

CITY OF MUSKEGON

CITY COMMISSION MEETING

JUNE 9, 2020 @ 5:30 P.M.

**MUSKEGON CITY COMMISSION CHAMBERS
933 TERRACE STREET, MUSKEGON, MI 49440
REMOTE MEETING**

MINUTES

The Regular Commission Meeting of the City of Muskegon was held electronically with the Mayor, Vice Mayor and Commissioners participating via Zoom – a remote conferencing service, Clerk staff present at 933 Terrace Street, Muskegon, MI at 5:30 p.m., Tuesday, June 9, 2020.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen J. Gawron, Vice Mayor Eric Hood, Commissioners Ken Johnson, Dan Rinsema-Sybenga, Willie German, Jr., Teresa Emory, and Michael Ramsey, City Manager Frank Peterson, City Attorney John Schrier, and City Clerk Ann Meisch.

2020-34 CONSENT AGENDA:

A. Approval of Minutes City Clerk

SUMMARY OF REQUEST: To approve the minutes of the May 26, 2020 Regular City Commission Meeting.

STAFF RECOMMENDATION: To approve the minutes.

B. Establish a Grants Program Coordinator Position Community and Neighborhood Services

SUMMARY OF REQUEST: Seeking approval to establish a Grants Program Coordinator position for the Community and Neighborhood Services Department.

The purpose of this position is to manage various federal, state, and locally funded grants and programs administered by the city and will assist the Development Services Division with other grant opportunities. The coordinator will be responsible for development, implementation and revision of policies, procedures, and technical systems, will assist with office and program oversight and act as a staff liaison to various boards and commissions associated with the

CNS Department.

The job description was approved by the Civil Service Commission at its May 21, 2020 meeting. The cost of the position will be completely covered by administrative costs received through the various grant programs, and the general fund will not be impacted.

AMOUNT REQUESTED: \$80,000 AMOUNT BUDGETED: \$80,000

FUND OR ACCOUNT: CNS ADMINISTRATION

STAFF RECOMMENDATION: Approve the establishment of the Grants Program Coordinator position in the Community and Neighborhood Services Department.

D. Lease Agreement Public Works

SUMMARY OF REQUEST: Staff is asking permission to enter into a contractual agreement for/with "MACkite Kiteboarding School" at Pere Marquette Park.

Staff is asking permission to enter into a contractual Lease Agreement for 2020, 2021, and 2022 with Steve Negen of MACkite for Operating a Kiteboarding school at Pere Marquette Park. MACkite has been operating a kiteboarding school out of the brown brick building at the south end of Pere Marquette beach since 2008. Lease revenue is \$2,500.00 per year. Lessee also provides a portable Handicapped Restroom and pays the electrical bills for the property as part of the agreement.

STAFF RECOMMENDATION: Authorize staff to enter into a contractual Lease Agreement with Steve Negen to operate a Kiteboarding School at the brown building, at the south end of PM Park (1995 Beach Street).

E. Contract Agreement Public Works

SUMMARY OF REQUEST: Staff is asking permission to enter into a contractual agreement for/with "J-Boards" for Stand Up Paddleboard lessons and rentals at Pere Marquette Park.

Staff is asking permission to enter into a contractual Lease Agreement for 2020, 2021, and 2022 with Jason Gorski for Operating Stand Up Paddleboard lessons and rentals at Pere Marquette Park. Jason Gorski has been operating Stand Up Paddleboard lessons/rentals at Pere Marquette beach since 2013. Commission revenue has been between \$150 and \$500 per year with revenue being 10% of gross receipts per year.

STAFF RECOMMENDATION: Authorize staff to enter into a Contractual Agreement with Jason Gorski to operate Stand Up Paddleboard lessons/school at PM Park.

F. Conflict of Interest Disclosure Community and Neighborhood Services

SUMMARY OF REQUEST: Seeking approval to submit a request to the Department of Housing and Urban Development for an Exception for a Conflict

of Interest for the City of Muskegon Community and Neighborhood Services (CNS) Department home sale.

Legal Counsel has provided their opinion of a Conflict of Interest sale of a HOME funded rehabilitated home offered by the CNS Department. This includes the disclosure of a Conflict of Interest and support the request of an Exception from our Housing and Urban Development – Community Planning Development Office.

STAFF RECOMMENDATION: To approve the request of Conflict of Interest Exception from the department of Housing and Urban Development (HUD) for the sale of a HUD funded home through the Community and Neighborhood Services Department.

Motion by Commissioner Johnson, second by Commissioner German, to approve the consent agenda as presented, except item C.

ROLL VOTE: Ayes: Emory, Johnson, Gawron, Hood, Ramsey, German, and Rinsema-Sybenga

Nays: None

MOTION PASSES

2020-35 REMOVED FROM CONSENT AGENDA:

C. Seaway Railroad Bridge Painting Public Works

SUMMARY OF REQUEST: Staff is requesting authorization to issue a notice to proceed for the work to clean and paint the railroad bridge over Seaway Drive between Laketon Avenue and Hackley Avenue.

Bids for the project were previously approved at the February 25, 2020 Commission Meeting with the low bid from Seaway Painting being approved in the amount of \$68,385.00. Staff has prepared the contract documents with Seaway Painting but has not issued the notice to proceed at this time pending review of the private fundraising campaign for the project.

Fundraising is still ongoing. A Patronicity crowdfunding campaign is expected to begin in June. A number of commitments have been made, but in order to receive the matching dollars for Patronicity, those donations cannot be finalized until the campaign commences. It is anticipated that the City's contribution will be \$10,000-\$15,000 in cash towards the Seaway Painting contract from the Public Improvement Fund. In addition to the cash contribution the City will provide in-kind services in the form of traffic control for the work, which is estimated to cost \$6,497.36

In parallel to the cleaning and coating work the Muskegon City Public Art Initiative has begun the search for an artist to complete murals on the bridges and will be ready to proceed with the mural work upon completion of the cleaning and coating project. The mural work is not expected to require any

additional cash contribution on behalf of the city but would again require an in-kind donation in the form of traffic control services for the project, estimated at approximately the same amount as for the initial cleaning and coating.

MDOT has been engaged on the project and has agreed to participate in the form of reimbursement for a portion of the traffic control costs from the cities state trunk line budget. The exact amount is yet to be determined.

If approved the intention is for the cleaning and coating with Seaway Painting to occur in August 2020, with the mural work to follow in September 2020.

AMOUNT REQUESTED: \$10,000 - \$15,000

AMOUNT BUDGETED: \$10,000 - \$15,000

FUND OR ACCOUNT: 202-404-91914

STAFF RECOMMENDATION: Authorize staff to issue the notice to proceed to Seaway Painting for the work to clean and coat the railroad bridge over Seaway Drive between Laketon Avenue and Hackley Avenue and authorize to provide in-kind services for the project in the form of traffic control.

Motion by Commissioner Johnson, second by Commissioner Rinsema-Sybenga, to authorize staff to issue the notice to proceed to Seaway Painting for the work to clean and coat the railroad bridge over Seaway Drive between Laketon Avenue and Hackley Avenue and authorize staff to provide in-kind services for the project in the form of traffic control.

ROLL VOTE: Ayes: Emory, Johnson, Gawron, Hood, Ramsey, and Rinsema-Sybenga

Nays: German

MOTION PASSES

2020-36 PUBLIC HEARINGS:

A. Public Hearing on Harbor West LLC Brownfield Plan, 1000-1060 West Western Avenue Economic Development

SUMMARY OF REQUEST: To hold a public hearing on the request for a Brownfield Plan Amendment for Harbor West LLC (Hartshorn Village) and to consider the resolution.

Harbor West LLC proposes a Brownfield Amendment for 1000, 1010, and 1060 West Western Avenue for its first phase of the Hartshorn Village residential site condominiums. The \$5 million+ initial investment is for the first 10 of an expected approximately 50 units. The former Shaw-Walker Co. parking lot was sold by the city to Harbor West in 2018. The initial \$5.597 million brownfield plan is a local-only property tax capture. State eligible environmental costs are \$250,000, \$19,500 for demolition, \$626,000 for site preparation and \$3.946 million for infrastructure improvements. The majority of the infrastructure costs (\$3.502

million) are to upgrade the city's adjacent Hartshorn Marina and for a joint-use pool and clubhouse for the condo owners and marina slip holders. The sales and development agreement between the city and Harbor West calls for the city to provide the buyer up to \$600,000 for brownfield eligible costs. The city would receive the first \$600,000 of property tax capture, then Harbor West for its remaining eligible costs and finally with the marina upgrade being covered last. There is a 15 percent contingency in the plan, no request for interest borrowing and it is a 30-year plan. The plan allows for a continued five-year capture of tax increments for a local Brownfield Revolving Loan Fund if there is time left in the 30 years after all eligible costs are covered. There is an annual \$10,000 administrative fee paid to the Brownfield Redevelopment Authority. The BRA approved the Harbor West Brownfield Amendment at its May 12, 2020 meeting.

STAFF RECOMMENDATION: To close the public hearing and approve the Brownfield Plan Amendment for Harbor West LLC (Hartshorn Village) at 1000-1060 West Western Avenue with the resolution, authorizing the Mayor and City Clerk to sign.

PUBLIC HEARING COMMENCED:

Sherry Millisor – 3691 Watson – asked if this would be a condo association – answer is yes.

Motion by Commissioner Rinsema-Sybenga, second by Vice Mayor Hood, to close the public hearing and approve the Brownfield Plan Amendment for Harbor West LLC (Hartshorn Village) at 1000-1060 West Western Avenue with the attached resolution, authorizing the Mayor and City Clerk to sign.

ROLL VOTE: Ayes: Rinsema-Sybenga, Emory, Johnson, Gawron, Hood, and Ramsey

Nays: German

MOTION PASSES

B. Transmittal of 2020-21 Proposed Budget City Manager

SUMMARY OF REQUEST: At this time staff is transmitting to the City Commission the proposed budget for fiscal year 2020-21 which starts July 1, 2020. Both hardcopy and electronic versions of the budget have been distributed to Commissioners. Additionally, the budget is available for inspection on the City's website and at the City Clerk's office.

The proposed budget was reviewed in detail with staff at the June 8, 2020 work session. A public hearing on the proposed budget is being held at the regular Commission meeting on June 9, 2020. City Ordinance requires that the budget be adopted by the Commission on or before the second Commission meeting in June.

STAFF RECOMMENDATION: Approval of the proposed budget for fiscal year

2020-21.

PUBLIC HEARING COMMENCED:

Elijah Nichols – 1251 Evanston Avenue – would like to see more money go to social programs.

Kwame James – 2076 Miner Avenue – would like to see money transferred to social programs.

Connie Fongers 3397 Rich Road – would like to see money from Police budget redirected to social services.

Keyon Chavis – 640 S. Bear Lake Road – wondering about \$500,000 being cut from Fire Department budget, Frank explained difference in budget is in part due to buying out of retirees.

Michael Hewartson – President of Local 370, 770 Terrace – would like more money for fire department and is concerned about equipment and staffing needs.

Motion by Commissioner Rinsema-Sybenga, second by Commissioner Ramsey, to close the public hearing and approve the transmittal of the proposed budget for fiscal year 2020-21.

ROLL VOTE: Ayes: None

Nays: Ramsey, German, Rinsema-Sybenga, Emory, Johnson, Gawron, and Hood.

MOTION FAILS

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

ROLL VOTE: Ayes: German, Rinsema-Sybenga, Emory, Johnson, Gawron, Hood, and Ramsey

Nays: None

MOTION PASSES

Motion by Commissioner Johnson, second by Commissioner Ramsey, to table approval of the budget to the June 23, 2020 Regular Commission Meeting.

ROLL VOTE: Ayes: Rinsema-Sybenga, Emory, Johnson, Gawron, Hood, Ramsey, and German

Nays: None

MOTION PASSES

PUBLIC COMMENT: Public comments were received.

ADJOURNMENT: The City Commission meeting adjourned at 8:40 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC – City Clerk