

CITY OF MUSKEGON
CITY COMMISSION WORKSESSION
Monday, August 10, 2020
5:30 pm
City Commission Chambers
REMOTE MEETING

MINUTES

2020-47

Present: Mayor Gawron, Vice Mayor Hood, Commissioners Rinsema-Sybenga, Emory, Johnson, Ramsey, and German.

Absent: None.

Bid Renewal Recommendation

Chair of the BID Board, Bob Tarrant, spoke about the recommendation to renew the BID for the next three years. There are two main services they want to continue which is snow removal and extra landscaping. This is the last time the BID board plans to ask for an extension of the BID and hopes the expenses will be covered a different way moving forward.

The recommendation includes no change to the rate which is an annual 8 cents per square foot of land capped at \$4,000 per property with industrial type uses at 4 cents capped at \$2,000 per property.

Swan Alpha - Development Agreement

City staff has been working with Swan Alpha Development on a proposal to reuse the former Farmers Market site as a residential development. The development would add 53 new units to the site over two project phases.

We are proposing a development agreement that follows much of the framework of the West Urban Properties Development Agreement. This project is very similar in that the developer intends to build a combination of detached and attached single-family homes that will be made available for rent. These properties will function more like a single multi-family development on one or two adjacent parcels. One key difference between this agreement and the West Urban Agreement is that this agreement does not ask the City to subsidize any rents. The only proposed use of the "Swan Alpha Development Fund" would be in the event that the city's tax assessor sets the property assessment for the 53 units above the anticipated amount. Note that this amount is similar to the benefit that would be expected with a Neighborhood Enterprise Zone certificate. The development agreement does contemplate that the City of Muskegon would make certain investments in the infrastructure necessary for the second phase. These improvements (underground utilities, alleys, greenspace, trails, etc.) are reimbursable expenses in the scattered site brownfield plan. \$777,000 is contemplated for reimbursement here. Note

that 287 East Muskegon and 227 Eastern are included in the Brownfield, but not the purchase agreement - these areas are being held for park/greenspace improvements.

Mike Kalis, with Swan Alpha Development, explained the homes will be two, three, and four bedroom homes along with duplexes for rent. Currently there are no plans to list the homes for sale.

Groundwater Ordinance Amendment

The City has received a petition from Consumers Energy to designate the Veterans Memorial Park parcel under the water supplies ordinance. The ordinance prohibits the use of groundwater wells and secondary water supplies under certain circumstances and in certain locations, to prevent exposure to contaminated groundwater, as well as to prevent wells from influencing the movement of contaminated water.

Muskegon Social District Plan

The City of Muskegon seeks to take advantage of Michigan Public Act 124 of 2020 signed into law on July 1, 2020. This is enabling legislation that would allow Michigan municipalities to establish Social Districts that would allow for “common areas” where two or more contiguous licensed establishments (bars, distilleries, breweries, restaurants and tasting rooms) could sell alcoholic beverages in special cups to be taken into the area for consumption. Muskegon city administration through a collaboration of all City Hall departments is designing a Muskegon Social District and the policies parameters and management of this new community development tool. This Muskegon Social District Plan is being shared with potential license holder users for refinement of the plan, a final draft will be presented to the Muskegon City Commission for approval and sent on to the Michigan Liquor Control Commission for state concurrence.

Public Comments – Public Comments were received.

The Worksession Meeting adjourned at 8:00 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC – City Clerk