

CITY OF MUSKEGON

CITY COMMISSION MEETING

JUNE 14, 2016

CITY COMMISSION CHAMBERS @ 5:30 P.M.

AGENDA

- **CALL TO ORDER:**
- **PRAYER:**
- **PLEDGE OF ALLEGIANCE:**
- **ROLL CALL:**
- **HONORS AND AWARDS:**
- **INTRODUCTIONS/PRESENTATION:**
 - A. **Recognition of Spring 2016 Citizen's Academy Graduates** Public Safety
- **CITY MANAGER'S REPORT:**
- **CONSENT AGENDA:**
 - A. **Approval of Minutes** City Clerk
 - B. **Gaming License Request from Lakeshore Museum Center** City Clerk
 - C. **Special Event Liquor License – Farmer's Market** City Clerk
 - D. **Special Event Request – Burning Foot Beer Festival Request to Allow Overnight Camping at Pere Marquette Park** – Planning & Economic Development
 - E. **Love Bites Treaty Concession Contract for City of Muskegon Parks** Department of Public Works
 - F. **Keep in Touch Massage Concession/Business Contract for City of Muskegon Parks** Department of Public Works
 - G. **Memorandum of Understanding – Justice Assistance Grant** Public Safety
 - H. **Special Liquor Licenses – Rebel Road** Public Safety
 - I. **Sale of Buildable Vacant Lot at 88 Monroe** Planning & Economic Development
 - J. **MDOT-City 2nd Amendment of the Agreement for Muskegon & Webster**

Engineering

☐ **PUBLIC HEARINGS:**

- A. Transmittal of 2016-17 Proposed Budget City Manager
- B. Public Hearing – Request to Establish an Obsolete Property District – 1129 3rd Street Planning & Economic Development
- C. Public Hearing – Request to issue an Obsolete Property Certificate – Hamburger Mikey, LLC – 1129 3rd Street Planning & Economic Development

☐ **COMMUNICATIONS:**

☐ **UNFINISHED BUSINESS:**

☐ **NEW BUSINESS:**

☐ **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:**

A. Discuss City Manager Evaluation

☐ **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.

Date: June 8, 2016
To: Honorable Mayor and City Commissioners
From: Ann Marie Meisch, City Clerk
RE: Approval of Minutes

SUMMARY OF REQUEST: To approve minutes of the May 24, 2016 Regular City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

CITY OF MUSKEGON

CITY COMMISSION MEETING

MAY 24, 2016

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, May 24, 2016.

Pastor Matthew Sharpe, Evanston Avenue Baptist 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 Eric Hood, Commissioners Debra Warren, Willie German, Jr., Dan Rinsema-Sybenga, and Byron Turnquist, City Manager Franklin Peterson, City Attorney John Schrier, and City Clerk Ann Meisch.

Absent: Commissioner Ken Johnson

2016-42 INTRODUCTIONS/PRESENTATION:

A. Presentation to Jaylyn

There is a young girl that is a resident of the City of Muskegon who has been diagnosed with a very serious illness. Jaylyn has been very brave in the face of much adversity and was recognized at the meeting for her bravery.

B. MAISD Superintendent, John Severson, Presentation Regarding Muskegon Promise

John Severson, MAISD Superintendent, presented information to the Commission regarding the Muskegon Area Promise – a scholarship program that will fund either a certificate program, a two-year Associate's Degree or the first two years of a Bachelor's Degree at Muskegon Community College or Baker College of Muskegon.

2016-CONSENT AGENDA:

A. Approval of Minutes City Clerk

SUMMARY REQUEST: To approve minutes of the May 9, 2016 Worksession Meeting and the May 10, 2016 Regular City Commission Meeting.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the minutes.

B. Fireworks Display Permit for the 2nd of July Celebration at Heritage Landing City Clerk

SUMMARY OF REQUEST: Night Magic is requesting approval of a fireworks display permit for July 2nd at Heritage Landing. Fire Marshall Metcalf has reviewed the request and recommends approval contingent on inspection of the fireworks.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval contingent on inspection of the fireworks and approval of insurance.

C. 2016-2017 Michigan Municipal League Membership Dues City Clerk

SUMMARY OF REQUEST: Approval to pay the 2016-2017 MML dues in the amount of \$9,676. This is an increase of \$29.

FINANCIAL IMPACT:	MML Dues	\$8,796
	Legal Defense Fund	\$ <u>880</u>
	Total	
	\$9,676	

STAFF RECOMMENDATION: Approval.

D. 2016-2017 Muskegon High School Community Officer Agreement
Public Safety

SUMMARY OF REQUEST: To approve the 2016-2017 Muskegon High School Community Officer Agreement. This agreement provides Muskegon High School with a Community Officer during the nine months school is in session.

FINANCIAL IMPACT: Muskegon Public Schools agrees to pay the City of Muskegon \$2,388.10 each month, from September 2016 through May 2017, totaling \$21,492.90.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approve the 2016-2017 Muskegon High School Community Officer Agreement.

E. 2016-17 Healthcare & Wellness Program Finance Department

SUMMARY OF REQUEST: It is time to renew the City's healthcare coverage for 2016-17 plan year (6/1/16 – 5/31/17). Renewal premiums for the City's current healthcare program came in at a 7% increase over the current year. Last year

we experienced an increase of 9.9%. In comparative terms, many employers have been experiencing sharp double-digit rate increases for several years. Also, the City's healthcare costs remain below the "hard cap limits" set by PA 152 and remain cost competitive with the standards set by the state for new hires. These are good independent indicators that the City's program is cost-effective.

Starting June 1, 2016, the deductible will be increased from \$2,000 for an individual and \$4,000 for double/family to \$2,500 for an individual and \$5,000 for double/family. In addition, the coinsurance will change from 80/20% to 70/30% effective June 1, 2016.

For 2016-17, the City will continue to pay the HRA deductible if the employee and spouse completed the wellness requirements by March 31st; non-participants in the wellness program will continue to pay the first \$500 (single)/\$1,000 (double/family) of the deductible.

FINANCIAL IMPACT: Following is an estimate of gross premium costs for the Priority Health HMO Program compared with the current healthcare plan year:

	2016-17			2015-16		
	Single	Double	Family	Single	Double	Family
Monthly Premium	\$ 495.51	\$ 1,114.90	\$ 1,337.88	\$ 463.28	\$ 1,042.38	\$ 1,250.86
Rate Change	6.96%	6.96%	6.96%	9.95%	9.95%	9.95%
Annual Premium	5,946.12	13,378.80	16,054.56	5,559.36	12,508.56	15,010.32
Current # Employees	35	43	114	35	43	114
Total Annual Premium	208,114.20	575,288.40	\$ 1,830,219.84	194,577.60	537,868.08	\$ 1,711,176.48
		2,613,622.44			2,443,622.16	
Add: HRA Deductibles Paid by City		271,000.00			271,000.00	
Less: 10% Employee Premium Copays		(261,362.24)			(244,362.22)	
Equals: Employer Cost		\$2,623,260.20			\$2,470,259.94	
	2016 PA 152 Hard Cap Limits			2015 PA 152 Hard Cap Limits		
	\$ 6,142.11	\$ 12,845.04	\$ 16,751.23	\$ 5,992.30	\$ 12,531.75	\$ 16,342.66
	214,973.85	552,336.72	1,909,640.22	209,730.50	538,865.25	1,863,063.24
		\$2,676,950.79			\$2,611,658.99	

Full-time City employees pay 10% of the above premium costs through payroll deduction.

BUDGET ACTION REQUIRED: Employee and retiree healthcare costs will be included in the forthcoming 2016-17 budget.

STAFF RECOMMENDATION: Authorize staff to execute documents with Priority Health to renew employee healthcare coverage for the coming year.

F. Consideration of Bids for: Repairs to the Boardwalk at Kruse Park Engineering

SUMMARY OF REQUEST: To authorize staff to enter into a minor repairs contract

(no bonds) with Midwest Builders LLC, for a total estimated bid of \$19,450 since they were the lowest responsible bidder.

FINANCIAL IMPACT: The construction cost of \$19,450 plus engineering costs.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Authorize staff to enter into a repairs contract with Midwest Builders for an estimated price of \$19,450.

I. Midtown Square – Authorization for Staff to Negotiate and Close on Sale of Homes Planning & Economic Development

SUMMARY OF REQUEST: Construction of the Midtown Square Homes has been completed for four homes and is being completed for five homes. There have been several showings and one purchase offer to date. As it is necessary to move quickly on the sales negotiations, staff is requesting that the Director of Community & Economic Development and/or the Zoning Administrator/Planner III be authorized to sign the purchase agreements and closing documents for the homes, as determined by the final negotiated purchase price.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To authorize the Mayor and Clerk to sign the resolution authorizing the Director of Community & Economic Development and/or the Zoning Administrator/Planner III to sign purchase agreements and closing documents for the Midtown Square homes at a price to be determined by the City Manager.

Motion by Commissioner Rinsema-Sybenga, second by Vice Mayor Hood, to approve the Consent Agenda as presented with the exception of Items G, H, and J.

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

Nays: None

MOTION PASSES

2016-44 ITEMS REMOVED FROM CONSENT AGENDA:

G. Authorization of Community Housing Development Organization (CHDO) Agreements Community & Neighborhood Services

SUMMARY OF REQUEST: To direct the Mayor and City Clerk to sign the 2015 approved agreements for the City's Community Housing Development Organization reserve and operating funds. The City Commission approved a budget of \$100,000 to Community Housing Development Organization nonprofits last spring during the City's annual Action Plan process.

- | | |
|-------------------------|-----------|
| 1. Community enCompass | \$85,000 |
| 2. Habitat for Humanity | \$22,000* |

*Includes city HOME funding

After the Mayor and Clerk sign the contracts, the CNS office will retain one copy for our files and a copy will be supplied to the appropriate nonprofit for their records.

FINANCIAL IMPACT: Funding will be allocated from the 2015 HOME program.

BUDGET ACTION REQUIRED: The City Commission made budgeting allocation decision last year.

STAFF RECOMMENDATION: To direct Mayor and Clerk to sign agreements.

COMMITTEE RECOMMENDATION: Citizen District Council approved.

Motion by Commissioner German, second by Commissioner Rinsema-Sybenga, to direct the Mayor and Clerk to sign agreements.

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

Nays: None

MOTION PASSES

H. Approval of Neighborhood Enterprise Zone Certificates Planning & Economic Development

SUMMARY OF REQUEST: The City is applying for Neighborhood Enterprise Zone (NEZ) certificates for the construction of the Midtown Square Homes at:

294 Monroe Avenue Avenue	300 Monroe Avenue	308 Monroe Avenue
314 Monroe Avenue Avenue	320 Monroe Avenue	333 Houston Avenue
339 Houston Avenue Avenue	345 Houston Avenue	349 Houston Avenue

The State Tax Commission allows applicants to apply for an NEZ Certificate up to six months after construction commencement if the local unit of government is willing to approve. The estimated cost for construction for the homes is:

294 Monroe Avenue - \$172,640	300 Monroe Avenue - \$161,605
308 Monroe Avenue - \$193,670	314 Monroe Avenue - \$173,000
320 Monroe Avenue - \$182,420	333 Houston Avenue - \$172,875
339 Houston Avenue - \$182,260	345 Houston Avenue - \$162,290

349 Houston Avenue - \$172,115

The City plans on transferring the NEZ certificate to the buyer once the property is sold.

FINANCIAL IMPACT: Taxation will be 50% of the State average for the next 12 years.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the NEZ certificate.

Motion by Commissioner German, second by Commissioner Rinsema-Sybenga, to approve the NEZ Certificates.

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

Nays: None

MOTION PASSES

J. Muskegon City Employee Homeownership Program Planning & Economic Development

SUMMARY OF REQUEST: It is important to encourage the City employees to live in the City of Muskegon and enjoy the benefits of homeownership, when feasible. In addition, the City has invested time and money into eliminating blight and restoring central city neighborhoods. In keeping with both of these objectives, a "Muskegon City Employee Homeownership Program" is proposed. City employees purchasing a home within the City will be eligible for up to \$500 toward a down payment, as well as the possibility of a forgivable loan, from \$1,500 to \$4,500 depending on the neighborhood where the home is purchased.

FINANCIAL IMPACT: For employees meeting the condition of the "Program", the City will provide a \$500 match toward a down payment on a home, with the possibility of an additional \$1,500 to \$4,500 forgivable loan, depending on the neighborhood where the home is located.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the "Muskegon City Employee Homeownership Program" and authorize staff to implement the program and provide to City employees purchasing a home in the City a down payment match up to \$500, as well as the possibility of a \$1,500 to \$4,500 forgivable loan, depending on neighborhood where the home is located.

Motion by Commissioner Turnquist, second by Vice-Mayor Hood, to approve the "Muskegon City Employee Homeownership Program."

Motion by Commissioner Turnquist, second by Commissioner Warren, to amend

the motion by striking – “depending on neighborhood where the home is located” in the description – effectively expanding the ownership program City wide.

ROLL VOTE: Ayes: Turnquist

Nays: Gawron, Hood, Warren, German, and Rinsema-Sybenga

MOTION FAILS

VOTE ON ORIGINAL MOTION

ROLL VOTE: Ayes: Gawron, Hood, Warren, German, and Rinsema-Sybenga

Nays: Turnquist

MOTION PASSES

2016-45 PUBLIC HEARINGS:

A. Create a Special Assessment District for Alley Between 4th – 5th – Muskegon – Webster Engineering

SUMMARY OF REQUEST: To hold a public hearing on the proposed special assessment for the Alley between **4th – 5th – Muskegon – and Webster**, 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.

The request is the result of a petition for paving which was signed by the majority of the property owners abutting the aforementioned alley. It is also worth mentioning that the “estimated cost figures previously shared with the owners (\$28,207), via the notification of this hearing, is expected to rise substantially (more than 20%) due to higher bid prices.

FINANCIAL IMPACT: About \$35,000, which is expected to be assessed to abutting property owners, including the City.

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.

PUBLIC HEARING COMMENCED:

Rick Boyden, resides in Norton Shores, Treasurer of Temple of Israel – opposed
Kevin Huss, 421 W. Webster – opposed

Millie Richardson, 362 W. Muskegon – in favor but asking to waive engineering costs.

Motion by Commissioner German, second by Commissioner Warren, to close the Public Hearing and to create the special assessment district and to assign two City Commissioners to the Board of Assessors by adopting the resolution in

regards to the paving of the alley between 4th – 5th – Muskegon – and Webster.

ROLL VOTE: Ayes: Warren

Nays: Gawron, Hood, German, Rinsema-Sybenga, and Turnquist

MOTION FAILS

Motion by Commissioner Rinsema-Sybenga, second by Commissioner Warren, to close the public hearing.

ROLL VOTE: Ayes: Hood, Warren, German, Rinsema-Sybenga, Turnquist, and Gawron

Nays: None

MOTION PASSES

2016-45 NEW BUSINESS:

A. Consideration of Bids for Paving of the Alley Between 4th – 5th – Muskegon – Webster Engineering

SUMMARY OF REQUEST: To award the Alley paving project to McCormick Sand, Inc. since they were the lowest responsible bidder with a total bid price of \$32,825.

This award, if approved, should be contingent upon the creation of the special assessment district for this project.

FINANCIAL IMPACT: The construction cost of \$32,825 plus engineering cost of an additional 15%.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Award the contract to McCormick Sand for a bid price of \$32,825 if the special assessment district is created.

Motion by Commissioner Rinsema-Sybenga, second by Vice Mayor Hood, to reject all bids for the alley paving for 4th – 5th – Muskegon – and Webster as the creation of the special assessment district was rejected.

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

Nays: None

MOTION PASSES

B. Parkland Muskegon – City Property Agreements Planning & Economic Development Department

SUMMARY OF REQUEST: The City of Muskegon entered into a development agreement with Parkland Muskegon, LLC on September 4, 2007. The Development Agreement was amended on March 26, 2013. It is now requested

to enter into a Second Amendment to the Development Agreement. The Second Amendment removes Parkland's requirement to construct 24 new market housing units on the property adjacent to High Point Flats, and includes the sale of this property to the City, on the condition that the City builds a parking lot within twelve months of closing on the property. The parking lot will be available for the properties on the block, including High Point Flats and Ameribank. High Point Flats will be responsible for 60% of the annual costs related to the parking lot (and Ameribank will be responsible for 40%). In addition, Parkland is required to complete the exterior renovation of High Point Flats by June 30, 2017, as well as "use reasonable efforts" to complete the interior renovation by June 30, 2017 (which includes constructing 48 market rate housing units).

FINANCIAL IMPACT: The purchase price to the City for the property adjacent to High Point Flats is \$1.00. In addition, a special assessment in the amount of \$121,330.00 will be placed on the December 2016 property tax bill for High Point Flats. If \$3 million is spent by Parkland between the signing of the Development Agreement and June 30, 2017, the City will not exercise its rights to collect the special assessment and it will be discharged and deemed paid in full.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the "Agreement" between the City of Muskegon and Parkland Muskegon, LLC, as well as the "Second Amendment to Development Agreement" between the City of Muskegon and Parkland Muskegon, LLC, and authorize the Mayor and Clerk to sign all necessary documents, including closing documents at the time of sale. In addition, authorize staff to work with the City Attorney to develop "Exhibit B" and include that in the final "Second Amendment to Development Agreement".

Motion by Commissioner Rinsema-Sybenga, second by Commissioner Warren, to approve the "Agreement" between the City of Muskegon and Parkland Muskegon, LLC as well as the "Second Amendment to the Development Agreement" between the City of Muskegon and Parkland Muskegon, LLC and authorize the Mayor and Clerk to sign all necessary documents, including closing documents at the time of sale. In addition, authorize staff to work with the City Attorney to develop "Exhibit B" and include that in the final "Second Amendment to Development Agreement".

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

Nays: None

MOTION PASSES

C. Ameribank Building – Option Agreement between the City of

Muskegon and Port City Construction & Development Services, LLC
Planning & Economic Development

SUMMARY OF REQUEST: The City issued a Request for Proposal for the former Ameribank Building at 800 First Street. One viable proposal was received by the deadline of March 31, 2016. Staff has met with the proposed purchaser and an Option Agreement has been prepared between the parties. The term of the Option is through October 1, 2016, with an extension possible through January 1, 2017. The option is for 800 First Street, which will be returned to production use as a mixed-use commercial and residential development. The purchase price is \$1.00, plus a total earnest money deposit of \$20,000 (to be returned to the purchaser upon completion of the project). In addition, the City will offer a loan of \$100,000 in support of the project. The City will develop surface parking on adjacent lots (208 & 216 Clay Avenue). The parking will be shared with other developments on the block, with 40% of the maintenance costs to be paid by the purchaser.

FINANCIAL IMPACT: Although the purchase price for the building is minimal, the building will be renovated and put back into production use and its occupants will generate taxes for the City in the future.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the Option Agreement between the City of Muskegon and Port City Construction & Development Services, LLC and authorize the Mayor and Clerk to sign all necessary documents, including closing documents at the time of sale.

Motion by Commissioner Warren, second by Commissioner German, to approve the Option Agreement between the City of Muskegon and Port City Construction & Development Services, LLC and authorize the Mayor and Clerk to sign all necessary documents, including closing documents at the time of sale.

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

Nays: None

MOTION PASSES

ANY OTHER BUSINESS:

PUBLIC PARTICIPATION: Public Comments were received.

ADJOURNMENT: The City Commission adjourned at 7:16 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC, City Clerk

Date: June 8, 2016
To: Honorable Mayor and City Commissioners
From: Ann Marie Meisch, City Clerk
**RE: Gaming License Request from Lakeshore
Museum Center**

SUMMARY OF REQUEST: The Lakeshore Museum Center is requesting a resolution recognizing them as a non-profit organization operating in the City for the purpose of obtaining a Gaming License.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval

Lakeshore
Museum
Center



430 W. Clay Ave.
Muskegon, MI 49440
PH 231.722.0278
FX 231.728.4119
LakeshoreMuseum.org

Hackley & Hume
Historic Site
484 W. Webster Ave.

Fire Barn Museum
510 W. Clay Ave.

Scolnik House
of the Depression Era
504 W. Clay Ave.

**Michigan's Heritage
Park**
8637 North Durham Rd.
Whitehall MI 49461



May 19, 2016

Ms. Ann Cummings, City Clerk
City of Muskegon
933 Terrace Street
Muskegon MI 49440

Dear Ms. Cummings,

The Lakeshore Museum Center would like to apply to the State of Michigan for a Raffle License which will require a resolution of support from the City of Muskegon to submit with our application.

The license will allow us to conduct a raffle at the Lumber Barons' Ball on October 1, 2016. This is the museum's annual fall fund raiser. The proceeds of the Lumber Barons' Ball support the Education Programs and Exhibits of the Museum. The Museum serves over 20,000 school children each year and is a major attraction in Muskegon County.

We would be happy to send a Muskegon representative to a Muskegon City Commission meeting to address this request at your convenience. If you have any questions, please feel free to contact me at 724-5524. A check to the City for \$100 is included with this letter along with the form that will need to be completed for the Charitable Gaming Division.

Sincerely,

Joni Dorsett
Communications Director

Date: June 14, 2016
To: Honorable Mayor and City Commissioners
From: CITY CLERK'S OFFICE
RE: Special Event Liquor License – Farmers Market

SUMMARY OF REQUEST: At the May 9, 2016 Commission meeting, staff requested approval for a special liquor license on June 30, July 7, July 28, August 11, and September 24.

After further review, staff has decided not to utilize a liquor license for Thursday events this year. We are requesting to modify the request for a special liquor license on July 30th, September 10th, and September 24th (this date was previously approved by Commission). The two added dates are fundraisers at the market.

FINANCIAL IMPACT: \$50 permit from the State for every date requested.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve a special liquor license for the dates of July 30, September 10, and September 24, 2016.

CITY COMMISSION MEETING DATE

June 14, 2016

Date: May 27, 2016

To: Honorable Mayor and City Commissioners

**From: Cathy Brubaker-Clarke, Director of Community
& Economic Development**

**Re: Special Event Request – Burning Foot Beer Festival
Request to allow overnight camping at Pere
Marquette Park**

SUMMARY OF REQUEST: The Lakeshore Brewer's Guild is holding their 2nd annual Burning Foot Beer Festival at Pere Marquette Park on Saturday, August 27, 2016. This year, they are requesting permission to allow tent camping overnight on the beach on Saturday night. They plan to limit the number of tents to 75 for the first year. The designated camping area is 150' x 250' and will be defined by a fence as shown on the attached site plan. They will have security present overnight and porta-jons available in the camping area. Event volunteers will be there to check people in. There will be no alcohol in the camping area.

In addition, they would like to allow an estimated 24 RVs to park across the street in the large Ovals parking lot on Friday night and Saturday night. The RV's will be for brewers and festival organizers, who will start setting up on Friday night and Saturday morning.

FINANCIAL IMPACT: None

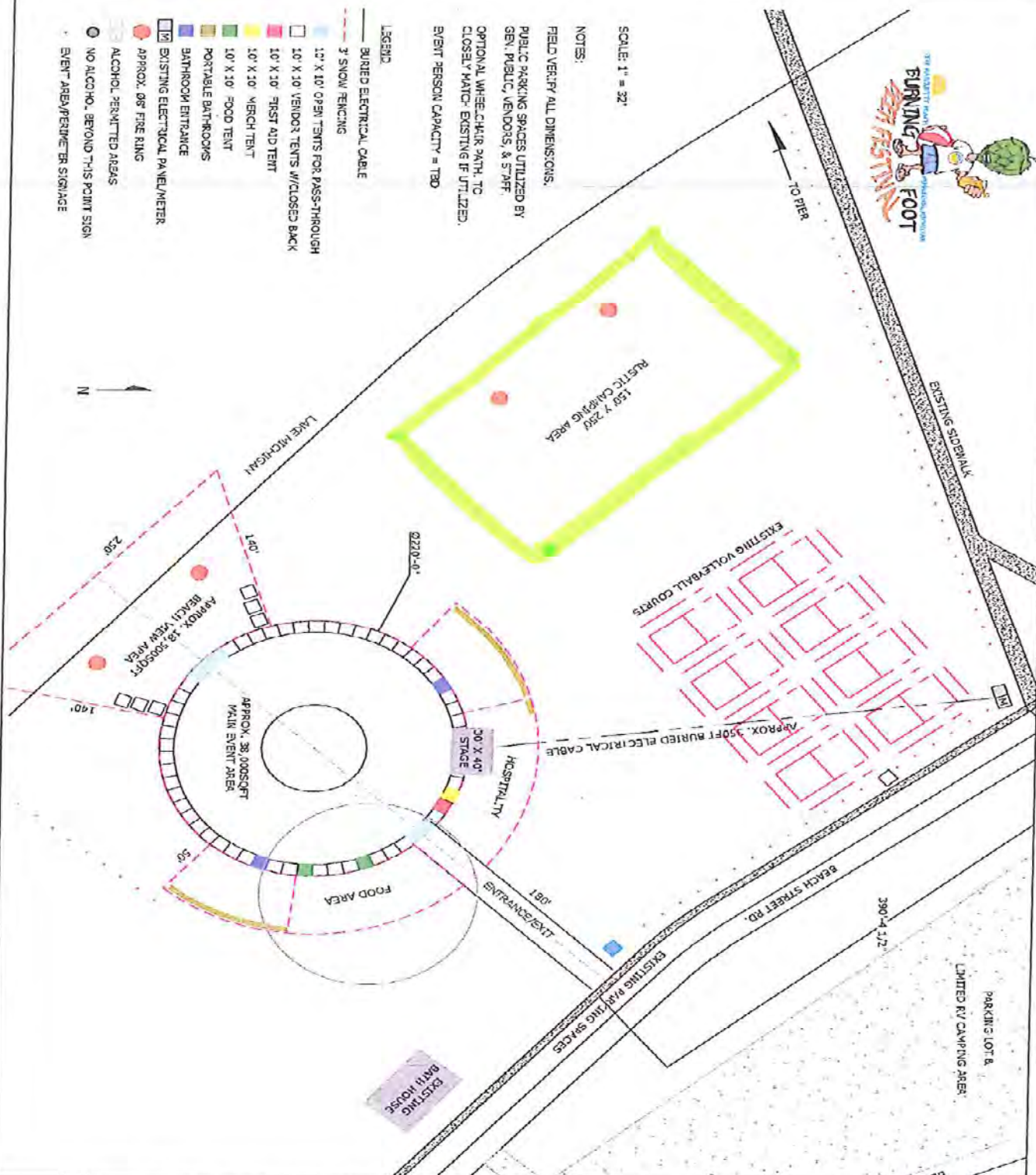
BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends approval

COMMITTEE RECOMMENDATION: N/A



- SCALE: 1" = 32'
- NOTES:
FIELD VERIFY ALL DIMENSIONS.
PUBLIC PARKING SPACES UTILIZED BY GEN. PUBLIC, VENDORS, & STAFF.
OPTIONAL WHEELCHAIR PATH, TO CLOSELY MATCH EXISTING IF UTILIZED.
EVENT PERSON CAPACITY = 1700
- LEGEND:
BURIED ELECTRICAL CABLE
3" SNOW FENCING
12' X 10' OPEN TENTS FOR PASS-THROUGH
10' X 10' VENDOR TENTS w/ CLOSED BACK
10' X 10' FIRST AID TENT
10' X 10' MERCH TENT
10' X 10' FOOD TENT
PORTABLE BATH-HOOS
BATHROOM ENTRANCE
EXISTING ELECTRICAL PANEL/METER
APPROX. 8" FIRE RING
ALCOHOL PERMITTED AREAS
NO ALCOHOL BEYOND THIS POINT SIGN
EVENT AREA/PERMITTER SIGNAGE



PARKING LOT A
LIMITED RV CAMPING AREAS

BURNING FOOT BEER FESTIVAL

EVENT DATE: 08/27/2016 LOCATION: PERE MARQUETTE BEACH
CLIENT: LAKESHORE BREWERS GUILD
CONTACT: MARK GONGALSKI
C: 231.638.6850

DRAWN BY: MARK GONGALSKI
DATE: 04/14/2016
C: 231.638.6850
E: MARK@UNRULYBREWING.COM



S2

SITE

AGENDA ITEM NO. _____

CITY COMMISSION MEETING _____

TO: Honorable Mayor and City Commission

FROM: Department of Public Works

DATE: June 14, 2016

SUBJECT: Love Bites Treatery Concession Contract for City of Muskegon Parks.

SUMMARY OF REQUEST:

Staff is asking permission to enter into a 1-year contractual agreement with Devin “Josie” Richardson of Love Bites Treatery LLC, at Kruse Park, located within the City of Muskegon, to sell organic dog treats from a concession stand/informational booth.

FINANCIAL IMPACT:

Concession revenue is 10% of gross receipts.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Authorize DPW staff to enter into concession agreement with Devin “Josie” Richardson of Love Bites Treatery LLC.

COMMITTEE RECOMMENDATION:

To: Doug Sayles, Muskegon County Parks and Recreation

From: Devon "Josie" Richardson, Love Bites Treatery, LLC

Date: May 28, 2016

Subject: A proposal to sell organic dog treats and spread knowledge about canine nutrition in to Muskegon County

I, Devon Richardson of Love Bites Treatery, LLC, would like to come to Norman F. Kruse Park in Muskegon, MI on weather-permitting days throughout the summer to share my knowledge about canine nutrition. This would involve having an informational booth as well as a concession stand to sell my own organic products.

I started my business in July of 2015 in Grand Rapids, MI. I was volunteering at the Kent County Animal Shelter and using a personal recipe to make homemade treats for the shelter dogs. It became quickly apparent that the treats were very popular, and their small shape was ideal for shelter training. I began to sell them to friends and family in order to continue to financially support my donations. The end result was Love Bites Treatery.

Love Bites Treatery has grown since then and I have expanded my initial line into 12 products, including full-size treats, gluten free treats, breath mints and a multivitamin powder feed additive. My products can be seen on shelves in 3 local Michigan stores (Daisy's Circle, Fido & Stitch, Humane Society of West Michigan). Additional retail sites are planned for the future.

My process involves cutting the treat shape from a square mold. This leaves me with extra, irregularly-shaped treats to donate to local shelters. By this process, the shelter dogs are receiving the same organic nutrition as the happily homed dogs.

My business model is based on the premise of; The more I sell, the more I can donate. The circulation of additional product will educate people about the difference proper nutrition makes in the life of their pet.

I spend a great deal of time at Kruse Park with my two dogs and I believe there is great value in sharing my knowledge and treats with the other park visitors. Becoming an licensed concessionaire at Kruse Park is a win for the parks, the dog owners, and my business. My organic treats are professionally analyzed by Great Lakes Scientific, and their labels have been reviewed and approved by the Michigan Dept. of Agriculture and Rural Development. In addition, I am certified in Canine Training, Behavior, Nutrition and Enrichment through the

Animal Behavior Institute.

In conclusion, if licensed as a concessionaire, Love Bites Treatery will bring local business and canine nutrition education directly to Muskegon at no cost to the city.

Thank you for considering hosting my small business at your beautiful park! I look forward to hearing from you soon.

Devon Richardson

AGENDA ITEM NO._____

CITY COMMISSION MEETING _____

TO: Honorable Mayor and City Commission

FROM: Department of Public Works

DATE: June 14, 2016

SUBJECT: Keep in Touch Massage Concession/Business Contract for City of Muskegon Parks.

SUMMARY OF REQUEST:

Staff is asking permission to enter into a 1-year contractual agreement with Laura Crawford of Keep in Touch Massage, at various parks as outline in attached proposal, located within the City of Muskegon, to provide chair massages.

FINANCIAL IMPACT:

Concession revenue is 10% of gross receipts.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Authorize DPW staff to enter into concession/business agreement with Laura Crawford of Keep in Touch Massage.

COMMITTEE RECOMMENDATION:

Proposal to do Chair Massage:

Laura Crawford
Keep in Touch Massage
1065 Morris, Suite 120
Muskegon, MI 49440
Cell # [\(760\) 688-2011](tel:7606882011)

I would like permission to give chair massages at Pere Marquette Park. I would like to set up my chair in the sand north of the trolley stop and south of The Deck restaurant. See attached picture of location.

I would also like permission to set up my chair at Her', Kruse Park (somewhere near the accessible ramp and dog beach), Hackley, McGraft(on the grass near the stage), along the lakeshore trail.

I intend to be working in any of these areas on Friday, Saturday and Sunday every week until cold weather sets in. My hours will be anywhere from 10am until 10pm. I will be charging \$1.00 per minute and hopefully gain clientele.

Sincerely,
Laura F. Crawford



Commission Meeting Date: June 14, 2016

Date: June 7, 2016
To: Honorable Mayor and City Commissioners
From: Jeffrey A. Lewis
Director of Public Safety
RE: Memorandum of Understanding – Justice Assistance Grant

SUMMARY OF REQUEST:

The Director of Public Safety requests that the Commission authorize the Director and the City Manager to enter into an agreement with the City of Muskegon Heights and Muskegon County in regards to the disbursement of the FY 2016 Justice Assistance Grant. It is further requested that the Mayor be authorized to sign the Memorandum of Understanding. Note that time is of the essence as this grant requires a 30-day governing body review period and the grant submission and the grant deadline is June 30.

Although the Bureau of Justice Assistance has designated us as being in a disparate funding situation due to the County providing more than 50% of the jail facilities, our proposal is to keep the allocations exactly as they initially came down from the BJA which is as follows: County of Muskegon \$ 0; City of Muskegon \$26,703 and City of Muskegon Heights \$19,085. Note that BJA uses crime data versus population in making these allocation decisions.

The City of Muskegon portion is planned to be used in continuation of the manner in which the previous year's JAG funding was used, which is for the prosecution of City ordinance cases dealing primarily with neighborhood issues.

FINANCIAL IMPACT:

None.

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

Staff recommends approval of this request.

**MEMORANDUM OF UNDERSTANDING
THE CITY OF MUSKEGON
THE COUNTY OF MUSKEGON
THE CITY OF MUSKEGON HEIGHTS**

**FY 2016 JUSTICE ASSISTANCE GRANT (JAG) PROGRAM AWARD
Regular Funding / Local Solicitation**

This Agreement is made and entered into on the _____th day of June, 2016, by and between the County of Muskegon, acting by and through its governing body, the Board of County Commissioners, located at 990 Terrace Street, Muskegon, Michigan 49442 and the City of Muskegon, acting by and through its governing body, the City Commission, located at 933 Terrace Street, Muskegon, Michigan 49443-0536, and the City of Muskegon Heights, acting by and through its governing body, the City Council, located at 2724 Peck Street, Muskegon Hts., MI 49444, all of Muskegon County, State of Michigan, witnesseth:

WHEREAS, the CITY OF MUSKEGON has agreed to serve as the applicant/fiscal agent for the joint funds under the: Justice Assistance Grant(Local Solicitation) as the Bureau of Justice Assistance has designated the allocation to the law enforcement communities in Muskegon County as a disparate allocation; and

WHEREAS, each governing body, in performing governmental functions or in paying for the performance of governmental functions, hereunder, shall make that performance or those payments from current revenues legally available to that party; and

WHEREAS, each governing body find that the performance of this Agreement is in the best interest of all parties, that the undertaking will benefit the public, and that the division of costs fairly compensates the performing party for the services or functions under this Agreement; and

WHEREAS, the breakdown of allocated funding agreed upon by those entities involved in the disparate funding is \$ 26,703 to the CITY OF MUSKEGON and \$ 19,085 to the CITY OF MUSKEGON HEIGHTS; and

WHEREAS, the CITY OF MUSKEGON, CITY OF MUSKEGON HEIGHTS and COUNTY OF MUSKEGON believe it to be in their best interests to allocate the JAG funds as specified in this Agreement.

NOW THEREFORE, THE COUNTY OF MUSKEGON, CITY OF MUSKEGON AND CITY OF MUSKEGON HEIGHTS agree as follows:

AGREEMENT

1. THE CITY OF MUSKEGON will act as the fiscal agent/applicant agency.
2. The total eligible joint allocation for the disparate jurisdictions of \$ 45,788 will be allocated as follows: COUNTY OF MUSKEGON - \$ 0; CITY OF MUSKEGON - \$26,703
CITY OF MUSKEGON HEIGHTS - \$ 19,085
3. Each municipality will be responsible for its actions in the use of any equipment purchased under this Agreement and the fiscal agent shall not be liable for any civil liability that may arise from the purchase of the use of the equipment.
4. The CITY OF MUSKEGON HEIGHTS will be responsible for submitting quarterly reports to the CITY OF MUSKEGON by the third day of the month following the quarter in the reporting fashion required by the CITY OF MUSKEGON and for any month in which an expenditure under the grant has occurred the CITY OF MUSKEGON HEIGHTS will submit a reimbursement request to the CITY OF MUSKEGON by the third day of the following month along with backup documentation such as invoices.
5. The CITY OF MUSKEGON HEIGHTS will be responsible for the accuracy of all data submitted to the CITY OF MUSKEGON for submission to the Bureau of Justice

Programs and will be liable for penalties as a result of submitting the data late and for any inaccurate data.

6. Nothing in the performance of this Agreement shall impose any liability for claims against the CITY OF MUSKEGON passing from this program or from the CITY OF MUSKEGON HEIGHT's expenditure of the JAG funds.
7. By entering into this Agreement, the parties do not intent to create any obligations, express or implied, other than those set out herein. Further, this Agreement shall not create any rights in any party not a signatory hereto.

COUNTY OF MUSKEGON

Dated: _____, 2016

By: _____
Terry Sabo, Chairman
County Board of Commissioners

CITY OF MUSKEGON

Dated: _____, 2016

By: _____
Stephen Gawron, Mayor

CITY OF MUSKEGON HEIGHTS

Dated: _____, 2016

By: _____
Kimberly Sims, Mayor

Commission Meeting Date: June 14, 2016

Date: June 7, 2016
To: Honorable Mayor and City Commission
From: Jeffrey Lewis, Director of Public Safety
RE: Special Liquor Licenses – Rebel Road

SUMMARY OF REQUEST: To approve a Special Liquor License for the Child Abuse Council to serve spirits at the following locations, dates and times:

LC Walker Arena Parking Lot, 477 W Western Avenue

July 14, 2016 from 6PM – midnight

July 15, 16, 2016 from 11AM – 12 midnight

July 17 from 10AM – 6PM

LC Walker Arena Terrace, 470 W Western Avenue

July 15, 16, 2016 from 11AM – 12 midnight

Sand Lot, 351 W Western Avenue

July 15, 16, 2016 from 11AM – 12 midnight

Muskegon County Convention & Visitor Bureau, 610 W Western Avenue

July 15, 16, 2016 from 11AM – 12 midnight

They have already submitted a Special Event Application. Each serving of spirits must be in a pre-measured format. This event is a four-day music and motorcycle festival with food, merchandise vendors, music stages and spirits tents.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff recommends approval of this request.

Commission Meeting Date: June 14, 2016

Date: June 6, 2016
To: Honorable Mayor & City Commission
From: Planning & Economic Development Department
RE: Sale of Buildable Vacant Lot at 88 Monroe.

SUMMARY OF REQUEST:

To approve the sale of a vacant buildable lot at 88 Monroe to William Galy to combine with his property at 1140 Jefferson St., Muskegon, MI. The lot is 66 x 132 ft. and is being offered to Mr. Galy for \$2,500 plus the fee to register the deed. The City has owned the property since December 2013 with no inquiries for potential construction. By combining this with Mr. Galy's property; this will give him a back yard. The City has spent an average of \$202.00 per year in maintenance of the vacant lot since 2013.

FINANCIAL IMPACT:

The sale of this lot will generate additional tax revenue for the City and will place the property back on the City's tax rolls thus relieving the City of continued maintenance costs.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

To approve the attached resolution and to authorize both the Mayor and the Clerk to sign said resolution and deed.

Resolution No. _____

MUSKEGON CITY COMMISSION

RESOLUTION APPROVING THE SALE OF A BUILDABLE LOT AT 88 MONROE FOR \$2,500.

WHEREAS, William Galy will be allowed to purchase the parcel designated as number 24-205-363-0006-00, located at 88 Monroe for \$2,500; and

WHEREAS, William Galy will combine this with the property he owns at 1140 Jefferson; and

WHEREAS, the sale would generate additional tax revenue for the City and relieve the City of further maintenance costs; and

WHEREAS, the sale of a buildable lot would require a home to be constructed; instead he will be combining this with his current property that does have a home; and

WHEREAS, he will not be constructing a new home on this parcel; and

NOW THEREFORE BE IT RESOLVED, that parcel number 24-205-363-0006-00, located at 88 Monroe to be sold to William Galy for \$2,500.

CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 6 BLOCK 363.

Adopted this 14th day of June, 2016.

Ayes:

Nays:

Absent

By: _____
Stephen J. Gawron
Mayor

Attest: _____
Ann Meisch, MMC
City Clerk

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 June 14, 2016.

By: _____
Ann Meisch, MMC
City Clerk

Property sale of 88 Monroe (City owned) to Mr. Galy of 1140 Jefferson to be combined.

1140 Jefferson front:



1140 Jefferson on the Monroe Ave. side:



88 Monroe:



QUIT CLAIM DEED

KNOW ALL MEN BY THESE PRESENTS: That the **CITY OF MUSKEGON**, a municipal corporation, of 933 Terrace Street, Muskegon, Michigan 49440,

QUIT CLAIMS TO: William Galy, a single man, whose address is 1140 Jefferson, Muskegon, MI 49440.

the following described premises situated in the City of Muskegon, County of Muskegon, State of Michigan, to wit:

CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 6 BLOCK 363, otherwise known as 88 Monroe Ave. (#24-205-363-0006-00).

for the sum of: Two Thousand Five Hundred Dollars (\$2,500.00)

PROVIDED, HOWEVER, whenever possible, this property is to be combined with the owner's original parcel #24-205-363-0005-00, otherwise known as 1140 Jefferson St.

This deed is exempt from real estate transfer tax pursuant to the provisions of MCLA 207.505(h)(i) and MCLA 207.526 Sec. 6(h)(i).

Dated this 14th day of June, 2016

Signed in the presence of:

CITY OF MUSKEGON

By _____
Stephen J. Gawron, Its Mayor

and _____
Ann Meisch, MMC, Its Clerk

STATE OF MICHIGAN
COUNTY OF MUSKEGON

The foregoing instrument was acknowledged before me this ____ day of _____, 2016, by STEPHEN J. GAWRON and ANN MEISCH, MMC, the Mayor and Clerk, respectively, of the CITY OF MUSKEGON, a municipal corporation, on behalf of the City.

PREPARED BY: Hope Mitchell
City of Muskegon
933 Terrace St Rm 202
Muskegon, MI 49440
Telephone: (231) 724-6760

_____, Notary Public
Acting in the County of Muskegon, MI
Muskegon County, MI
My Comm. Expires: _____

WHEN RECORDED RETURN TO: GRANTEE

SEND SUBSEQUENT TAX BILLS TO: GRANTEE

Date: June 14, 2016
To: Honorable Mayor and City Commissioners
From: Engineering
RE: MDOT-City 2nd Amendment of the Agreement for Muskegon & Webster

SUMMARY OF REQUEST:

Authorize staff to sign the attached amendment to the agreement with Michigan Department of Transportation extending the completion date of the project to June 30, 2016 instead of the 5/27/2016 date in previous amendment and adopt a resolution authorizing Mohammed Al-Shatel to execute said agreement.

FINANCIAL IMPACT:

None.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Authorize Mohammed Al-Shatel to sign the agreement/contract amendment.

COMMITTEE RECOMMENDATION:

RESOLUTION _____

RESOLUTION FOR APPROVAL TO AMEND CONTRACT AGREEMENT NUMBER 2014-0854/A1 BETWEEN THE MICHIGAN DEPARTMENT OF TRANSPORTATION AND THE CITY OF MUSKEGON FOR THE RECONSTRUCTION OF MUSKEGON & WEBSTER AVENUES BETWEEN 9TH STREET & SPRING STREET TOGETHER WITH OTHER NECESSARY RELATED WORK ITEMS AND AUTHORIZATION FOR MOHAMMED AL-SHATEL, CITY ENGINEER EXECUTE SAID AMENDMENT EXTENDING THE COMPLETION DATE TO JUNE 30, 2016.

Moved by _____ and supported by _____

Commissioner _____ that the following Resolution be adopted:

WHEREAS, entry by the City of Muskegon into Contract no. **2014-0854/A2** between the Michigan Department of Transportation and the City of Muskegon for the **reconstruction of Muskegon & Webster Avenues between 9th & spring** within the City is in the best interests of the City of Muskegon.

RESOLVED, that entry by the City into Contract Agreement Number **2014-0854/A2** be and the same is hereby authorized and approved and Mohammed AL-Shatel, City Engineer is authorized to execute said contract for and on behalf of the City of Muskegon.

Adopted this _____ day of _____, 2016.

BY

Stephen J. Gawron, Mayor

ATTEST

Ann Meisch, City Clerk

CERTIFICATION

This resolution was adopted at a meeting of the City Commission, held on _____, **2016**. The meeting was properly held and noticed pursuant to the Open Meetings Act of the State of Michigan, Act 267 of the Public Acts of 1976.

CITY OF MUSKEGON

By _____
Ann Meisch, City Clerk

MICHIGAN DEPARTMENT OF TRANSPORTATION
CITY OF MUSKEGON
AMENDMENT

THIS AMENDATORY CONTRACT is made and entered into this date of _____ by and between the Michigan Department of Transportation (MDOT) and the City of Muskegon (AGENCY) for the purpose of retroactively amending Contract No. 2014-0854 (CONTRACT), dated September 11, 2014, as amended.

RECITALS:

The CONTRACT expired on its own terms on May 27, 2016; and

The CONTRACT provides a Priority Roads and Investment Program (PRIP) grant from MDOT to the AGENCY for the completion of the reconstruction of Muskegon Avenue and Webster Avenue from 9th Street to Spring Street; and

The parties desire to retroactively extend the CONTRACT term to provide sufficient time for the AGENCY to perform the services;

The parties agree that the CONTRACT be and that the same is retroactively amended as follows:

1. In order to retroactively extend the term of the CONTRACT by approximately one month, Section 16 of the CONTRACT is amended to read as follows:

 “16. This Contract will be in effect from the date of award through June 30, 2016. All documented costs associated with this project are eligible for reimbursement, not to exceed the amount shown in Section 2 of this Contract.”
2. All other provisions of the CONTRACT, except as herein amended, remain in full force and effect as originally set forth.
3. The AGENCY waives any and all claims it has or may have against MDOT that arise out of the need to amend and/or extend the CONTRACT.

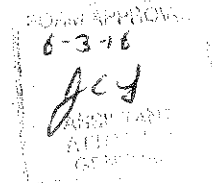
4. This Amendatory Contract will become binding on the parties and of full force and effect upon signing by the duly authorized representatives of the AGENCY and MDOT and upon adoption of a resolution approving said Amendatory Contract and authorizing the signature(s) thereto of the respective representative(s) of the AGENCY, a certified copy of which resolution will be sent to MDOT with this Amendatory Contract, as applicable.

CITY OF MUSKEGON

By: _____
Title:

MICHIGAN DEPARTMENT OF TRANSPORTATION

By: _____
Title: MDOT Director



Commission Meeting Date: June 14, 2016

Date: June 8, 2016
To: Honorable Mayor and City Commissioners
From: City Manager
RE: Transmittal of 2016-17 Proposed Budget

SUMMARY OF REQUEST: At this time staff is transmitting to the City Commission the proposed budget for fiscal year 2016-17 which starts July 1, 2016. An electronic version of the budget has been distributed to Commissioners. Additionally, the budget is available for public inspection on the City's website and at the City Clerk's office or Hackley Public Library.

The proposed budget will be reviewed in detail with staff at the June 13th work session. A public hearing on the budget will be held at the regular Commission meeting the following evening on June 14th. City ordinance requires that the budget be adopted by the Commission on or before the second Commission meeting in June.

FINANCIAL IMPACT: The budget is the City's financial plan for the coming fiscal year.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Approval of the proposed budget for fiscal year 2016-17.

http://www.muskegon-mi.gov/cresources/2016-17_Proposed-Budget_-_web_version.pdf

Commission Meeting Date: June 7, 2016

Date: June 14, 2016
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
RE: Public Hearing - Request to Establish an Obsolete Property District – 1129 3rd St

SUMMARY OF REQUEST:

Pursuant to Public Act 146 of the Michigan Public Acts of 2000, Hamburger Mikey, LLC, has requested the establishment of an Obsolete Property District for their property at 1129 3rd St. The establishment of the Obsolete Property District would allow them to apply for an Obsolete Property Rehabilitation Exemption Certificate.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Staff recommends approval of the Obsolete Property District

COMMITTEE RECOMMENDATION:

None.

CITY OF MUSKEGON
MUSKEGON COUNTY, MICHIGAN

RESOLUTION NO. _____

A resolution establishing an Obsolete Property Rehabilitation District.

The City Commission of the City of Muskegon hereby RESOLVES:

Recitals

- A. The City of Muskegon has been designated as a qualified local government unit for the purpose of establishing Obsolete Property Rehabilitation Districts and approving Applications for Obsolete Property Rehabilitation Exemption Certificates.
- B. The area located in the land described in this resolution is known to the City Commission and is clearly characterized by the presence of obsolete commercial property, and the land and improvements are obsolete commercial property.
- C. Notice has been given by certified mail to the owners of all real property within the proposed Obsolete Property Rehabilitation District and a hearing has been held offering an opportunity to all owners and any other resident or taxpayer of the City to appear and be heard. Said notice was given at least ten (10) days before the hearing.

NOW, THEREFORE, THE CITY COMMISSION RESOLVES:

- 1. That the property described in this resolution and proposed as an Obsolete Property Rehabilitation District is characterized by obsolete commercial property.
- 2. That the obsolete commercial property, the subject of this resolution, as is described in Attachment A.
- 3. That the City Commission hereby establishes an Obsolete Property Rehabilitation District on the lands and parcels set forth in the attached description.

This resolution passed.

Ayes _____

Nays _____

CITY OF MUSKEGON

BY: _____
Stephen J. Gawron
Mayor

ATTEST: _____
Ann Meisch, City Clerk

CERTIFICATION

This resolution was adopted at a meeting of the City Commission, held on June 14, 2016. The meeting was properly held and noticed pursuant to the Open Meetings Act of the State of Michigan, Act 267 of the Public Acts of 1976.

CITY OF MUSKEGON

By _____
Ann Meisch, City Clerk

ATTACHMENT A: PROPERTY DESCRIPTION

CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 14 EXC W 3 FT TH'OF & S 1 FT LOT 15
EXC THE W 3 FT TH'OF BLK 367

OBSOLETE PROPERTY REHAB APPLICATION ADDENDUM

► MARY JANE BURLING / 1129 THIRD ST, MUSKEGON MI

This building was built in 1913 and most recently housed a punk-rock club called the "Ice Pick". It has been vacant for some time.

The building area is 3,000 square feet.

Fixed building equipment will include:

- New furnace

- Water heater

- Electric

- Mop station

- Flooring and floor drains

- Bathroom

- Light fixtures

- New façade

- Air Conditioning

The proposed new use of the building is to house a restaurant.

The economic advantages of the proposed restaurant are adding to the commercial activity in this inner-city neighborhood, providing employment, and bringing a vacant building back into use.

Commission Meeting Date: June 14, 2016

Date: June 7, 2016
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
RE: Public Hearing - Request to issue an Obsolete Property Certificate –Hamburger Mikey, LLC – 1129 3rd St

SUMMARY OF REQUEST:

Pursuant to Public Act 146 of the Michigan Public Acts of 2000, Hamburger Mikey, LLC, has requested the issuance of an Obsolete Property Certificate for their property located at 1129 3rd St. Total capital investment for this project is \$134,000. The applicant is eligible for a nine-year abatement because of the amount of investment.

FINANCIAL IMPACT:

If an Obsolete Property Certificate is issued, the property taxes would be frozen at the pre-rehabilitated rate for the duration of the certificate.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Staff recommends approval of the Obsolete Property Rehabilitation Exemption Certificate

COMMITTEE RECOMMENDATION:

None

CITY OF MUSKEGON
MUSKEGON COUNTY, MICHIGAN

RESOLUTION NO. _____

A resolution approving the application for an Obsolete Property Rehabilitation Exemption Certificate by Hamburger Mikey, LLC.

The City Commission of the City of Muskegon hereby RESOLVES:

Recitals

- A. The City Commission has received an Application for an Obsolete Property Rehabilitation Exemption Certificate from Hamburger Mikey, LLC, to apply to the improvements located in an Obsolete Property Rehabilitation District established by previous resolution.
- B. The City of Muskegon is a qualified local governmental unit as determined by STC Bulletin No. 9 of 2000, dated July 12, 2000.
- C. An Obsolete Property Rehabilitation District in which the application property is located was established after a hearing on June 14, 2016.
- D. The taxable value of the property proposed to be exempt, plus the aggregate taxable value of properties already exempted under PA 146 of 2000 and under PA 198 of 1974, does not exceed five percent (5%) of the total taxable value of the City of Muskegon.
- E. In the event it is determined that the said taxable values do exceed five percent (5%), the City Commission determines further that the said exceedance will not have the effect of substantially impeding the operation of the City of Muskegon or impairing the financial soundness of any affected taxing units.
- F. This resolution of approval is considered by the City Commission on June 14, 2016, after a public hearing as provided in Section 4(2) of PA 146 of 2000. The hearing was held on this date.
- G. The applicant, Hamburger Mikey, LLC, is not delinquent any taxes related to the facility.
- H. The exemption to be granted by this resolution is for nine (9) years.
- I. The exemption was approved for less than the maximum of twelve (12) years and there will not be any extension available.
- J. All items described under "Instructions" (a) through (f) of the application for Obsolete Property Rehabilitation Exemption Certificate have been provided to the City of Muskegon, the Qualified Local Government Unit, by the applicant.
- K. The City Commission finds that the property for which the Obsolete Property Rehabilitation Exemption Certificate is sought is obsolete property within the meaning of Section 2(h) of Public Act 146 of 2000 in that the property, which is commercial, is functionally obsolete. The City has received from the applicant all the items required by Section 9 of the application form, being the general description of the obsolete facility, a general description of the proposed use, a description of the general nature and extent of the rehabilitation to be undertaken, a descriptive list of fixed building equipment that will be part of the rehabilitated facility, a time schedule for undertaking and complete the rehabilitation, and statement of the economic advantages expected from the exemption.
- L. Commencement of the rehabilitation has not occurred before the establishment of the district.

- M. The application relates to a rehabilitation program that when completed will constitute a rehabilitated within the meaning of PA 146 of 2000 and will be situated within the Obsolete Property Rehabilitation District established by the City under PA 146 of 2000.
- N. Completion of the rehabilitated facility is calculated to and will, at the time of the issuance of the Certificate, have the reasonable likelihood to increase commercial activity and create employment; it will revitalize an urban area. The rehabilitation will include improvements aggregating more than ten percent (10%) of the true cash value of the property at the commencement of the rehabilitation.
- O. The City Commission determines that the applicant shall have twelve (12) months to complete the rehabilitation. It shall be completed by June 14, 2017, or one year after the Certificate is issued, whichever occurs later.
- P. That notice pursuant to statute has been timely given to the applicant, the assessor for the City of Muskegon, representatives of the affected taxing units and the general public.

NOW, THEREFORE, THE CITY COMMISSION RESOLVES:

1. Based upon the statements set forth in, and incorporating the recitals to this resolution, the City Commission hereby approves the application filed by Hamburger Mikey, LLC, for an Obsolete Property Rehabilitation Exemption Certificate, to be effective for a period of nine (9) years;
2. BE IT FURTHER RESOLVED, that this resolution of approval relates to the property set forth in Attachment A, the legal description containing the facilities to be improved;
3. BE IT FURTHER RESOLVED, that, as further condition of this approval, the applicant shall comply with the representations and conditions set forth in the recitals above and in the application material submitted to the City.

This resolution passed.

Ayes: _____

Nays: _____

CITY OF MUSKEGON

BY: _____
Stephen J. Gawron
Mayor

ATTEST: _____
Ann Meisch, City Clerk

CERTIFICATE

This resolution was adopted at a meeting of the City Commission held on June 14, 2016. The meeting was properly held and noticed pursuant to the Open Meetings Act of the State of Michigan, Act 267 of the Public Acts of 1976.

CITY OF MUSKEGON

By _____
Ann Meisch, City Clerk

ATTACHMENT A: PROPERTY DESCRIPTION

CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 14 EXC W 3 FT TH'OF & S 1 FT LOT 15 EXC
THE W 3 FT TH'OF BLK 367