

CITY OF MUSKEGON

CITY COMMISSION MEETING

MAY 25, 2021 @ 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, May 25, 2021.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

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

HONORS/AWARDS/PRESENTATIONS:

- A. 2021-2022 Budget Presentation Only** – Finance will present information regarding the proposed 2021-2022.

Q & A will take place at the June 7, 2021 Worksession Meeting

Beth Lewis-outgoing Finance Director, and Ken Grant-incoming Finance Director, reviewed the Fiscal Year 2021-2022 budget with the City Commission. There will be an opportunity for questions on specific items at the June 7, 2021 Worksession meeting. All are encouraged to contact the Finance Department with any questions about tonight's presentation over the next few weeks.

- B. Updates/Input from Chief Lewis Regarding Public Safety**

Chief Lewis updated the City Commission on recent shootings in the area. Chief Lewis encourages residents/witnesses to please come forward with any information they have on criminal activity. Questions were asked and comments were provided by the City Commission. The Police Department is always strategizing and making decisions about staffing based on current circumstances.

PUBLIC COMMENT ON AN AGENDA ITEM: Public comments were received.

2021-50 CONSENT AGENDA:

A. Approval of Minutes City Clerk

SUMMARY OF REQUEST: To approve the minutes of the May 10, 2021 Worksession, May 11, 2021 Regular Meeting, and May 17, 2021 Special Meeting.

STAFF RECOMMENDATION: To approve the minutes.

B. 2021-2022 MML Membership Dues City Clerk

SUMMARY OF REQUEST: Approval to pay the 2021-22 MML dues in the amount of \$10,545.00. This is an increase of \$146.

MML Dues are \$9,586.00; Legal Defense Fund: \$959.00; Total: \$10,545.00

STAFF RECOMMENDATION: To approve the payment of dues to the Michigan Municipal League in the amount of \$10,545.00

C. Request for Authorization to Sign Planning & Economic Development

SUMMARY OF REQUEST: Request to authorize Hope Griffith from the Planning Department to sign purchase agreements and closing documents for property transactions on behalf of the City.

STAFF RECOMMENDATION: Approval to authorize and for the Mayor and Clerk to sign the resolution.

D. Campbell Field Site Grading Public Works

SUMMARY OF REQUEST: Authorize the award of the RFP – Campbell Field Site contract to the low bidder, Terra Contractors, including Alternate #001.

Staff solicited bids for site preparation and rehabilitation of the baseball fields located at Campbell Field.

Bids received are as follows:

	Alternate #001
• \$77,900.00 – Terra Contractors	\$17,500.00
• \$84,595.00 – Accurate Excavators	\$17,200.00
• \$192,000.00 – TJM Services	\$42,000.00

Alternate #001 includes installation of sidewalk along the Barclay Street frontage of the park.

This project proposes to utilize funding generated from the PILOT agreement with Royale Glen Townhouses.

The RFP was posted prior to the updated purchasing policy as such the old purchasing policy was utilized for this document. Terra Contracting is located within the City of Muskegon, they do not propose to utilize prevailing wages on this project.

The project would be constructed during the summer of 2021.

AMOUNT REQUESTED: \$95,400.00 AMOUNT BUDGETED: \$156,000

FUNDS OR ACCOUNTS: 404-TBD

STAFF RECOMMENDATION: Approve the award of the Campbell Field Site Prop contract to the low bidder, Terra Contracting with the Alternate #1 selected.

F. Sale – 304 Mason Avenue Planning

SUMMARY OF REQUEST: City staff is seeking authorization to sell the City-owned home at 304 Mason to Branden M. Goller.

The city constructed this house as part of the phase two of our infill housing program. Staff is recommending that the purchase agreement be approved, and 304 Mason Avenue be sold to Branden M. Goller at a cost of \$189,900.

STAFF RECOMMENDATION: Authorize the Code Coordinator to complete the sale of 304 Mason Avenue, as described in the purchase agreement and to have the Mayor and Clerk sign the deed.

H. Downtown Muskegon Social District Permit Recommendation Economic Development

SUMMARY OF REQUEST: The City Commission must recommend approval of the Michigan Liquor Control Commission permits of participating licensed establishments in the Downtown Muskegon Social District.

With the establishment of the Downtown Muskegon Social District, participating licensed establishments must receive a Social District permit from the Michigan Liquor Control Commission. The MLCC must first receive a recommendation for approval from the City Commission before granting the permits. You handled the initial eight such requests at your August 25 and September 8, 2020 meetings and added others as they have been since. The resolution is for Muskegon Brewing Co. LLC, d/b/a No Name Saloon, which is seeking a Social District permit from the state and seeking City Commission recommended approval. The Social District plan identifies 22 potential participating licensees within the district. Other licensed establishments may file a Social District permit application in the future.

STAFF RECOMMENDATION: To approve the resolution recommending Michigan Liquor Control Commission approval of Social District permits in the Downtown Muskegon Social District and to direct the City Clerk to certify the City Commission action with the MLCC.

I. Traffic Control Order Traffic/Engineering

SUMMARY OF REQUEST: To approve the submitted Traffic Control Order #68-(2021) and authorize staff to install a “Stop Sign” on the Southwest corner of 4th Street at Western Avenue. This location is currently unregulated as the exit from

the Convention Center.

STAFF RECOMMENDATION: To approve the installation of a “Stop Sign” at the Southwest corner of 4th Street at Western Avenue per the submitted Traffic Control Order #68-(2021).

Motion by Commissioner Rinsema-Sybenga, second by Commissioner German, to approve the consent agenda as presented, minus item E and G.

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

Nays: None

MOTION PASSES

2021-51 REMOVED FROM CONSENT AGENDA:

E. Concession Agreement – TASTEE BBQ-N-CHICKEN Public Works

SUMMARY OF REQUEST: Staff is requesting permission to enter into a 1-year Contractual Concession Agreement, for 2021, with Keith Carter of TASTEE BBQ-N-CHICKEN, for a Concession at Pere Marquette Park, as outlined in their proposal. The business will be operating a mobile food truck, per their proposal. Commission is \$1,000.00 and 5% gross receipts annually.

STAFF RECOMMENDATION: Authorize staff to enter into a 1-year Contractual Concession Agreement with Keith Carter of TASTEE BBQ-N-CHICKEN, at Pere Marquette Park for the 2021 season.

Motion by Commissioner Emory, second by Commissioner Rinsema-Sybenga, to authorize staff to enter into a 1-year contractual concession agreement with Keith Carter of TASTEE BBQ-N-CHICKEN, at Pere Marquette Park for the 2021 season.

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

Nays: None

MOTION PASSES

F. Muskegon Lakeside Social District Plan and Map Approval Economic Development

SUMMARY OF REQUEST: With state enabling legislation for Social Districts, city staff is proposing a second Muskegon Social District in the Lakeside Business District for approval of a plan and district map and filing them with the Michigan Liquor Control Commission.

Public Act 124 of 2020 allows cities to create Social Districts and within them Common Areas where alcoholic beverages from participating licensed establishments can be possessed and consumed outside of the establishments’

service areas. A Downtown Muskegon Social District was approved in August 2020 and has created fun and new energy in the downtown, while assisting participating restaurants and bars to expand business during COVID-19 restrictions. Lakeside Business District establishments have requested the City Commission adopt a second, smaller Social District in Lakeside. The Lakeside district would be managed by the city's business development manager in conjunction with a number of city departments. The plan addresses a year-round, seven-day-a-week Social District in terms of marked boundaries, hours of operation, enforcement, security, design of a cup sticker, sanitation, marketing and entertainment. Since the May 10 work session, the draft plan and accompanying map have been developed. The district would include three establishments. Two non-profit social clubs are included along with the Safe Harbor Great Lakes Marina in the common area to provide flexibility of future optional participation. Staff has brought together a working group of participating establishment representatives to agree to the funding model of downtown with a 35-cent sticker per cup charge that would pay for all of the city's cost in implementing and managing the district. A resolution supporting the Muskegon Lakeside Social District plan and accompanying district map is attached. If approved, the resolution, plan and map will be sent to the Michigan Liquor Control Commission, operational details set and implementation begun. Participating licensee permit recommendation approvals will come to the City Commission in separate items if the district is approved.

STAFF RECOMMENDATION: To approve the Muskegon Lakeside Social District and map and direct the clerk and mayor to file it with the Michigan Liquor Control Commission and authorize staff to implement.

Motion by Commissioner Emory, second by Commissioner Johnson, to approve the Muskegon Lakeside Social District and map and direct the clerk and mayor to file it with the Michigan Liquor Control Commission and authorize staff to implement.

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

Nays: None

MOTION PASSES

2021-52 PUBLIC HEARINGS:

**A. Public Hearing on Harbor 31 LLC (Viridian Shores) Redevelopment
Brownfield Plan, 150 Viridian Drive Economic Development**

SUMMARY OF REQUEST: To hold a public hearing on the request for a Brownfield Plan Amendment for the Harbor 31 LLC (Viridian Shores) and to consider the resolution.

Harbor 31 LLC proposes a Brownfield Amendment for its first phase of the Viridian Shores at Harbor 31 residential development on 3.5 acres at 150 Viridian Drive, site of the former Teledyne Continental Motors industrial facility. Plans for the \$15.2 million initial investment for redevelopment activities include the construction of 33 two-story residential homes (including a combination of 15 single-family free-standing homes and 18 multifamily duplex style homes). Development is expected to start in Spring 2021 and continue through 2023. Future project phases include the construction of a 118-unit senior living community, a 134-unit Boardwalk Flats market-rate apartment building, a 44,000 square foot retail and 120-unit apartment complex, a four-story 107 room hotel, a retail boat sales and on-demand boat storage facility and a 100 slip marina with eight dedicated shopper docks. The project is expected to have a significant economic impact to the area through the creation of over 1,200 construction-related jobs along with nearly 550 FTE (full-time equivalent) jobs.

The initial plan includes \$4.018M in eligible costs. It is a local-only property tax capture plan, although through statute the plan is eligible for \$76,900 for eligible environmental costs captured by state educational millage through EGLE. The local only EGLE eligible costs are \$782,000 and include \$600,000 for due care and \$80,000 for response activities. Local only MSF eligible costs are \$3.159M and include \$40,000 demolition, \$60,000 asbestos abatement, \$380,000 site preparation and \$730,000 for infrastructure improvements. The initial capture for phase one is estimated at \$1.81M over the 26 years. Capture of tax increment revenues for Developer reimbursement is anticipated to commence in 2025 (after the sunset of the Smart Zone tax abatement for the property) and end in 2047, a total of 26 years. This Plan Amendment assumes approximately five years of additional capture of tax increment revenues (following Developer reimbursement) for deposit into a Local Brownfield Revolving Fund, if available. There is a 15 percent contingency in the plan. A request for 5% interest is included for all accrued and unreimbursed eligible activities on a yearly basis. There is an annual \$10,000 administrative fee paid to the BRA. The BRA approved the Harbor 31 LLC Brownfield Amendment at its May 11, 2021 meeting.

STAFF RECOMMENDATION: To close the public hearing and approve the Brownfield Amendment for Harbor 31 LLC (Viridian Shores) at 150 Viridian Drive with the resolution, authorizing the Mayor and City Clerk to sign.

PUBLIC HEARING COMMENCED: No public comments were received.

Motion by Commissioner Rinsema-Sybenga, second by Commissioner Emory, to close the public hearing and approve the Brownfield Plan Amendment for Harbor 31 LLC (Viridian Shores) at 150 Viridian Drive with the resolution, authorizing the Mayor and City Clerk to sign.

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

Nays: None

MOTION PASSES

B. Public Hearing - Final PUD for 151 N Causeway Planning

SUMMARY OF REQUEST: Request for final Planned Unit Development approval at 151 N Causeway for the redevelopment of the former power plant site for new bulk materials storage for shipping, by Verplank Family Holding Company. The plans include a new 10,000 square foot storage/office building. A site plan is provided.

STAFF RECOMMENDATION: To approve the final Planned Unit Development approval at 151 N Causeway for the redevelopment of the former power plant site for new bulk materials storage for shipping, with the following conditions.

1. The raised drain field must not impede drainage from the bike path or impact the use of that facility in any way.
2. There must be at least two foot of clearance along the edge of the paved trail, free of any obstructions.
3. The applicant must also receive a stormwater permit from the Muskegon County Drain Commissioners office.

PUBLIC HEARING COMMENCED: No public comments were received.

Motion by Vice Mayor Hood, second by Commissioner Johnson, to close the public hearing and approve the final Planned Unit Development approval at 151 N Causeway for the redevelopment of the former power plant site for new bulk materials storage for shipping, with the following conditions:

1. The raised drain filed must not impede drainage from the bike path or impact the use of that facility in any way.
2. There must be at least two foot of clearance along the edge of the paved trail, free of any obstructions.
3. The applicant must also receive a stormwater permit from the Muskegon County Drain Commissioners office.

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

Nays: None

MOTION PASSES

C. Public Hearing – Sewer Project Plan Public Works

SUMMARY OF REQUEST: To host a public hearing relative to the updated City of Muskegon Project Plan for Sanitary Sewer upgrades. The plan highlights the next few years of sewer improvement projects.

Staff contracted with Prein & Newhof to complete a required update to our previous project plan which is required to maintain eligibility for State Revolving Fund (SRF) financing and grants. These programs are used to finance a relatively large portion of our water and sewer work in recent years including projects on Peck Street and Amity Avenue that are currently underway.

This plan represents an update to the previously published 2019 plan which includes a continuation of many of the projects identified in that plan, as well as a shift in future focus towards reduction/elimination of inflow and infiltration issues within the City sewer system as a result of last years' record high water levels and treatment costs.

The project plan is currently available on the City website for review.

Prein & Newhof will offer a short presentation of the project plan and public comment on the plan is encouraged.

STAFF RECOMMENDATION: Close the public hearing, approve the wastewater collection system project plan, and authorize the Mayor and Clerk to sign a resolution in support of the plan.

PUBLIC HEARING COMMENCED: No public comments were received.

Motion by Commissioner Ramsey, second by Commissioner Johnson, to close the public hearing, approve the wastewater collection system project plan, and authorize the Mayor and Clerk to sign a resolution in support of the plan.

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

Nays: None

MOTION PASSES

D. Public Hearing - Request for Industrial Development District from Camcar Plastics Economic Development

SUMMARY OF REQUEST: Camcar Plastics is requesting the establishment of an Industrial Development District at their 1732 Glade Street location so that they may apply for an Industrial Facilities Tax Exemption for a planned addition.

Pursuant to Michigan Public Act 198 of 1974, industrial entities may request a local unit of government create an Industrial Development District around one or more parcels which makes these eligible for Industrial Facilities Tax Exemptions (IFTs). The statute requires a public hearing take place prior to the City Commission's consideration of any such district, which can take place during the same meeting. The only required mailing is to those entities in the district, which is only the applicant.

STAFF RECOMMENDATION: A motion to open the public hearing on the request from Camcar Plastics to establish an Industrial Development District at

1732 Glade Street.

PUBLIC HEARING COMMENCED: No public comments were received.

Motion by Commissioner Ramsey, second by Commissioner German, to close the public hearing on the request from Camcar Plastics to establish an Industrial Development District at 1732 Glade Street.

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

Nays: None

MOTION PASSES

2021-53 NEW BUSINESS:

**A. Resolution Establishing Industrial Development District at 1732 Glade Street
Economic Development**

SUMMARY OF REQUEST: Camcar Plastics is requesting the establishment of an Industrial Development District at their 1732 Glade Street location so that they may apply for an Industrial Facilities Tax Exemption for a planned addition.

Pursuant to Michigan Public Act 198 of 1974, industrial entities may request a local unit of government create an Industrial Development District around one or more parcels which makes these eligible for Industrial Facilities Tax Exemptions (IFTs). The statute requires a public hearing take place prior to the City Commission's consideration of any such district, which can take place during the same meeting. The only required mailing is to those entities in the district, which is only the applicant. In 2019 the City of Muskegon Economic Development Department worked with the Camcar ownership to support their acquisition of 1.8 acres surrounding their building that was formerly part of the vacant Brunswick property. This was completed, and their intention is to build an addition that will allow their shipping trucks to stop blocking the street. They plan to apply for an Industrial Facilities Tax Exemption, which requires the establishment of the proposed district. The City Commission will have the opportunity to hear cause, ask questions, and get feedback regarding that application. The approval of the district does not automatically guarantee the tax abatement.

STAFF RECOMMENDATION: A motion to approve the resolution establishing an Industrial Development District at 1732 Glade Street as presented.

Motion by Commissioner Rinsema-Sybenga, second by Commissioner Ramsey, to approve the resolution establishing an Industrial Development District at 1732 Glade Street as presented.

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

Nays: None

MOTION PASSES

ANY OTHER BUSINESS: Commissioner German asked questions about the Citizen's Police Review Board and what it does.

Commissioner Johnson raised the issue of meeting in person, discussion took place.

PUBLIC COMMENT: Public comments were received.

ADJOURNMENT: The City Commission adjourned at 8:27 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC – City Clerk