

CITY OF MUSKEGON

CITY COMMISSION MEETING

SEPTEMBER 8, 2015

CITY COMMISSION CHAMBERS @ 5:30 P.M.

AGENDA

- ☐ **CALL TO ORDER:**
- ☐ **PRAYER:**
- ☐ **PLEDGE OF ALLEGIANCE:**
- ☐ **ROLL CALL:**
- ☐ **HONORS AND AWARDS:**
- ☐ **INTRODUCTIONS/PRESENTATION:**
 - A. Presentation of 2015 Beautification Awards**
- ☐ **CITY MANAGER'S REPORT:**
- ☐ **CONSENT AGENDA:**
 - A. Approval of Minutes** City Clerk
 - B. Approval of the Use & Maintenance of City Owned Property at 58 E. Grand Avenue** Planning & Economic Development
- ☐ **PUBLIC HEARINGS:**
 - A. Request to Conduct a Public Hearing of the Community & Neighborhood Services Department Consolidated Annual Performance Evaluation Report (CAPER 2014)** Community & Neighborhood Services
- ☐ **COMMUNICATIONS:**
- ☐ **UNFINISHED BUSINESS:**
- ☐ **NEW BUSINESS:**
 - A. Presentation by General Capital Group** Planning & Economic Development
 - B. West Michigan Lake Hawks – City Support** City Manager
 - C. LC Walker Arena** City Manager
- ☐ **ANY OTHER BUSINESS:**
- ☐ **PUBLIC PARTICIPATION:**

- ▶ **Reminder: Individuals who would like to address the City Commission shall do the following:**
- ▶ Fill out a request to speak form attached to the agenda or located in the back of the room.
- ▶ Submit the form to the City Clerk.
- ▶ Be recognized by the Chair.
- ▶ Step forward to the microphone.
- ▶ State name and address.
- ▶ Limit of 3 minutes to address the Commission.
- ▶ (Speaker representing a group may be allowed 10 minutes if previously registered with City Clerk.)

☐ **CLOSED SESSION:**

☐ **ADJOURNMENT:**

ADA POLICY: THE CITY OF MUSKEGON WILL PROVIDE NECESSARY AUXILIARY AIDS AND SERVICES TO INDIVIDUALS WHO WANT TO ATTEND THE MEETING UPON TWENTY-FOUR HOUR NOTICE TO THE CITY OF MUSKEGON. PLEASE CONTACT ANN MARIE MEISCH, CITY CLERK, 933 TERRACE STREET, MUSKEGON, MI 49440 OR BY CALLING (231) 724-6705 OR TTY/TDD DIAL 7-1-1- TO REQUEST A REPRESENTATIVE TO DIAL (231) 724-6705.

Memorandum

To: Mayor and Commissioners

From: Frank Peterson

Re: City Commission Meeting

Date: September 2, 2015

There are a number of items on the agenda that I thought you could use a little background on as you prepare for our meeting.

1. We have a presentation of 2015 Beautification Awards!
2. Under the consent agenda, we are asking the Commission to approve:
 - a. Last meeting's minutes.
 - b. Approval of an agreement to use and maintain a city owned property at 58 E Grand Avenue. This is for a Community Garden.
 - c. Approval of partnership with the West Michigan Lake Hawks. We are recommending that the city, in conjunction with its efforts to create/sustain opportunities for youth, again partner with the Lake Hawks basketball team. This year, we are asking that the commission approve the purchase of 50 tickets (\$10 each) to each home game hosted at Muskegon High School. Additionally, we are asking that the commission approve up to \$1,500 toward game uniforms, practice uniforms, and warm-ups that will display the Watch Muskegon logo. Finally, we are asking that the Commission authorize the City to hire DSE to record and broadcast the home games played at Muskegon High School at a cost not to exceed \$200 per game. We're looking for additional sponsors to help with the uniforms and the broadcasting costs, so our costs could be reduced. At this point, the not to exceed amount would be \$7,100.
 - d. Authorization to hire Tim Taylor as the Executive Director of the LC Walker Arena. Tim has been working for the past month, but we are having a harder time than expected in determining the best way to employ him – via a staffing company, in-house, or via a contract. In the meantime, he's been working in good faith. The plan is to offer Tim a base salary of \$75,000.
2. Public Hearings:

3. Under New Business:

- a. We are re-presenting an initial PILOT request for the property at 275 West Clay. This is the same developer that proposed the project on Clay Ave last year. We asked for some changes in the drawing as well as some changes in the location. There is now a commercial component, and we feel that the design is much more conducive to an urban setting

If there are questions on any agenda items, please try to let staff know in advance, and we will be sure to have the appropriate data/research available at the meeting.

A handwritten signature in black ink, appearing to read "Frank Peterson". The signature is stylized with a large initial "F" and a cursive "Peterson".

Frank Peterson
City Manager

Date: September 8, 2015
To: Honorable Mayor and City Commissioners
From: Ann Marie Meisch, City Clerk
RE: Approval of Minutes

SUMMARY OF REQUEST: To approve minutes of the August 25, 2015 City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

CITY OF MUSKEGON

CITY COMMISSION MEETING

AUGUST 25, 2015

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, MI at 5:30 p.m., Tuesday, August 25, 2015.

Pastor Marcy Miller from Samuel Lutheran Church opened the meeting with 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 Gawron, Vice Mayor Lawrence Spataro, Commissioners Turnquist, Johnson, Hood, German, and Rinsema-Sybenga, City Manager Franklin Peterson, City Attorney John Schrier, and City Clerk Ann Meisch.

2015-59 CONSENT AGENDA:

A. Approval of Minutes City Clerk

SUMMARY OF REQUEST: To approve minutes of the August 10, 2015 Commission Worksession meeting and the August 11, 2015 City Commission meeting.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIREDE: None

STAFF RECOMMENDATION: Approval of the minutes.

B. Youth Basketball League and Open Gym Proposal – Muskegon Public Schools Planning and Economic Development

SUMMARY OF REQUEST: The City of Muskegon has contracted with the Muskegon Public Schools for the management of the Youth Basketball League and Open Gym since 2010. The program has been successful and the Schools would like to manage the program for the 2015-2016 school year. The commission is requested to approve the proposal and authorize staff to enter into an agreement with the Schools for over sight of the basketball program and the Open Gym program.

FINANCIAL IMPACT: The cost for the program is \$18,500 (which has not changed

since 2010).

BUDGET ACTION REQUIRED: Funds are available through the Leisure Services budget.

STAFF RECOMMENDATION: To approve the “Youth Basketball League and Open Gym Proposal” and authorize staff to enter into a formal agreement with the schools.

C. Certification of MERS Representatives Finance

SUMMARY OF REQUEST: The MERS plan document provides that “the governing body for each municipality shall certify the names of two (2) delegates to the Annual Meeting. One delegate shall be a member who is an officer of the municipality appointed by the governing body of the municipality. The other delegate shall be a member who is not an officer of the municipality, elected by the member officer/employees of the municipality.”

The City’s employee units previously agreed to a rotating system (based on date of joining MERS to select one official employee representative. This year the official employee representative attending the MERS conference will be Jan Labrenz (Customer Service Representative II) from the clerical employees’ union group.

It is recommended that Derrick Smith (Finance Director) be designated as the City’s employer delegate.

FINANCIAL IMPACT: Registration for the MERS conference in Grand Rapids is \$175 per person. Additionally, mileage, hotel and related costs will be incurred.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Certification of Derrick Smith and Jan Labrenz to be the City’s officer and employee delegates at the MERS annual meeting in Grand Rapids October 8 – 9.

D. Lakeshore Museum Loan Agreement (LaFrance Fire Truck) Public Safety

SUMMARY OF REQUEST: The Director of Public Safety requests that the City Commission review and authorize the Lakeshore Museum Center Loan Agreement relating to the 1923 American LaFrance Fire Truck with attached equipment. Currently, the LaFrance is on display at the Fire House Museum (Clay Avenue).

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends approval of this loan agreement.

E. Special Liquor License – Michigan Irish Music Festival Public Safety

SUMMARY OF REQUEST: To approve a Special Liquor License for the Michigan Irish Music Festival to serve spirits on September 17 & 18, 2015 from 5PM – 11PM; September 19, 2015 from 11AM – 11PM; and on September 20, 2015 from 12PM – 6PM at Heritage Landing for their Michigan Irish Music Festival event. They have already submitted a Special Event Application. Each serving of spirits must be in a pre-measured format or beverages packaged through authorized manufacturer; no “free pour” is allowed. Their event is a four-day music and cultural festival with food and merchandise vendors, Highland Games, dancing, music stages and spirits tents.

FINANCIAL IMPACT: Any and all City services required will be reimbursed by Michigan Irish Music Festival.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: The Director requests approval for Michigan Irish Music Festival to serve spirits at their authorized event.

G. Sale of Boat Slip (A-08) at Harbour Towne Department of Public Works

SUMMARY OF REQUEST: Authorize staff to negotiate and execute an agreement with Mr. and Mrs. Hall for the purchase of slip #A – 08 at Harbour Towne Marina.

FINANCIAL IMPACT: None at this time, the Hall’s made an offer of \$35,000 to purchase the slip.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Authorize staff to negotiate and execute a purchase agreement with the Halls should staff feel the terms are favorable.

H. Public Safety Director Employment Agreement City Manager

REMOVED PER STAFF REQUEST

I. City Manager Employment Agreement City Manager

SUMMARY OF REQUEST: Approval of the Second Amendment to the Employment Agreement with City Manager Frank Peterson.

FINANCIAL IMPACT:

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the Agreement with Frank Peterson and authorize the City Clerk and Mayor to sign.

Motion by Commissioner German, second by Commissioner Rinsema-Sybenga to accept the Consent Agenda as read with the exception of item F.

ROLL VOTE: Ayes: Johnson, Gawron, Hood, Spataro, German, Rinsema-Sybenga, and Turnquist.

Nays: None

MOTION PASSES

2015-60 ITEMS REMOVED FROM CONSENT AGENDA

F. MSI Property – “Agreement of Purchase and Sale” (PA) Planning and Economic Development

SUMMARY OF REQUEST: One of the properties desired for the new market-rate housing initiative is the MSI owned property across from the Nelson Neighborhood Park. The property contains nine lots that can be developed for market-rate housing. The agreed upon purchase price is \$45,000.

FINANCIAL IMPACT: The City will pay the purchase price of \$45,000, as well as the Survey, City attorney fees, on-half of any escrow costs, the cost of recording the Warranty Deed and any other cost of closing not required by the Seller in the Purchase Agreement. These funds were budgeted as part of the Market-Rate Housing Initiative Program.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the “Agreement of Purchase and Sale” and authorize the Mayor’s signature, as well as authorize staff to proceed with the environmental site assessment and closing on the property, signing the necessary documents.

Motion by Vice Mayor Spataro, second by Rinsema-Sybenga approve the “Agreement of Purchase and Sale” and authorize the Mayor’s signature, as well as authorize staff to proceed with the environmental site assessment and closing on the property, signing the necessary documents.

ROLL VOTE: Ayes: Gawron, Hood, Spataro, German, Rinsema-Sybenga, Turnquist, and Johnson.

Nays: None

MOTION PASSES

2015-61 UNFINISHED BUSINESS:

A. Section – 10-351 (F) (3) Registration of Rental Dwellings Ordinance Amendment Public Safety

SUMMARY OF REQUEST: The Director of Public Safety requests that the City Commission review and authorize the proposed amendment to Chapter 10 Buildings, Article VI, Division 2, subdivision III “Rental Property”, of the City of Muskegon.

This ordinance amendment focuses on sub-section (F) (3) which would allow an “**Alternative Escrow Option**”; in lieu of dwelling fire insurance. The sub-section and associated bullet points (1-7) explain the escrow option for landlords who

cannot obtain insurance or opt not to acquire dwelling insurance to repair or demolish a property after a catastrophic fire event.

FINANCIAL IMPACT: Relieve the City of Muskegon from bearing the expense to demolish uninsured rental properties that are damaged during a working fire.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends approving this ordinance amendment as written.

Motion by Vice Mayor Spataro, second by Commissioner German to approve the ordinance amendment as written

ROLL VOTE: Ayes: Hood, Spataro, German, Rinsema-Sybenga, Turnquist, Johnson, and Gawron.

Nays: None

MOTION PASSES

□ **NEW BUSINESS:**

A. Request for \$9,000 from United Way for Day of Caring 2015 Department of Public Works

SUMMARY OF REQUEST: Authorize staff to grant United Way's request for \$9,000 to purchase and plant landscaping along Seaway Drive as part of their 2015 Day of Caring.

Earlier this year, the City received over \$9,000 from MDOT for a tree cutting violation along Seaway in the City of Norton Shores and they passed that money to us to do exactly what is being proposed by United Way.

FINANCIAL IMPACT: Grant United Way's request for \$9,000 from the major street fund where the MDOT's money was deposited.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Authorize staff to grant the request by United Way.

Motion by Commissioner Hood, second by Commissioner Johnson to authorize staff to grant the request by United Way.

ROLL VOTE: Ayes: Spataro, German, Rinsema-Sybenga, Turnquist, Johnson, Gawron, and Hood.

Nays: None

MOTION PASSES

B. Change Order to add Fourth Street reconstruction to Muskegon/Webster contract Engineering

SUMMARY OF REQUEST: Authorize staff to negotiate and execute a change

order with Jackson Merkey contractors adding the reconstruction of Fourth Street between Houston & Muskegon to the Muskegon/Webster contract.

FINANCIAL IMPACT: Estimated cost for construction is \$67,000

BUDGET ACTION REQUIRED: None, this project is in the current CIP budget.

STAFF RECOMMENDATION: Authorize staff to negotiate and execute a change order with Jackson-Merkey contractors to add Fourth Street.

Motion by Commissioner Johnson, second by Commissioner Rinsema-Sybenga to approve authorize staff to negotiate and execute a change order with Jackson-Merkey contractors to add Fourth Street.

ROLL VOTE: Ayes: German, Rinsema-Sybenga, Turnquist, Johnson, Gawron, Hood, and Spataro.

Nays: None

MOTION PASSES

PUBLIC PARTICIPATION: Public comments were received.

ADJOURNMENT: The City Commission Meeting adjourned at 6:19 p.m.

Respectfully submitted,

Ann Marie Meisch, MMC
City Clerk

Commission Meeting Date: September 8, 2015

Date: September 1, 2015
To: Honorable Mayor & City Commission
From: Planning & Economic Development Department
RE: Approval of the Use & Maintenance of City Owned Property at 58 E Grand Ave

SUMMARY OF REQUEST:

To approve the use and maintenance of the City owned property located at 58 E Grand Ave for a community garden. The property is unbuildable and the City would retain the right to sell the property with the community garden members having time to remove the garden prior to any sales.

FINANCIAL IMPACT:

The City would save on the cost of maintenance of this property.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

To approve the attached resolution and maintenance agreement.

COMMITTEE RECOMMENDATION:

None

Resolution No. _____

MUSKEGON CITY COMMISSION

**RESOLUTION APPROVING THE USE AND MAINTENANCE OF THE UNBUILDABLE
LOT AT 58 E GRAND AVE IN THE MCLAUGHLIN NEIGHBORHOOD.**

WHEREAS, Bruce Mahn, a citizen of the McLaughlin Neighborhood, be allowed to use and maintain the parcel designated as parcel number 24-205-210-0010-00, located at 58 E Grand Ave; and

WHEREAS, the City would reserve the right to sell the property and give the members time to remove the gardens prior to any sales; and

WHEREAS, the maintenance would relieve the City from having to maintain the property and the maintenance costs while the garden is there; and

NOW THEREFORE BE IT RESOLVED, that parcel number 24-205-275-0009-00, located at 58 E Grand Ave be maintained for a community garden by Bruce Mahn and the members of the community garden.

CITY OF MUSKEGON REVISED PLAT OF 1903 W 1/2 LOT 9 & W 1/2 OF S 14.25 FT LOT 8
BLK 275

Adopted this _____ day of _____, 2015

Ayes:

Nays:

Absent

By: _____
Stephen J. Gawron
Mayor

Attest: _____
Ann Meisch, MMC
City Clerk

CERTIFICATION

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, Michigan at a regular meeting held on _____, 2015.

By: _____
Ann Meisch, MMC
City Clerk

Maintenance Agreement

This Agreement is made September 8, 2015 ("Effective Date"), by and between the **City of Muskegon** ("City"), of 933 Terrace Street, Muskegon, Michigan 49440, and Bruce Mahn, Muskegon, Michigan.

Background

- A. "City" is the owner of the vacant lot located at 58 E Grand Ave ("Property").
- B. The parties wish to enter into an agreement regarding the installation and maintenance of a garden located at the Property.
- C. Individual has agreed to perform the installation and physical maintenance of the garden at the Property pursuant to the terms set forth in this maintenance agreement.

Therefore, the parties agree as follows:

1. **General Agreement.** Individual agrees, at the sole cost of the Individual, to perform the installation and physical maintenance of a garden at the Property.
2. **Site Design.** Individual shall submit a garden design for the Property, and receive design approval from the City, prior to installation. City agrees not to unreasonably withhold its approval of the garden design. Any necessary permits or variances (fencing, lighting, electrical, plumbing, etc.) are the responsibility of the Individual and not the City and must be obtained prior to performing any work.
3. **Maintenance.** Individual shall be responsible for the physical installation of the garden and continuing maintenance of the Property, including i) mowing, trimming, fertilizing, weed control and any other routine maintenance of the grass, trees, shrubs and plantings at the Property, and ii) trash and litter removal from the Property.
4. **Buildable Lot.** City retains the right to sell the property at any time without prior notice to the Individual. In the event the property is sold, City shall notify the Individual, who shall have 30 days to remove any plantings and other items installed by the Individual.
5. **Term.** This maintenance agreement shall continue in effect until terminated by either party. Upon termination, Individual waives any claim against City for installation or maintenance of any item on the Property.
6. **Insurance.** Should the Individual place any items (picnic tables, grills, etc.) that are to remain on the property for an extended period of time, the Individual must purchase liability insurance and provide proof of the insurance to the City.
7. **Hold Harmless.** Individual shall indemnify, defend and save City harmless from and against any and all claims, actions, damages, liability and expense in connection with the loss of life, personal injury or damage to property arising from any occurrence in or about the Property or from the occupancy or use by Individual of the Property or any part thereof or resulting in whole or part from any act or omission of Individual, its employees, invitees, licensees, contractors or agents. City shall not be liable for any injury to the person or property of Individual or any other persons on the Property resulting from the criminal or negligent acts of third persons occurring on or nearby the Property.

[signatures appear on following page]

City of Muskegon, a municipal corporation

By: _____

Name: Stephen J Gawron

Title: Mayor

Date: _____

By _____

Name: Ann Meisch, MMC

Title: Clerk

Date: _____

Name: _____

Date: _____

Commission Meeting Date: September 8, 2015

Date: September 01, 2015
To: Honorable Mayor & City Commission
**From: Community and Neighborhood Services
Department**
**RE: Request to Conduct a Public Hearing of the
Community & Neighborhood Services Department
Consolidated Annual Performance Evaluation
Report (CAPER 2014)**

SUMMARY OF REQUEST: To conduct a public hearing of the 2014-2015 CAPER projects funded through CDBG and HOME allocations to the City of Muskegon Community and Neighborhood Services department.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To submit the 2014-2015 CAPER, including any public comments received during the 30 day comment period ending September 22, 2015.

COMMITTEE RECOMMENDATION: None



City of Muskegon
Community Development Block Grant
Consolidated Annual Performance and Evaluation Report
2014 Grant



SUMMARY

We experienced a typical year except for the 2 additional projects to impact our core neighborhood included in our downtown development area. For the most part, we managed to complete 8 vinyl siding projects for eligible citizens and repaired close to 40 (goal) residences. However, the most significant changes, unlike past years, were in demolitions and board-ups of abandoned structures- they were noticeably increased in number. The city is trying to produce a more positive image that better represents our strengths and services, so addressing blighted neighborhoods is just one initial step to reaching this goal.

The Target neighborhood identified was census tracts 6.01 and 6.02, otherwise known as Nelson Neighborhood. The completion of Merrill Street was a benefit to the neighbors not only aesthetically, but emotionally as well because it was a visual investment of funds in an otherwise untouched neighborhood. Our concentration in this area offered citizens and youth an opportunity to work alongside a very active neighborhood association. There have been 3 rental rehabilitation projects started, 5 housing repair assistance activities and 2 vinyl siding constructions completed.

Assisting citizens with Priority Housing repairs - specifically roofs, which made up over half the repairs provided when a huge windstorm damaged several homes in our community. Many households sought help to make the necessary repairs that would keep them safe in their homes, and many received help with their furnaces through our partnership with DTE. Other services requested were for electric and plumbing defects. Below is a snapshot of the programs utilizing CDBG funds:

2014-15

		OBJECTIVE	OUTCOME
HOUSING PRIORITIES	HOUSING REPAIR	40 UNITS	37 UNITS
	VINYL SIDING	10 UNITS	8 UNITS
	RAMPS	3 UNITS	4 UNITS
NON-HOUSING PRIORITIES	DEMOLITION	DEMOLISH 10 HOUSING UNITS	9 HOUSING UNITS DEMOLISHED
	BOARD-UPS	BOARD 30 HOUSING UNITS	78 HOUSING UNITS BOARDED
OTHER ACTIVITIES	SUMMER INTERNS	2-3 INTERNS	2 INTERNS

We worked with our sister cities- Muskegon Heights and Norton Shores, as well as the County of Muskegon to leverage funds with the DTE Energy Test and Tune program. We gained the ability to stretch our funding and include more citizens while installing updated efficient features like programmable thermostats. Through this effort we were able to leverage our Priority Housing activities city-wide. The momentum from the previous year helped us market this year-round opportunity throughout the county. Our partnership proved to be vital for families that would be ineligible for our program but were allowed access to this service county-wide.

DTE program statistics include 24 county residents; 19 were in the city limits, and of those, only 2 required that we include CDBG funds to complete the work performed. Our purpose in what we do was performed - helping low-moderate income families with housing repairs to keep their homes safe and suitable for living.

Fair Housing

Each year Muskegon County and our sister cities, Muskegon Heights and Norton Shores, partner through an Inter-agency agreement which contracts with the Fair Housing Agency of West Michigan (FHA). This agreement enlists surveys, testing, training and reports explaining our Muskegon area fair housing behaviors and tendencies. This year we signed a two year agreement to continue the monitoring of our area agencies and to connect with our citizens that reported possible housing discriminatory actions. The opportunity to reduce unjust practices will strengthen our communities. In light of our reporting schedules for Action Plans and end of the year reports to HUD, we opted to have the FHA provide us with a mid-year and end of the year report. This change saved us all money and it is easier to review within our annual budget schedule.

Municipality	Approx. Population	Percentage of total	Financial Responsibility
City of Muskegon	37,213	22	4500
City of Norton Shores	23,998	14	2500
City of Muskegon Heights	10,831	6	1000
County of Muskegon	171,008	58	7000
TOTALS	243,150	100%	\$15,000

Affordable Housing

HOME activities for CHDOs and our Homebuyer Program were very successful. Two agencies received CHDO reserve dollars to produce 3 housing units- 1 homebuyer and 2 rentals. The city was able to rehab one property. There was one acquisition that ended in a demolition and lot split between the two adjacent neighbors. However the homebuyer properties will close within 6 months of completion producing two units this funding cycle.

Using the 2009 Building Code standards as our rehabilitation/new construction standard, all housing projects within the City of Muskegon conform to our local code enforcement team of inspectors. Inspection reports and staff monitoring are important safeguards throughout the building process.

We continue to work together on the promotion of qualified contractors that provide quality work that meet our housing codes while promoting efforts to reach minority and female-owned businesses. Recently, our Affirmative Action department updated policies to include local minority-owned businesses in our selection process. The procurement process for using contractors has been extended to two-year contracts of service to avoid delays in our activity operations.

General Questions

Any obstacles we faced in meeting the underserved needs could be linked to our funding resources. We do not have a match requirement in our community, so the biggest challenge was met head on by the reduction of Muskegon's 2011 grant allocation. We dropped below 1 million in CDBG money, was forced to make policy changes to offset less funding, we continued to serve low income households and ultimately, we could only fund one sub-recipient agency to help us carry out our goals. 2014 remained constant with just the one agency, LOVE Inc. We continue to offer grants from our entitlement funds to provide youth with after-school activities - open gym, and a number of summer programs and activities geared to engage children and offered specific character building programs.

THE PROCESS

Operations

Staff from Community and Neighborhood Services is working with local departments, outside agencies and commissioners to move forward on our plans to provide services to our low to moderate income citizens. Our efforts to assist a local unit of government have gone well for 7 years. Increasing our partnerships has enhanced the community's perception of us working together. It is clear that we have the staff capacity to continue this level of service work as well as performing contractual duties in another municipality.

Lead-Based Paint

The County of Muskegon's Lead Hazard Reduction Program, managed by the County Treasurer's Department, has agreed to assist with 2 owner-occupied homes with our commitment, and 3 rental units were completed. The City of Muskegon continues to partner as a funding agent for rentals units within our city limits in an effort to make safe housing units for young children. The free testing offered by this grant allows lead-based paint hazard remediation, which supports our goal to reach more families, leverage dollars, increase partnership, and most importantly, we are part of producing decent housing units for households with children. We meet these challenges when we:

- Publicize the program to every property owner requesting rental assistance for rehabilitation
- Accept vinyl-siding applications assisted with lead-based paint remediation

The county will test; we will cover non-lead rehab costs at a ratio of 50/50, and if necessary, fill the gap above the maximum grant threshold. We are committed to reducing lead based paint hazards in rental units in the City of Muskegon and we have made every effort to partner with the County to help our renters and landlords in this regard.

Community Development

Our Affirmative Action director solicited the local high school and colleges for internship opportunities within the City of Muskegon. This year a task force of one commissioner and I interviewed agencies that could help youths who will be returning to high school and we were able to conduct a series of meetings with Michigan Works for our 2015 funding year. At least five young people were identified through a workshop requesting that they reside and attend Muskegon Public Schools. The agreement will be to provide a learning atmosphere for our youth to gain work skills, to highlight local employers, and set in motion future hires.

HOUSING NEEDS

Goals and objectives met during Action Plan 2014 are tabulated below:

Type of Repair					Total Amount	Ethnic					Senior	Income		
R	F	E	P/S	O		B	W	H	A	AI		60%	30 - 50%	20%
1					\$6,633.00	1						1		
1	1				\$6,679.00		1						1	
			1		\$1,000.00	1							1	
1					\$12,686.00			1					1	
			1		\$1,265.00		1						1	
			1		\$100.00		1				1			1
			1		\$1,200.00		1				1		1	
			1		\$800.00		1				1		1	
1					\$6,677.00	1							1	
1					\$5,195.00		1						1	
1					\$21,593.00	1							1	
1					\$3,688.00		1				1		1	
1					\$7,928.00	1							1	
	1				\$3,055.00		1						1	
1					\$4,525.00	1							1	
1					\$3,978.00		1							1
	1				\$2,200.00		1				1	1		
		1			\$2,024.00	1							1	
			1		\$13,304.83	1					1	1		
1					\$4,511.00		1					1		
			1		\$2,500.00		1				1		1	
	1				\$4,600.00		1				1	1		
1					\$6,811.00	1					1		1	
1					\$5,868.00	1							1	
	1		1		\$4,800.00	1							1	
	1	1			Boiler		1				1	1		
1					\$4,977.00	1							1	
1					\$5,428.00	1					1		1	
1					\$7,769.00		1				1		1	
1					\$3,988.00	1					1	1		
1					\$11,032.00		1						1	
	1				\$6,417.00		1							1
	1				\$2,470.00	1						1		
	1				\$2,775.00	1					1			1
			1		\$1,800.00		1				1		1	
1					\$5,787.33		1				1	1		
1					\$3,738.00		1				1		1	
20	9	2	9	0	\$197,691.16	16	20	1	0	0	17	9	24	4

*R=Repair F=Furnace E=Electric P/S=Plumbing/Sewer O=Other

INCOME		
<30%AMI 4	30-50%AMI 24	50-60 AMI 9
HEAD OF HOUSEHOLD		
Male- 17 Female- 20		

Install Total	Supply Total	Total Amount	Ethnic					Income			Senior		FHH		HH	
			B	W	H	A	AI	20%	50%	60%	Y	N	Y	N	Y	N
\$4,643.75	\$3,067.16	\$7,710.91	1							1		1	1			1
\$2,569.75	\$2,588.25	\$5,158.00		1				1			1		1			1
\$5,523.75	\$573.95	\$6,097.70		1					1			1	1			1
\$3,440.75	\$2,392.02	\$5,832.77	1						1		1			1		1
\$3,736.75	\$3,980.58	\$7,717.33		1					1		1		1		1	
\$3,162.75	\$2,453.12	\$5,615.87	1						1			1		1		1
\$5,437.75	\$3,773.37	\$9,211.12	1						1			1	1		1	
\$2,352.75	\$1,644.77	\$3,997.52		1						1		1		1		1
		\$51,341.22	4	4	0	0	0	1	5	2	3	5	5	3	2	6

*occupants are below 30% AMI

FHH- Female Head of Household

HH- Handicap

Our intent to improve programs and streamline the process by which we assist families was strengthened when we restricted households to a 10 year limitation to program services. Families could not return to receive new housing repairs if previously assisted, which prolonged the life of our budget. Without limits, our citizens returned for help annually on a regular basis. As a result of our 10 year limit, staff was able to utilize grant funds to repair more roofs than in previous years and provide new citizens with housing repair assistance. We are proud to say that no one was turned away needing assistance because we ran out of funds.

For all of our housing programs, we did not displace any homeowner. It is necessary to state that our CDBG funded programs were limited to our entitlement allocation and any additional resources were covered by (PI) Program Income received from the CDBG programming.

HOME

Affordable, decent and safe housing is critical to goals and objectives of the 2011 Consolidated Plan activities.

ACTIVITIES	5 YR PROJECTION	PREVIOUS PROGRESS	2014 PROGRESS
Acquisition	2	2	0
New Construction	5	3 *	2
Rehabilitation	10	8	0
Rental	10	10*	3

*CHDO Assisted

The City of Muskegon's Homebuyer Assistance Grant was new to our program roster and used the Program Income to fund it.

		<u>Households Income ≤ 80% AMI</u>			
GENDER	RACE	FAMILY SIZE	PURCHASE PRICE		NEIGHBORHOOD
			(Homebuyer Assistance)		
F	WHI	3	\$72,900	(\$5,546.46)	Glenside
M	WHI	1	\$72,900	(\$5,600.00)	Glenside
F	WHI	1	\$60,000	(\$5,360.00)	Nims
F	BLK	1	\$48,000	(\$5,000.00)	Nims
F	WHI	1	\$59,900	(\$4,819.16)	Lakeside
F	BLK	3	\$67,900	(\$3,483.72)	Nims
F	WHI	1	\$39,000	(\$4,072.64)	Nelson
F	WHI	3	\$69,900	(\$5,209.33)	Nims
F	WHI	1	\$35,000	(\$4,632.38)	Campbell
F	WHI	1	\$47,000	(\$4,178.87)	Campbell
2014 Homebuyer Assistance Grant Total			<u>\$ 47,902.58</u>		

The italicized grant assistance indicates amounts above \$5000 for the added cost of a Lead Risk Assessment.

Public Strategy

As the governmental entity for our Public Housing Agency residing in our city limits, they continue to affirm that our plans fit the consolidated plan, which supports suitable living environments for low-income households. To promote homeownership, the City of Muskegon continues to actively engage with the Housing Commission, and now two City employees are board members. A new director is in place and changes to services because of new leadership have worked to improve the public perception of the housing agency.

The challenges have been met and now they are back in charge of their financial systems without bi-weekly approvals from HUD's Public Housing staff. Strategies to support a stronger relationship between the agency and city have grown and enhanced our community.

Barriers to Affordable Housing

Current identifiable barriers to affordable housing are FHA mortgages, banks willing to invest, and financing for families with moderate credit scores- 580 to 620. Several banks have limited low income families' abilities to purchase affordable homes that are considered non-conforming collateral. Home selection was limited and the inability to acquire homes in the areas of marketability has hampered our search for a reasonable property to rehabilitate.

At least 4 homes were bid and each time we came up with nothing. The housing market has shifted to produce more buyers than homes available to purchase. The competition is fierce and we have been forced to purchase land in city neighborhoods that have not been inhabited with our housing target. This brings about a new dynamic of social issues.

We have had a Lease with Option to Purchase program, but no one has purchased the home that they are currently renting. However, our inventory in this program has diminished; one property sold and two remain occupied with the original tenants.

Neighborhoods in need of assistance for playground equipment and recreational apparatus were just a few enhancements that we supported through our Neighborhood Grants. We supported the efforts of the neighborhood

associations to ensure that the requested improvements happened. Improving neighborhoods will remove barriers to affordable housing in areas that are questionable to market sales.

In addition, we have worked with the Fair Housing Agency of West Michigan to identify barriers to families who may have experienced discrimination, which can be considered a barrier to affordable housing. Our collaboration with our sister cities supports a positive action toward furthering fair housing choice in Muskegon.

This agreement commissions the Fair Housing agency to address realtors, service agencies and public officials, all in an effort to help eliminate barriers of housing discrimination. Twice a year, we receive reports about what they have found and what they perceive as solutions to any foreseen areas of affordable housing options.

Homeless Needs

In our community, Muskegon is an active board member of the Continuum of Care Coalition. Local agencies have experienced some changes with the leadership; another agency has assumed the role of tracking the clients and offering housing vouchers to households at risk of becoming homeless.

Actions taken to deter homelessness

- Staff training
- Recruitment of landlords
- Multi-agent programs for at risk families
- Support groups
- Improved housing opportunity facilities

More funding for families in the area of rental assistance was accomplished. Previously cut off from any type of assistance, a family could re-apply for rent subsidy dollars that were released to our area early spring 2012. These federal dollars helped to prevent eviction which leads to homelessness.

Non-Homeless Special Needs

People Living Below Poverty

Our commission members agreed to fund a local, sub-recipient grant funds to help low-income families pay utilities and rent. **Love INC** has been assisting area households with utilities and ramps for the past 4 years. Monitoring their success of 13 residents of the City of Muskegon with rent/utility assistance, the following is a breakdown of those non-homeless, households:

<u>Income Level *</u>	
Extremely Low	9
Very Low	4
Low	0
<u>Ethnic Group</u>	
Black	5
White	3
Latino	5

* Low: 60 – 80% Very Low: 30 – 50% Extremely Low 20% >

HOPWA

The City of Muskegon is home to a HOPWA funded agency who has submitted plans that coincide with the City's Consolidated Plan as a Housing priority for affordable housing units. No direct financial assistance has been given to the agency but any improvement in local properties is a perceived benefit for any persons facing eviction and struggling to afford a suitable place to live.

Because the City of Muskegon does not receive HOPWA funding, our role is simple: We are available to meet the needs of all of our citizens regardless of race, religion, color, national origin, age, familial status, marital status, sexual orientation or gender identity, and an agency that supports this effort.

Emergency Shelter Grant

Not funded directly, but several Continuum of Care coalition members report on the County's funding. The needs of at-risk families have been served by the circle of shelters, programs and community organizations receiving state funding.

Comments

Commission Meeting Date: September 8, 2015

Date: September 3, 2015
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
RE: Presentation by General Capital Group

SUMMARY OF REQUEST:

General Capital Group will be making a presentation on the site that they are considering for their new mixed use development project. They will be requesting a PILOT for the project in the near future.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

None

COMMITTEE RECOMMENDATION:

None

Three golden wheat stalks are positioned diagonally across the center of the image, behind the text.

BERKSHIRE
Muskegon

275 WEST CLAY AVENUE

GENERAL CAPITAL
GROUP

The logo for General Capital Group features the text "GENERAL CAPITAL" in a white, serif font, with "GROUP" in a smaller, white, sans-serif font below it. The text is set against a dark green background with a horizontal line separating the two parts.

GENERAL CAPITAL
GROUP

Family-owned Midwest
developer of high-quality
affordable housing and
commercial properties.

1,600 portfolio units

Berkshire Communities brand of
independent senior housing

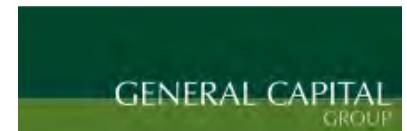
The Berkshire logo features the word "BERKSHIRE" in a bold, red, serif font. To the right of the text is a stylized, yellow, brush-stroke-like graphic that resembles a feather or a fan of lines.

BERKSHIRE



GENERAL CAPITAL GROUP

- 20 year old firm
- Headquartered in Milwaukee, with offices in Chicago
- 20 Employees
- 20 LIHTC Deals as GP, Fee Developer and/or General Contractor
- Over 50 Commercial Developments (Mixed Use, Industrial, Retail and Build to Suit)



AREA MAP



PROJECT OVERVIEW

- Mixed Use Building
- Senior Independent Living
- Mixed Income Project
- Currently Vacant Site

BUILDING DETAILS

- 3 Story Mixed Use Building
- 79 Units
- 56 1-BR Units 23 2-BR Units
- Underground parking for residents
- Surface parking behind building

Architectural Design: Traditional Architecture Compliant with Muskegon's New Form Based Code



BUILDING QUALITY AND DESIGN

- High quality, brick exterior
- Well articulated building exterior with attention to pedestrian details
- Traditional architectural design that fits into Downtown Muskegon context
- Commercial space on corner of 1st & Clay



[illegible]

**FIRST FLOOR
LAYOUT**
31,675 S.F.

BUILDING AMENITIES

- 1,800 Sq. Ft. Commercial / Retail Space
- Working on TangleWood Satellite Office
- Significant Common Area
- Community Room
- Exercise Room
- Library / Business Center
- Outdoor courtyard and terrace areas
- On Site Manager and Leasing Office

PROJECT BENEFITS

DOWNTOWN DEVELOPMENT

- Catalytic project for Downtown Muskegon: Significant investment on vacant infill site.
- Attractive Building: sets good precedent for responsive urban design and building quality
- Early implementation win for Form Based Code
- Commercial Retail Space
- Tanglewood Satellite Office will provide services for Berkshire residents and larger community

PROJECT BENEFITS ECONOMIC DRIVER

National Association of Home Builders Estimates in First Year
a 100 Unit LIHTC Property Will have Following Benefits:

- \$8.7 million in additional wages for local workers and profits for proprietors of business
- \$3.3 million in additional taxes for federal, state and local governments
- 116 additional jobs

PROPOSED BUILDING RENT STRUCTURE

60% Area Median Income Units – 47 (1 BR Rent \$524 / 2 BR Rent \$623)

40% Area Median Income Units - 26 (1 BR Rent \$321 / 2 BR Rent \$379)

30% Area Median Income Units – 6 (1 BR Rent \$219 / 2 BR Rent \$257)

PILOT ECONOMICS

Total 2014 Real Estate Taxes -- \$3,9701

Current Assessed Value -- \$64,400

PILOT Request: \$22,195

TO: Honorable Mayor and City Commissioners

FROM: Frank Peterson, City Manager

DATE: September 3, 2015

RE: West Michigan Lakehawks

SUMMARY OF REQUEST:

TO authorize staff to support of the West Michigan Lake Hawks as follows:

1. Purchase 50 tickets to each of the 8 home games played at Muskegon High School – to be provided to youth-related community organizations.
2. The video broadcasting of all 8 games hosted at Muskegon High School.
3. Advertising of the Watch Muskegon campaign on game uniforms, practice uniforms, and warmups.

FINANCIAL IMPACT:

Not to exceed \$7,100

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

To authorize city staff to participate in the Lakehawks 2015-16 season as presented.

COMMITTEE RECOMMENDATION:

TO: Honorable Mayor and City Commissioners

FROM: Frank Peterson, City Manager

DATE: September 3, 2015

RE: LC Walker Arena

SUMMARY OF REQUEST:

To authorize staff to hire Tim Taylor as the Chief Executive Officer of the LC Walker Arena at a salary not to exceed \$75,000 annually.

FINANCIAL IMPACT:

\$75,000 annually

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

To authorize city staff to complete the hire and negotiate a contract with Tim Taylor.

COMMITTEE RECOMMENDATION: