Commission created a Board of Assessors that includes Commissioners Teresa Emory and Michael Ramsey, who will certify the special assessment roll. After hearing public comment, the attached resolution would confirm the BID's special assessment roll for three years.

STAFF RECOMMENDATION: To close the public hearing and approve the resolution to confirm the Lakeside Business Improvement District special assessment roll for the winter tax bills for 2024-2026 and authorize the Mayor and Clerk sign.

Development Analyst Contessa Alexander provided an overview of the request to confirm the special assessment.

PUBLIC HEARING COMMENCED:

A letter was distributed to commission from Mr. Edward Bodman, 1603 Nelson Street - opposed to Short Term Rental Business being included in being assessed as a business in the Lakeside BID District.

Mark Flermoen, Chair of the Lakeside BID District spoke about the benefits to the business of being a part of the Lakeside Business Improvement District.

Action No. 2023-108(b)

Motion by: Commissioner Ramsey

Second by: Commissioner St.Clair

To close the public hearing and approve the resolution to confirm the Lakeside Business Improvement District special assessment roll for the winter tax bills for 2024-2026 and authorize the Mayor and Clerk sign.

Ayes: (7): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Commissioner Hood, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

MOTION PASSES (7 to 0)

9. Unfinished Business

10. New Business

10.a City ARPA Community Grant - Pioneer Resources, Inc. - Manager's Office

* A Conflict of Interest Letter was signed by Commissioner Rachel Gorman related to this item. The Conflict of Interest statement was posted to the City's website and City's Facebook page on August 10, 2023.

<https://muskegon-mi.gov/notice-of-conflict-of-interest/>

To approve the City ARPA Community Grant proposal received from Pioneer Resources, Inc.

As part of the City's ARPA Community Grant program, a proposal from Pioneer Resources, Inc. was received and included within the initial slate of 22 projects recommended for approval by the Commission. It was

tentatively removed from the formal motion by the Commission at the August 7th Regular Meeting pending completion of conflict of interest documentation.

Current City Commissioner Rachel Gorman is a former employee of Pioneer Resources, Inc. Ms. Gorman was not involved in Pioneer's decision to apply, involved in discussions with either City staff or Pioneer staff concerning this project or involved in the discussion or decision by the City Commission concerning Pioneer's grant proposal.

Staff has sent notice to the U.S. Department of Treasury that the city has followed the requirements for a waiver of the conflict of interest pursuant to the City Charter and state law. We are requesting their concurrence with the City's decision and waive any conflict.

STAFF RECOMMENDATION: To approve the City ARPA Community Grant proposal received from Pioneer Resources, Inc., subject to receiving acknowledgement from the U.S. Department of Treasury that they concur with the City's decision and waive any conflict.

Action No. 2023-109(a)

Motion by: Commissioner Ramsey

Second by: Commissioner St.Clair

To approve the City ARPA Community Grant proposal received from Pioneer Resources, Inc., subject to receiving acknowledgement from the U.S. Department of Treasury that they concur with the City's decision and waive any conflict.

Ayes: (5): Mayor Johnson, Commissioner St.Clair, Commissioner Hood, Commissioner Ramsey, and Commissioner Emory

Nays: (1): Vice Mayor German

Conflict (1): Commissioner Gorman

MOTION FAILS (5 to 1)

10.b PRO Housing Grant Leverage Funds - Economic Development/CNS

The Development Services Division is seeking a firm commitment of \$2 million in Public Improvement funds to be used a match/leverage for the Pathways to Removing Obstacles to Housing (PRO Housing) Grant. The City is seeking \$10 million in grant funds through this program that is a

unique extension of the Community Development Block Grant (CDBG) program from the US Department of Housing and Urban Development.

The Pro Housing Grant is intended to identify and remove obstacles to the production and preservation of affordable housing such as: gaps in resources available for development, deteriorating infrastructure, challenges to preserving existing housing stock, and many more. The City is requesting \$10 million for the following eligible activities that will benefit only those residents at or below 80% of area median income:

- **\$3.5 million to establish a Housing Preservation Fund**
 - \$1.5 million for rental rehabilitation
 - \$2 million for owner-occupied housing
- **\$6 million to finance the construction or rehabilitation of affordable housing**
 - \$1 million for acquisition/rehabilitation/resale projects and nonprofit capacity building
 - \$5 million for construction of new units
- **\$500,000 for homebuyer down payment assistance**

Committed leverage funds would allow the application to have an additional 4 points awarded when being considered and ranked for this opportunity. It will serve as proof of the city's investment in affordable housing and maximize the use of the grant funds.

AMOUNT REQUESTED: \$2 million commitment of public improvement funds

FUND OR ACCOUNT: Public Improvement

STAFF RECOMMENDATION: To approve the commitment of \$2 million in Public Improvement funds as leverage for the PRO Housing Grant.

Action No. 2023-109(b)

Motion by: Commissioner Ramsey

Second by: Commissioner Hood

To approve the commitment of \$2 million in Public Improvement funds as leverage for the PRO Housing Grant.

Ayes: (7): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Commissioner Hood, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

MOTION PASSES (7 to 0)

10.c Parks & Rec Advisory Committee - Chair Appointment

Pursuant to the Parks & Recreation Advisory Committee Ordinance the composition of the board shall include one member of the City Commission to be selected by and from the City Commission that will serve as board chair and be a non-voting member.

STAFF RECOMMENDATION: To appoint a member of the City Commission to serve on the Parks & Recreation Advisory Committee as chair to the committee, as a non-voting member.

Action No. 2023-109(c)

Motion by: Commissioner St.Clair

Second by: Commissioner Emory

To appoint, Mayor Ken Johnson, a member of the City Commission to serve on the Parks & Recreation Advisory Committee as chair to the committee, as a non-voting member, term expiring January 31, 2025.

Ayes: (7): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Commissioner Hood, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

MOTION PASSES (7 to 0)

11. Any Other Business

Remarks were made by Commissioners Ramsey and St. Clair, Vice Mayor German, and Mayor Johnson. There was some discussion regarding liens placed on CDBG funded home repairs.

12. Public Comment on Non-Agenda items

Public comments were received.

13. Closed Session

13.a City Manager's Evaluation

Action No. 2023-110(a)

Motion by: Commissioner St.Clair

Second by: Commissioner Ramsey

To go into closed session to review the city managers evaluation.

Ayes: (7): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Commissioner Hood, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

MOTION PASSES (7 to 0)

Amendment:

Motion by: Commissioner St.Clair

Second by: Commissioner Ramsey

To come out of closed session and adjourn.

MOTION PASSES

14. Adjournment

The City Commission meeting adjourned at 9:00 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC - City Clerk