CITY OF MUSKEGON

CITY COMMISSION MEETING

SEPTEMBER 26, 2006

CITY COMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Tuesday, September 26, 2006.

Mayor Warmington opened the meeting with a prayer from Vice Mayor Stephen Gawron after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen Warmington, Vice Mayor Stephen Gawron, Commissioner Lawrence Spataro, Sue Wierengo, Chris Carter, and Kevin Davis, City Manager Bryon Mazade, City Attorney John Schrier, and Acting City Clerk Linda Potter.

Absent: Commissioner Clara Shepherd (excused)

2006-77 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve the minutes of the Commission Worksession held on Monday September 11, 2006 and the Regular Commission Meeting held on Tuesday, September 12, 2006.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the minutes

B. FIRST READING: Rezoning Request for Property Located at 699 Pulaski Avenue. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request to rezone the property located at 699 Pulaski Avenue, from I-1, Light Industrial district to B-4, General Business district.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends approval of the request.

COMMITTEE RECDOMMENDATION: The Planning Commission recommended approval of the request at their September 14th meeting. The vote was unanimous, with T. Michalski and B. Larson absent. **(Requires Second Reading)**

C. <u>FIRST READING: Rezoning Request for Property Located at 236 Monroe Avenue.</u> PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request to rezone the property located at 236 Monroe Avenue, from R-1, One Family Residential district to B-2, Convenience and Comparison Business district.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends approval of the request.

COMMITTEE RECDOMMENDATION: The Planning Commission recommended approval of this request at their September 14th meeting. The vote was unanimous, with T. Michalski and B. Larson absent. **(Requires Second Reading)**

D. <u>FIRST READING: Rezoning Request for Property Located at 1745 Madison Street.</u> PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request to rezone the property located at 1745 Madison Street, from I-1, Light Industrial district to R-1, One Family Residential district.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends approval of the request.

COMMITTEE RECDOMMENDATION: The Planning Commission recommended approval of the request at their September 14th meeting. The vote was unanimous, with T. Michalski and B. Larson absent. **(Requires Second Reading)**

Motion by Vice Mayor Gawron, second by Commissioner Carter to accept the Consent Agenda as read minus item E.

ROLL VOTE: Ayes: Spataro, Warmington, Wierengo, Carter, Davis, and Gawron

Nays: None

MOTION PASSES

2006-78 ITEM REMOVED FROM THE CONSENT AGENDA:

E. <u>Approval of Contractor for Rehabilitation of House at 435 Monroe.</u> COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the contract with Lewis E. Johnson Construction, of 16076 Bonita Court, Grand Haven, Michigan, for the completion of the rehabilitation to be located at 435 Monroe, for the cost of $78,900 (Seventy-eight thousand nine hundred dollars).

After the total rehabilitation is completed the home will be sold to a qualified first-time homebuyer, continuing the City's aggressive neighborhood revitalization efforts in the Nelson neighborhood area under the Operation: "Rejuvenating, Revitalizing, and Resurrecting Our City"

The City received three (3) additional bids:

- J2 Development & Construction, of 109 West Laketon Avenue, Muskegon, Michigan for $ 81, 076 (Eighty-one thousand and seventy-six dollars)
- DeRose Builders Inc, of 7786 Wiczer Drive, Whitehall, Michigan for $86,501.56 (Eighty-six thousand, five hundred and one dollars and fifty-six cents)
- Gawlik Construction, of 5346 East Sternberg Road, Fruitport, Michigan for $87,000 (Eighty-seven thousand dollars)

FINANCIAL IMPACT: The funding for the project will be taken from the City's 2006-2007 HOME funds.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the Community and Neighborhood Services office to develop a contract with Lewis E. Johnson Construction and direct the Mayor and Clerk to sign the contract.

Motion by Commissioner Carter, second by Commissioner Davis to approve the contract with Lewis E. Johnson Construction for 435 Monroe.

ROLL VOTE: Ayes: Warmington, Wierengo, Carter, Davis, Gawron, and Spataro

Nays: None

MOTION PASSES

2006-79 PUBLIC HEARINGS:

A. <u>Spreading of the Special Assessment Roll for Denmark Street, Lakeshore to Crozier.</u> ENGINEERING

SUMMARY OF REQUEST: To hold a public hearing on the spreading of the special assessment for Denmark St. from Lakeshore Dr. to Crozier Ave., and to adopt the resolution confirming the special assessment roll.

FINANCIAL IMPACT: A total of $61,249.92 would be spread against the 32 parcels abutting the project.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: to approve the special assessment roll and adopt the resolution.

The public hearing opened at 5:40 p.m. to hear and consider any comments from the public. No public comments were heard.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to close the Public Hearing at 5:41 p.m. and spread the special assessment roll and adopt the resolution.

ROLL VOTE: Ayes: Wierengo, Carter, Davis, Gawron, Spataro, and Warmington

Nays: None

MOTION PASSES

2006-80 CITY MANAGER'S REPORT:

Mayor Stephen Warmington presented City Manager Bryon Mazade with a plaque from ICMA in honor of his 25 years of service as a City Manager.

2006-81 NEW BUSINESS:

A. <u>Bond Authorizing Resolution 2006 Public Improvement Bonds.</u> FINANCE

SUMMARY OF REQUEST: The City is undertaking construction of a new Central Fire Station and has previously undertaken major recreation projects including completion of the lakeshore trail and improvements at Hartshorn Marina. To finance these projects, it is necessary to issue public improvement bonds. Previously the Commission adopted a Notice of Intent Resolution which notified citizens of the City's intent to borrow and allowed for a 45 day period during which petitions could be filed to force a referendum on this bond issue. The 45-day period elapsed with no petitions being filed and the next step in the bonding process is adoption of the bond authorizing resolution.

FINANCIAL IMPACT: The resolution authorizes the City to borrow $5,400,000, which will be used as follows (amounts include issuance costs): Central Fire Station ($3,696,970); trail project match ($516,067); Marina project match ($1,032,140); Fisherman's Landing restroom reimbursement ($154,823).

The bonds will be paid from CDBG funds (fire station portion), DDA and Marina funds (as available), Fisherman's Landing contract payments, and general funds over 25 years. The bonds will carry the City's limited full faith and credit. This means that if primary income sources fall short of the amount needed to make annual debt service payments, the City's General Fund will be required to make up the shortfall.

The full future financial impact will not be known until bonds are sold and interest rates determined. Bonds are scheduled for sale on Tuesday, October 10th and the results will be brought to the City Commission that same evening for award.

BUDGET ACTION REQUIRED: None at this time. Projected debt service costs were included in the 2007 budget and will be budgeted in future years as well until the bonds are fully retired (2032).

STAFF RECOMMENDATION: Approval of the bond authorizing resolution.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve

the bond authorizing resolution for the 2006 public improvement bonds.

ROLL VOTE: Ayes: Carter, Davis, Gawron, Spataro, Warmington, and Wierengo

Nays: None

MOTION PASSES

B. <u>Request for Final Planned Unit Development Approval for a Residential Development near Sherman Boulevard and Barclay Street.</u> PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: The request for Final Planned Unit Development (PUD) approval for a mixed use commercial and residential development for the southerly portion of 1266 W. Sherman Boulevard, the northerly portion of 1228 W. Sherman, a portion of 1254 W. Sherman and a portion of 2495 Barclay Street. The request is by Hazel Churchley, Exit Your Way, LLC.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends final approval of the PUD provided that the conditions listed in the resolution are met. Staff added an additional condition regarding Fire Department requirements listed in the Planning Commission staff report.

COMMITTEE RECOMMENDATION: The Planning Commission recommended approval of the final PUD, with the conditions listed on the resolution, at their September 14, 2006 meeting. The vote was approved by majority vote, with J. Aslakson voting no, and T. Michalski and B. Larson absent.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the final Planned Unit Development for residential development near Sherman and Barclay with conditions listed on the resolution.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to Table and refer back to the Planning Commission.

ROLL VOTE: Ayes: Davis, Gawron, Spataro, Warmington, Wierengo, and Carter

Nays: None

MOTION PASSES

C. <u>Set Public Hearing for Amendment to Brownfield Plan - Viridian Place at Edison Landing.</u> PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the resolution setting a public hearing for an amendment for the Brownfield Plan, and notifying taxing jurisdictions of the Brownfield Plan Amendment including the opportunity to express their views and recommendations regarding the proposed amendment at the public hearing. The amendment is for the inclusion of property owned by Edison Landing Lot I, LLC ("ELLI"), known as Viridian Place at Edison Landing, located at 600 Terrace Street, in the Brownfield Plan.

FINANCIAL IMPACT: There is no direct financial impact in including the project in the Brownfield Plan, although the redevelopment of the site into a mixed-use development will eventually add to the tax base in Muskegon.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the resolution and authorize the Mayor and Clerk to sign the resolution.

COMMITTEE RECOMMENDATION: The Brownfield Redevelopment Authority met on September 20, 2006 and approved the Brownfield Plan Amendment and recommends the approval of the Brownfield Plan Amendment to the Muskegon City Commission. In addition, the Brownfield Redevelopment Authority recommends that the Muskegon City Commission set a public hearing on the Plan Amendment for October 24, 2006.

Motion by Vice Mayor Gawron, second by Commissioner Carter to set the Public Hearing for the amendment to the Brownfield Plan for October 24, 2006.

ROLL VOTE: Ayes: Gawron, Spataro, Warmington, Wierengo, Carter, and Davis

Nays: None

MOTION PASSES

D. <u>Farmers' Market Relocation Proposal.</u> PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: ANM Real Estate Group (Moses Gross, Watermark) has met with staff regarding the possibility of relocating the Farmers' Market to the former Shaw Walker parking lot. The lot would continue to be owned by the City of Muskegon and would be officially part of the Hartshorn Marina. However, ANM Real Estate would lease the property and manage the relocated Farmers Market. They have submitted a proposal.

FINANCIAL IMPACT: The City would contribute $300,000 from the State of Michigan Waterways grant, which is being used for marina improvements (providing the City receives approval from the State to use the funds for this purpose). ANM would match this amount to complete the Farmers' Market relocation. In addition, they would lease the property from the City (at a minimal rate) and share a percentage of their revenues with the City in the future.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To authorize staff to enter into discussion with ANM Real Estate to develop a lease and management agreement for the relocation of the Farmers' Market to the former Shaw Walker parking lot site.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to authorize staff to enter into discussion with ANM Real Estate to develop a lease and management agreement for the relocation of the Farmers' Market to the former Shaw Walker parking lot site.

ROLL VOTE: Ayes: Spataro, Warmington, Wierengo, Carter, Davis, and Gawron

Nays: None

MOTION PASSES

ANY OTHER BUSINESS: Commission discussed various items.

PUBLIC PARTICIPATION: Various comments were heard from the public.

ADJOURNMENT: The City Commission Meeting adjourned at 6:53 p.m.

Respectfully submitted,

Linda Potter, CMC
Acting City Clerk