

**City of Muskegon**  
**City Commission Meeting**  
**Minutes**

**August 7, 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 (arrived at 6:50 p.m.)  
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 Ken Johnson called the Muskegon City Worksession/General Session meeting to order at 5:30 p.m.

**2. Prayer**

In lieu of an opening prayer, a moment of silence was observed.

**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 Introduction of Staff**

City Clerk Ann Meisch introduced the new Elections Coordinator Shelly Stibitz. The City Clerk's Office is excited to have Shelly join our team as we enter into a presidential election year with several constitutional changes regarding elections.

**5.b HOME ARP Plan - Community and Neighborhood Services**

Community and Neighborhood Services Director, Sharonda Carson, presented information regarding the HOME ARP Plan. The HOME ARP Plan is on the agenda for approval at tonight's meeting.

**5.c Parks & Recreation Master Planning Update - Public Works**

Parks and Recreation Director, Kyle Karczewski, presented information regarding the Parks and Rec Master Plan Update. There will be opportunities for public input in multiple formats. The Parks & Recreation Department is seeking feedback from residents about what they would like to see in the city's parks. They will focus on areas that had low response rates in the 2020 survey. Aside from digital marketing, the Parks & Rec department will also be engaging the community in person and at a variety of events throughout the city over the next several weeks. The Department is also planning several pop-up parties at parks throughout the city in order to provide an opportunity to allow residents to provide feedback, make requests, and offer suggestions.

**5.d Lakeside Business Improvement District Special Assessment - Economic Development**

The Lakeside Business Improvement District is requesting a special assessment for three more years starting in January of 2024.

Dave Alexander, Community Engagement Specialist, presented on the Lakeside Business Improvement District Special Assessment. The Lakeside Business Improvement District is requesting a special assessment for three more years starting in January of 2024.

Funds from the Lakeside BID assessment in 2021-2023 has allowed for the BID to cover items that keep the integrity of the business district. Funds have been used to cover snow removal, Christmas decorations, landscaping and maintenance, Lakeside events, and advertisements in the Visitor's Guide.

In order to continue these services, the Lakeside BID has requested a final three-year assessment at a 20% reduction of 2024-2026, continuing with the current district boundaries. Class A properties will have a per

parcel rate of \$0.04 per square foot of lot size for a Commercial Property, not to exceed \$1,600, and \$0.02 per square foot of lot size for an Industrial, Automotive or Utility Property, not to exceed \$1,600. The special assessments will be in winter tax bills. After the additional three years is complete, the BID will transition into the CIA.

City staff has provided a Special Assessment Packet that outlines the overview of the request, a letter from the City of Muskegon Assessor, the budget recommendation and explanation, and the properties included in the assessment. City staff will introduce the request at the Work Session on August 7th, 2023 and bring it to the City Commission meeting on August 22nd, 2023.

**6. Public Comment on Agenda Items**

Public comments were received.

**7. Consent Agenda**

**Action No. 2023-86**

**Motion by:** Commissioner Ramsey

**Second by:** Commissioner St.Clair

To accept the consent agenda as presented, minus item E - item B has been removed for consideration at a later date.

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

Absent (1): Commissioner Hood

**MOTION PASSES (6 to 0)**

**7.a Approval of Minutes - City Clerk**

To approve the minutes of the June 29, 2023 Goal Setting Meeting and the July 25, 2023 Regular Meeting.

STAFF RECOMMENDATION: To approve the minutes.

**7.b Updated Property Maintenance Code - Public Safety - REMOVED PER STAFF REQUEST**

**7.c Fire Station #5 Roofing Project - Public Safety**

Bid tabulations were requested and accepted from Garland. Ostrander Roofing was the lowest for a project pricing of \$47,000.00. Other bids were from Excel Roofing with project pricing of \$49,000.00 and Hoekstra Roofing with project pricing of \$60,000.00.

Garland budgets for the materials and estimated freight fees for a total of \$29,983.00. There is also estimated costs for structural evaluation at \$3500.00.

The project total is \$80,483.00.

**STAFF RECOMMENDATION:** To approve the budget requested for the Marquette Fire Station roofing project and award the project to Ostrander Roofing.

#### **7.d HOME ARP Plan - Community & Neighborhood Services**

Staff has consulted with many agencies, utilized data from Point in Time (PIT) Count, data from the housing assessment and feedback from the community to determine the best use of these HOME ARP funding.

**Top Priorities:** quality affordable housing, move- in expenses, case management and emergency shelter.

#### **Four Qualifying Populations:**

1. Homeless as defined in 24 CFR 91.5;
2. At risk of Homelessness as defined in 24 CFR 91.5;
3. Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking (referred to herein as domestic violence/sexual assault/trafficking); and
4. Other populations who do not qualify under any of the populations above but meet one of the following criteria:
  - Other Families Requiring Services or Housing Assistance to Prevent Homelessness
  - Those at Greatest Risk of Housing Instability

To conclude, staff is recommending the use of funding for housing initiatives within the city limits, funding set aside to assist agencies with supportive services for those considered as the qualifying population and funding to establish a Community Housing Development Organization (CHDO).

AMOUNT REQUESTED: \$1,200,000

FUND OR ACCOUNT: HOME

STAFF RECOMMENDATION: To approve HOME ARP plan.

**7.f West Urban PILOT Agreement 3rd Amendment - Development Services**

Staff is requesting to amend the existing infill PILOT agreement between the City and West Urban Properties by removing some lots and adding others.

The City has previously entered into an agreement with West Urban Properties to construct 100 homes for rental and potential owner-occupied stock in our residential neighborhoods. Staff has been working to refine the selected lots as stated in commission meetings for previous amendments.

This item proposes to remove 2358 Dowd, 621 Jackson, 608 Jackson, 601 Jackson, 579 Jackson, 558 Jackson, and 553 Jackson from the approved PILOT Agreement, and add 1974 Dowd, 1100 Washington, 432 Monroe, 1315 Ducey, 1325 Wesley, 1085 Marquette, 1355 Adams, 1366 Leonard, 912 Hackley, 1056 Windsor, 2347 Hudson, 828 W. Southern, 900 W. Grand, 462 Washington, 1456 Park, 1514 Park, and 314 Grand. Staff may return with additional lots to add and/or remove to this agreement exhibit as we clear title and assess buildability through phases.

STAFF RECOMMENDATION: To approve the 3<sup>RD</sup> Amendment to the West Urban PILOT Agreement as presented, and to authorize the Mayor and Clerk to sign.

**7.g Termination of Downtown Muskegon Development Center (DMDC) Parking Easement Agreements at 387 and 401 Morris - Manager's Office**

Easements were discovered as part of the closing process with the DMDC to sell Units 1 and 2, otherwise known as the Morris Avenue Parking Lot, to the City. The City and DMDC have since agreed that the Easements are no longer needed and are therefore terminated, abandoned, and of no further force or effect.

On June 13, the commission authorized the purchase of DMDC-owned parking lots at 387 and 401 Morris Avenue to the City. These are lots

behind the Chamber of Commerce and Russell Block/Century Club buildings.

The Closing on Units 1 & 2 occurred on July 19<sup>th</sup>. There are two exceptions on the title commitment for the parking lot that have to do with two Easements granted by the City for the benefit of the old Muskegon Mall property. The City entered into two Parking and Access Easement Agreements with Muskegon Properties Company, Inc., dated March 26, 1991. The City and DMDC have since agreed that the Easements are no longer needed and are therefore terminated, abandoned, and of no further force or effect. Legal counsel has prepared a Mutual Termination of Easements that was reviewed and approved by the title company as part of the property closing.

STAFF RECOMMENDATION: To approve terminating two existing Parking and Access Easement Agreements for Units 1 and 2 as part of the property closing at 387 and 401 Morris St.

**7.h Amendment to the Zoning Ordinance - Fencing - Planning**

This is a staff-initiated request to amend the fencing ordinance to clarify the types of fences allowed. This is an effort to improve the quality of fences erected throughout the City. The Planning Commission unanimously recommended approval of the amendment.

STAFF RECOMMENDATION: To approve the request to amend the fencing ordinance as proposed.

SECOND READING REQUIRED

**7.i Amendment to the Zoning Ordinance - Residential Design Criteria - Planning**

To approve the request to amend the fencing ordinance as proposed. Many of the changes are small and for clarification reasons. Some requirements were removed because they are requirements already listed in the building codes. The removal of storage requirements and house widths on small lots are the biggest proposed changes.

The Planning Commission unanimously recommended approval of the amendment.

STAFF RECOMMENDATION: To approve the request to amend the residential design criteria ordinance as proposed.

SECOND READING REQUIRED

**7.j     Sale of 180 Houston Avenue - Manager's Office**

Staff is seeking approval of the sale of 180 Houston Avenue.

In late 2020, the commission approved an agreement with Community EnCompass to construct affordable homes. The goals of the agreement were to further our economic equity efforts and create diversity of housing price points as we build housing infill. The agreement has been amended over time, and the project is now part of our ARPA infill housing initiative and our scattered site brownfield. We have received a purchase agreement on the first home located at 180 Houston Avenue. The offer is for \$150,000, a full price offer, with no seller concessions.

STAFF RECOMMENDATION: To approve the purchase agreement for 180 Houston Avenue.

**7.e     Legal Representation for Tax Appeals for Property Tax Classification for Marihuana Operations - Finance**

The City of Muskegon is seeking to reach an agreement with Hallahan & Associates, P.C. for Marihuana tax appeals at the State Tax Commission and Michigan Tax Tribunal.

Parmenter Law which normally represents the City of Muskegon, recommends that we use this law firm because of their expertise in these types of tax appeals. This Law Firm has been hired by other municipalities across the State to represent them for this unique property tax classification appeal. We thought it would be in our best interest to use this law firm because they are familiar with tax appeals from the Marihuana businesses.

Fees for service will be calculated at hourly rate of \$215 for attorneys and an hourly rate of \$100 for law clerks and assistants.

FUND OR ACCOUNT: 101 Legal Fees

STAFF RECOMMENDATION: To authorize the Finance Director to enter into an agreement with Hallahan & Associates, P.C. for Marihuana tax appeals.

**Action No. 2023-87(e)**

**Motion by:** Commissioner Ramsey

**Second by:** Commissioner St.Clair

To authorize the Finance Director to enter into an agreement with Hallahan & Associates, P.C. for Marihuana tax appeals, not to exceed \$10,000.

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

ABSTAINED: (1): Commissioner Hood

**MOTION PASSES (6 to 0)**

**8. Public Hearings**

**9. Unfinished Business**

**10. New Business**

**10.a Designation of Voting Delegates for the Michigan Municipal League Annual Meeting - City Clerk**

To designate, by action of the Commission, one of our officials who will be in attendance at the Convention as an official representative to cast the vote of the municipality at the Annual Meeting; and, if possible, to designate one other official to serve as an alternate.

STAFF RECOMMENDATION: To appoint an official representative and alternate representative to be in attendance and to cast the vote of the municipality at the Annual Business Meeting of the Michigan Municipal League Convention.

**Action No. 2023-88(a)**

**Motion by:** Commissioner Ramsey

**Second by:** Vice Mayor German

To appoint Mayor Ken Johnson as an official representative and City Clerk Ann Meisch as alternate representative to be in attendance and to cast the vote of the municipality at the Annual Business Meeting of the Michigan Municipal League Convention.

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



**10.b City ARPA Community Grant Proposals - Manager's Office**

To review and consider eligible grant proposals, as presented by the ARPA Community Grant Review Committee.

STAFF RECOMMENDATION: To approve the list of eligible grant proposals for funding as provided by the City ARPA Community Grant program.

1. I move to withdraw the grant proposal received from Pioneer Resources from consideration as part of the slate of recommended projects presented to the City Commission, under the City ARPA Community Grant Program.
2. I move to approve the list of eligible grant proposals for funding, under the City ARPA Community Grant Program, as presented to the City Commission, excluding the application from Pioneer Resources.
3. I move to approve the City ARPA Community Grant program application proposal from Pioneer Resources, pursuant to the completion of required conflict of interest.

| RATED PROJECT PROPOSALS                         | (45)<br>Total<br>Pts | Requested      | Recommended    | Funded  |
|-------------------------------------------------|----------------------|----------------|----------------|---------|
| Organization                                    | Average              | \$2,825,000.00 | \$1,600,000.00 |         |
| AgeWell Services*                               | 42.3                 | \$25,000.00    | \$25,000.00    | 100.00% |
| Every Woman's Place*                            | 41.5                 | \$120,000.00   | \$120,000.00   | 100.00% |
| MI Crossroads Council, BSA                      | 40.2                 | \$25,000.00    | \$25,000.00    | 100.00% |
| Samaritas                                       | 39.8                 | \$250,000.00   | \$100,000.00   | 40.00%  |
| NA McLaughlin                                   | 39.7                 | \$250,000.00   | \$100,000.00   | 40.00%  |
| NA Nelson Neighborhood Improvement Association* | 38.7                 | \$168,000.00   | \$100,000.00   | 59.52%  |
| West Michigan Concert WINDS                     | 38                   | \$50,000.00    | \$50,000.00    | 100.00% |
| Pioneer Resources, Inc.*                        | 37.3                 | \$200,000.00   | \$150,000.00   | 75.00%  |
| Volunteer for Dental*                           | 37.2                 | \$50,000.00    | \$50,000.00    | 100.00% |
| Muskegon Christian School                       | 37.2                 | \$175,000.00   | \$175,000.00   | 100.00% |
| West Michigan Symphony                          | 37                   | \$200,000.00   | \$100,000.00   | 50.00%  |
| Unity Beauty Salon & Spa LLC*                   | 36.3                 | \$50,000.00    | \$50,000.00    | 100.00% |
| Tiki Boiz LLC                                   | 36                   | \$50,000.00    | \$50,000.00    | 100.00% |

|                                                      |      |              |              |         |
|------------------------------------------------------|------|--------------|--------------|---------|
| Rake Beer Project LLC                                | 35   | \$25,000.00  | \$25,000.00  | 100.00% |
| Kids Food Basket*                                    | 34.8 | \$250,000.00 | \$100,000.00 | 40.00%  |
| Mount Zion Church of God in Christ                   | 34.5 | \$37,000.00  | \$37,000.00  | 100.00% |
| Boys and Girls Club*                                 | 34.3 | \$250,000.00 | \$50,000.00  | 20.00%  |
| Open Gates of Grace Ministries*                      | 33.3 | \$250,000.00 | \$100,000.00 | 40.00%  |
| Soul Filled Enterprises*                             | 33.2 | \$100,000.00 | \$100,000.00 | 100.00% |
| Servicios De Esperanza LLC*                          | 33   | \$25,000.00  | \$25,000.00  | 100.00% |
| NA Sheldon Park Neighborhood Improvement Association | 30   | \$25,000.00  | \$8,000.00   | 32.00%  |
| NA Jackson Hill*                                     | 27.3 | \$250,000.00 | \$60,000.00  | 24.00%  |

AMOUNT REQUESTED: \$1,600,000

FUND OR ACCOUNT: 482-901-982-

**Action No. 2023-88(b)**

**Motion by:** Commissioner Ramsey

**Second by:** Commissioner St.Clair

To approve the list of eligible grant proposals for funding, under the City ARPA Community Grant Program, as presented to the City Commission, excluding the application from Pioneer Resources.

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

Nays: (1): Vice Mayor German

**MOTION PASSES (6 to 1)**

**11. Any Other Business**

**12. Public Comment on Non-Agenda items**

Public comments were received.

**13. Closed Session**

**14. Adjournment**

The City Commission meeting adjourned at 7:35 P.M.

**Motion by:** Commissioner Ramsey

**Second by:** Commissioner Hood

**MOTION PASSES**

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Respectfully Submitted,  
Ann Marie Meisch, MMC - City Clerk