CITY OF MUSKEGON

CITY COMMISSION MEETING

AUGUST 8, 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, August 8, 2006.

Mayor Warmington opened the meeting with a prayer from Elder George Monroe from the Evanston Avenue Baptist Church 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 Clara Shepherd, Lawrence Spataro, Sue Wierengo, Chris Carter, and Kevin Davis, City Manager Bryon Mazade, City Attorney John Schrier, and Acting City Clerk Linda Potter.

2006-66 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve the minutes of the Regular Commission Meeting that was held on Tuesday, July 25, 2006.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

D. Tool & Die Recovery Zone Status for Aero Foil International, Inc. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the Development Agreement and Resolution establishing a Tool & Die Recovery Zone for Aero Foil International, Inc., 1839 Sixth Street.

FINANCIAL IMPACT: The City will forgo approximately $22,660 per year for a total of approximately $192,610 in taxes for the 15 year period of the zone. This is only for portions of 2012, 2013, 2014 and all of years 2015 – 2021 (as the property is currently located in a Renaissance Zone). In addition, any future investments would be tax exempt also.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the Development Agreement and Resolution establishing a Tool & Die Recovery Zone, and authorize the Mayor and Clerk to sign.

E. **<u>Reaffirmation of the Metropolitan Planning Organization Policy Committee.</u>** CITY MANAGER

SUMMARY OF REQUEST: To reaffirm, by resolution signed by the Mayor, the City's membership on the WestPlan Policy Committee as the Metropolitan Planning Organization Policy Committee for the Muskegon/Grand Haven Urbanized Area transportation planning program.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the request.

Motion by Commissioner Carter, second by Vice Mayor Gawron to approve the Consent Agenda as read minus items C and B.

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

Nays: None

MOTION PASSES

2006-67 ITEMS REMOVED FROM THE CONSENT AGENDA:

B. **<u>Liquor License Request – Racquets Downtown Grill, 446 W. Western.</u>** CITY CLERK

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from Southbound Inc., doing business as Racquets Downtown Grill, to add a new permit for Outdoor Service.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: All departments are recommending approval subject to final inspection.

Motion by Commissioner Carter, second by Commissioner Spataro to approve the liquor license request for Racquets Downtown Grill, 446 W. Western.

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

Nays: None

MOTION PASSES

C. **<u>City – MDOT Agreement for Western Avenue, Third Street to Eighth Street.</u>** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the contract with Michigan Department Of Transportation for the reconstruction of Western Avenue from Third Street to Eighth Street and to approve the resolution authorizing the Mayor and City Clerk to sign the contract.

FINANCIAL IMPACT: The estimated total construction cost of the project is $633,800.

BUDGET ACTION REQUIRED: None at this time. The City's share of the cost will come out of the major Street funds as was budgeted and through CDBG grant funding, and a $50,000 grant from the Community foundation.

STAFF RECOMMENDATION: That the agreement and resolution be approved.

Motion by Commissioner Spataro, second by Commissioner Shepherd to approve the City – Michigan Department of Transportation Agreement for Western Avenue, Third Street to Eighth Street.

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

Nays: None

MOTION PASSES

2006-68 PUBLIC HEARINGS:

A. Request for an Industrial Facilities Exemption Certificate – ESCO. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Pursuant to Public Act 198 of 1974, as amended, ESCO, has requested the issuance of an Industrial Facilities Exemption Certificate for the property located at 1221 E. Barney, Muskegon. The total capital investment is approximately $3,374,253 in personal property and $58,647 in real property. This request qualifies ESCO for a term of twelve years for real property and seven years for personal property.

FINANCIAL IMPACT: The City will capture certain additional property taxes generated by the expansion.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the resolution granting an Industrial Facilities Exemption Certificate for a term of twelve years for real property and seven years for personal property.

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

Motion by Vice Mayor Gawron, second by Commissioner Spataro to close the public hearing at 5:41 p.m. and approve the resolution granting the Industrial Facilities Exemption Certificate for twelve years for real property and seven years for personal property for ESCO.

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

Nays: None

MOTION PASSES

B. Create a Special Assessment District for Getty Street, Hovey to Keating.

ENGINEERING

SUMMARY OF REQUEST: To hold a public hearing on the proposed special assessment for Getty Street, from Hovey to Keating; and to create the special assessment district and appoint two City Commissioners to the Board of Assessors if it is determined to proceed with the project.

FINANCIAL IMPACT: None at this time.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To create the special assessment district and assign two City Commissioners to the Board of Assessors by adopting the resolution.

The Public Hearing opened at 5:43 p.m. to hear and consider any comments from the public. The following spoke in opposition: Michelle Poholski, 5845 Maple Island, Nunica, MI owner of 2306 S. Getty; Attorney Annette Smedley, 3006 Glade, representing 2152 S. Getty, 2214 S. Getty, and 2222 S. Getty; Tom George, 535 Seminole, owner of 2350 S. Getty; and Roy Kittle owner of Budget Transmission at 2280 S. Getty.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to close the Public Hearing at 6:10 p.m. and create the special assessment district for Getty Street, Hovey to Keating and to include 2152 S. Getty, 2214 S. Getty, and 2222 S. Getty as voting "no".

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

Nays: None

MOTION PASSES

Mayor Warmington and Commissioner Carter were assigned to the Board of Assessors.

C. <u>Spreading of the Special Assessment Roll for Cherry Street, Wilcox to Thompson.</u> ENGINEERING

SUMMARY OF REQUEST: To hold a public hearing on the spreading of the special assessment for Cherry Street from Wilcox Avenue to Thompson Avenue, and to adopt the resolution confirming the special assessment roll.

FINANCIAL IMPACT: A total of $23,808 would be spread against the thirteen 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 6:12 p.m. to hear and consider any comments from the public. No public comments were heard.

Motion by Commissioner Spataro, second by Commissioner Davis to close the Public Hearing at 6:13 p.m. and approve the special assessment roll and adopt the resolution for Cherry Street, Wilcox to Thompson.

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

Nays: None

MOTION PASSES

D. <u>Spreading of the Special Assessment Roll for Forest Avenue, Ruddiman to Davis.</u> ENGINEERING

SUMMARY OF REQUEST: To hold a public hearing on the spreading of the special assessment for Forest Avenue from Davis Street to Ruddiman Street, and to adopt the resolution confirming the special assessment roll.

FINANCIAL IMPACT: A total of $9,488 would be spread against the five 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 6:14 p.m. to hear and consider any comments from the public. No public comments were heard.

Motion by Vice Mayor Gawron, second by Commissioner Spataro to close the Public Hearing at 6:15 p.m. and approve the special assessment roll for Forest Avenue, from Ruddiman to Davis.

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

Nays: None

MOTION PASSES

E. <u>Spreading of the Special Assessment Roll for Sixth Street, Houston to Muskegon.</u> ENGINEERING

SUMMARY OF REQUEST: To hold a public hearing on the spreading of the special assessment for Sixth Street from Houston Avenue to Muskegon Avenue, and to adopt the resolution confirming the special assessment roll.

FINANCIAL IMPACT: A total of $9,968 would be spread against the six 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 6:15 p.m. to hear and consider any comments from the public. Robert Mitchell, 1260 Seventh Street, owner of 428 Houston, spoke in opposition.

Motion by Commissioner Carter, second by Commissioner Davis to close the Public Hearing at 6:18 p.m. and approve the spreading of the special assessment roll for Sixth Street, Houston to Muskegon.

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

Nays: None

MOTION PASSES

2006-69 NEW BUSINESS:

A. <u>Former Lakos Property – Holiday Inn.</u> CITY MANAGER

SUMMARY OF REQUEST: The owners of the Holiday Inn have requested the City waive the deed restrictions on the former Lakos property and provide clear title to the property. The hotel owners have offered to pay $10,000 for this transaction and have agreed to continue to allow the public to use the parking lot until the property is developed.

FINANCIAL IMPACT: $10,000.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: None.

Motion by Commissioner Spataro, second by Commissioner Shepherd to provide clear title to the former Lakos property in exchange for the $10,000 fee for the transaction, and continue allowing the public to use the parking lot until the property is developed.

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

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 6:46 p.m.

Respectfully submitted,

Linda Potter, CMC
Acting City Clerk