CITY OF MUSKEGON

CITY COMMISSION MEETING

MAY 22, 2018 @ 5:30 P.M.

MUSKEGON CITY COMMISSION CHAMBERS

933 TERRACE STREET, MUSKEGON, MI 49440

AGENDA

- □ **CALL TO ORDER:**
- □ **PRAYER:**
- □ **PLEDGE OF ALLEGIANCE:**
- □ **ROLL CALL:**
- □ **HONORS AND AWARDS:**
- □ **INTRODUCTIONS/PRESENTATION:**

A. **2017 Outstanding Citizenship Award Presentation**

- □ **CITY MANAGER'S REPORT:**
- □ **CONSENT AGENDA:**

A. **Approval of Minutes** City Clerk

B. **Upgrade Cable Connection** City Clerk

C. **Summer Pops Concession for City of Muskegon Parks** DPW

D. **Frank's Taco Shack for City of Muskegon Parks** DPW

E. **3rd Coast Rentals Concession for City of Muskegon Parks** DPW

F. **Resolution Authorizing the Pilot Drinking Water Community Water Supply Grant Agreement** DPW

G. **Artificial Christmas Tree at Hackley Park** DPW/Parks Department

H. **Toro Groundsmaster Mower** DPW/Parks Department

I. **2018 CDBG/HOME Budget Recommendations** CNS

J. **Neighborhood Renovations** City Manager

- □ **PUBLIC HEARINGS:**

A. **Public Hearing for Brownfield Plan Amendment and Development and Reimbursement Agreement for Pigeon Hill 4th Street Expansion Project** Planning & Economic Development Department

□ **COMMUNICATIONS:**

□ **UNFINISHED BUSINESS:**

□ **NEW BUSINESS:**

A. **Amendment to the Zoning Ordinance – Medical Marihuana Facilities Licensing Act Overlay District – 2ND READING** Planning & Economic Development Department

B. **Concurrence with the Housing Board of Appeals Notice and Order to Demolish the Following:** Public Safety

236 Mason Avenue – Bolt Hardware

586 School Street

2207 Miner Avenue

C. **Request to Rezone 731 Yuba St, 205 E Muskegon Ave, 287 E Muskegon Ave and 225 Eastern Ave** Planning & Economic Development Department

□ **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. **Contract Negotiations**

□ **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.

Memorandum

To: Mayor and Commissioners

From: Frank Peterson

Re: City Commission Meeting

Date: May 22, 2018

Here is a quick outline of the items on our agenda(s):

WORK SESSION

N/A

REGULAR MEETING

1. Under Presentations, we will present our Outstanding Citizenship Awards
2. Under the Consent Agenda, we are asking the Commission to consider the following:
   a. Approval of meeting minutes from the most-recent City Commission meeting.
   b. Approval to upgrade the cable connection in the Commission Chambers.
   c. Approval of a summer concessions agreement with Summer Pops. They are a returning vendor from last season. They sell all-fruit popsicles/treats. A noted change to this agreement (and all concessions agreements at the park): they now have a base rent of $1,000 for the season and a 5% share of gross sales. Previously, we have $0 base rent plus 10% of gross sales.
   d. Approval of a summer concessions agreement with Frank's Taco Shack (no relation☺). I believe they are new to PM Park. This agreement has the same terms as Summer Pops.
   e. Approval of a summer concessions agreement with Third Coast Rentals. This is a little different than the other concession agreements, as they will not be selling food. Rather, they will be renting beach items (lounge chairs, umbrellas, kayaks, paddle boards, jet skis, pontoon boats, etc.). This will be a great addition to our park! This group will pay a flat rent of $1,500 for the season - $300 of which will be directed to the launch ramp fund, as they will be using the launch ramps commercially to launch their pontoon boat(s).
   f. Approval of a resolution authorizing the Pilot Drinking Water Community Water Supply Grant Agreement. This program will help raise funds to make critical investments in our water system.

g. Approvals to purchase a new artificial holiday tree for Hackley Park. This is partially funded by donations from the Women's Division Chamber of Commerce and Downtown Muskegon Now. There are a number of reasons why we feel moving to an artificial tree is a good move:
    i. We need to change the location to allow for better use of the stage during holiday events.
    ii. We would like to stop cutting down live trees for the park.
    iii. The artificial tree will be pre-lit and reduce staff time in the park.
    iv. Holiday use of the park is growing greatly, and this will help make the experience more enjoyable for attendees.

h. Approval of the purchase of a new riding lawn mower.

i. Approval of the 2018 CDBG/HOME Budget recommendations.

j. Approval of the listed neighborhood home renovations. These properties were purchased by the city recently as a part of our effort to demonstrate the ability to renovate older homes that were otherwise either facing demolition or receiving significant blight enforcement from SAFEbuilt. The goal is to renovate the homes over the next 12-18 months and sell them as affordable market-rate housing with price ranges from $85,000 to $125,000.

3. Under Public Hearings we will take comments on the Brownfield Plan Amendment and Development/Reimbursement Agreement for the Pigeon Hill Brewing Expansion Project on 4th Street.

4. Under the New Business, we are asking the Commission to consider the following:
    a. Second Reading of the Medical Marijuana Overlay District Ordinance.
    b. Concurrence with the Housing Board of Appeals recommendation to demolish three structures.

Let me know if you have any questions/comments/concerns

Date: May 15, 2018

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 7, 2018 Worksession and the May 8, 2018 Regular Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

CITY OF MUSKEGON
CITY COMMISSION WORKSESSION

Monday, May 7, 2018
5:30 p.m.
City Commission Chambers

MINUTES

2018-31

Present: Johnson, Hood, Turnquist, Gawron, Warren, German, and Rinsema-Sybenga
Absent: None

1. Remembrance Road Preliminary and Construction Engineering

City staff is requesting to enter into an agreement with Moore & Bruggink for preliminary and construction engineering services related to the reconstruction and widening of Remembrance Road from Keating south to new project side in the Port City Industrial Park. The requested consultant is currently working on the site development, has familiarity with needs for the project site and has submitted a reasonable cost estimate for the work. Discussion ensued. This item will be on the agenda for our next regular meeting.

2. MMFLA Application

Staff has prepared a local application for the Medical Marihuana Facilities Licensing Act licenses and is seeking commission input and approval. Discussion took place regarding the application.

Motion by Commissioner Turnquist, second by Commissioner Rinsema-Sybenga, to approve the MMFLA local application as presented.

AYES: Gawron, Rinsema-Sybenga, Turnquist
NAYS: Johnson, Hood, Warren, and German

MOTION FAILS

3. MMFLA Overlay District

Staff is requesting an amendment to the zoning ordinance to include a new section for the Medical Marihuana Facilities Overlay District. The amendment was discussed. This item will be on the agenda for our next regular meeting.

4. LC Walker Arena Improvements

Staff is seeking approval to make a number of investments at the LC Walker Arena during the 2018 off-season. The improvements include updated ADA seating, demolition and removal of old/unused HVAC equipment, painting, and ceiling repairs. In addition to these improvements, staff will be requesting funds from the Downtown Development Authority to replace the glass around the playing surface, replace ice controllers, upgrade restrooms, reconfigure a portion of the arena's seating, and improve food and beverage offerings. Collectively, these items are expected to help improve the fan/visitor experience and move the arena closer to self-sustainability.

ADA improvements: $20,000
Paint: $120,000
Selective Demolition: $30,000
Ceiling Repairs: $60,000

Discussion took place regarding the improvements. This item will appear on the agenda for the next regular meeting.

5. Presentation by Eric Foster – Director of Strategy, Banks & Company & Cannabis Practice Group (10 minutes)

The Michigan Canna Coalition Association provides information to advance legislative action supporting marijuana decriminalization, equitable economic development, and rapid toxicology testing technology. The presentation included information regarding the myths and realities of cannabis, social equity, community benefits, economic opportunities, and employment growth.

6. Any Other Business

Frank Peterson provided budget information on some houses that the city bought through the rehabilitation program.

Commissioner Johnson acknowledged and appreciates the work that staff has put into the MMFLA licensing process.

Commissioner Turnquist asked what is being done with potholes. Would like to see some improvements in Pere Marquette area.

Commissioner German asked about negotiations with Firefighters.

Ann Meisch told Commission about the quotes for getting the updates to fiber optics that we need to have done in order to get back on television. Item will be on the agenda soon.

Adjournment

The Worksession meeting adjourned at 9:00 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC – City Clerk

CITY OF MUSKEGON

CITY COMMISSION MEETING

MAY 8, 2018 @ 5:30 P.M.

MUSKEGON CITY COMMISSION CHAMBERS

933 TERRACE STREET, MUSKEGON, MI 49440

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 8, 2018. Mr. George Monroe, 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 J. Gawron, Vice Mayor Eric Hood, Commissioners Ken Johnson, Byron Turnquist, Willie German, Jr., Debra Warren, and Dan Rinsema-Sybenga, City Manager Frank Peterson, City Attorney John Schrier, and City Clerk Ann Meisch.

INTRODUCTIONS/PRESENTATION:

Pollinator Plan Presentation

The Pollination Plan was presented by Kevin Santos from the Department of Public Works. Some goals are to reduce pesticide use, create buffer zones, create native planting areas, and cut down on mowing costs.

2018-32 CONSENT AGENDA:

A. Approval of Minutes City Clerk

SUMMARY OF REQUEST: To approve minutes of the April 24, 2018 Regular Meeting.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the minutes.

B. Request to Fly the Norwegian Flag City Clerk

SUMMARY OF REQUEST: Sons of Norway are requesting permission to fly the

Norwegian Flag at City Hall on Thursday, May 17, in honor of Norway's Constitution Day (Independence Day).

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the request.

C. <u>Approval of Building Contract for 1015 E. Forest Avenue</u> Community & Neighborhood Services

SUMMARY OF REQUEST: To award the building contract for the rehabilitation of 1015 E. Forest Avenue to Holden Construction for the City of Muskegon's Homebuyers Program through CNS.

CNS received 3 bids, the cost estimate from our spec writer was $98,100.

FINANCIAL IMPACT: The funding for this project has been secured with 2017 HOME funds.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To award Holden Construction the rehabilitation contract for 1015 E. Forest in the amount of $73,250.00 for the Community and Neighborhood Services Office.

D. <u>Toro Groundsmaster Mower</u> DPW/Equipment

SUMMARY OF REQUEST: The Equipment Division is requesting permission to purchase one (1) Toro Groundsmaster Mower coming for Spartan Distributers the lowest qualified bidder. Cost for this Mower is $31,737.32 coming from the Equipment Division fund.

FINANCIAL IMPACT: $31,737.32

BUDGET ACTION REQUIRED: None. Amount is what was budgeted.

STAFF RECOMMENDATION: Authorize staff to purchase one (1) Toro Groundsmaster Mower from Spartan Distributers, the lowest qualified bidder.

E. <u>2018-19 Healthcare and Wellness Program</u> Finance Director

SUMMARY OF REQUEST: The City's healthcare coverage renews effective June 1st, for the period 6/1/18 – 5/31/19. This year's Priority Health renewal premium came in at a 7.64% increase over the previous year. Last year's increase was 3.96% after several benefit changes were made. For several years the City has made numerous benefit changes including increasing deductibles and copays along with changes to the drug copays to keep our increases as low as possible. This year to help offset the cost we are proposing to increase the employee's premium copay from 10% to 14%. This will keep our employer contribution below the "hard cap limits" set by PA 152.

Per State guidelines we must remain below the "hard cap limit" or employees must contribute 20% towards their premium. To stay below the "hard cap limit" would require significant benefit changes each year so we are opting to gradually increase the employee premium copay until it reaches the 20% we feel this option will have less negative impact on the majority of employees.

For 2018-19 the City will continue to pay the HRA deductible if the employee and spouse complete the wellness requirements by March 31st. Non-participants in the wellness program will be required to pay $1,000 for single coverage or $2,000 per double or family coverage 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.

	2018-19			2017-18		
Monthly Premium	$ 561.76	$ 1,263.95	$ 1,516.75	$ 515.13	$ 1,159.04	$ 1,390.85
Rate Change	7.64%	7.64%	7.64%	3.96%	3.96%	3.96%
Annual Premium	6,741.12	15,167.40	18,201.00	6,181.56	13,908.48	16,690.20
Current # Employees	44	40	110	36	47	113
Total Annual Premium	296,609.28	606,696.00	2,002,110.00	222536.16	653698.56	1885992.6
		2,905,415.28			2762227.32	
Add: HRA Deductibles Paid by City		300,000.00			300,000.00	
Less; employee premium copays		(406,758.14)			(276,222.73)	
Equals: Employer Cost		$ 2,798,657.14			$ 2,786,004.59	
	2018 PA Hard Cap Limits			2017 PA152 Hard Cap Limits		
	$ 6,560.52	$ 13,720.07	$ 17,892.36	$ 6,344.80	$ 13,268.93	$ 17,304.02
	288,662.80	548,802.80	1,968,159.60	228,412.80	623,639.71	1,955,354.26
		$ 2,805,625.20			$ 2,807,406.77	

BUDGET ACTION REQUIRED: Employee and retiree healthcare costs will be included in the forthcoming 2018-19 budget.

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

F. <u>Set Public Hearing for Amendment to Brownfield Plan – Pigeon Hill</u>
Planning & Economic Development

SUMMARY OF REQUEST: To approve the resolution setting a public hearing for an amendment for the Brownfield Plan, and notifying taxing jurisdictions of the Brownfield Plan Amendment including the opportunity to express their views and recommendations regarding the proposed amendment at the public hearing. The amendment is for the inclusion of property owned by Pigeon Hill Brewing Company, LLC, located at 895 4th Street, in the Brownfield Plan.

FINANCIAL IMPACT: Brownfield Tax Increment Financing will be used to reimburse the developer for "eligible expenses" incurred in association with development of the Pigeon Hill project, which is approximately $434,507.28. Pigeon Hill Brewing Company, LLC cost for the development of the property is approximately $1,313,187 in private investment, resulting in a substantial increase in the local and school taxes generated by the property.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the resolution and authorize the Mayor and Clerk to sign the resolution.

COMMITTEE RECOMMENDATION: The Brownfield Redevelopment Authority met on May 8, 2018 and approved the Brownfield Plan Amendment and recommends the approval of the Brownfield Plan Amendment to the Muskegon City Commission.

G. <u>Remembrance Road Preliminary and Construction Engineering</u>
Department of Public Works

SUMMARY OF REQUEST: Authorize staff to enter into an agreement with Moore & Bruggink for preliminary and construction engineering services related to the reconstruction and widening of Remembrance Road from Keating south to new project site in the Port City Industrial Park.

The requested consultant is currently working on the site development, has familiarity with the needs for the project site and has submitted a reasonable cost estimate for the work.

FINANCIAL IMPACT: $107,000 for engineering services to be covered by the Major Street fund.

BUDGET ACTION REQUIRED: Adjust Major Street fund in third quarter reforecast.

STAFF RECOMMENDATION: Authorize staff to enter into an agreement with Moore & Bruggink for engineering services related to the reconstruction and widening of Remembrance Road.

H. <u>LC Walker Arena Improvements</u> City Manager

SUMMARY OF REQUEST: Staff is seeking approval to make a number of investments at the LC Walker Arena during the 2018 off-season. The improvements include updated ADA seating, demolition and removal of old/unused HVAC equipment, painting, and ceiling repairs. In addition to these improvements, staff will be requesting funds from the Downtown Development Authority to replace the glass around the playing surface, replace ice controllers, upgrade restrooms, reconfigure a portion of the arena's seating, and improve food and beverage offerings. Collectively, these items are expected to help improve the fan/visitor experience and move the arena closer to self – sustainability.

ADA Improvements: $20,000
Paint: $120,000
Selective Demolition: $30,000

Ceiling Repairs: $60,000

FINANCIAL IMPACT: $20,000 was previously budgeted in the General Fund for ADA Compliance. The remaining funds will be expensed from the Public Improvement Fund.

BUDGET ACTION REQUIRED: This will be accounted in the 3rd Quarter Reforecast.

STAFF RECOMMENDATION: To authorize the city manager to expend up to $230,000 for ADA seating upgrades, miscellaneous, demolition, painting, and ceiling repairs at the LC Walker Arena.

Motion by Commissioner Johnson, second by Commissioner Warren, to approve the consent agenda as presented, except items I and J.

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

Nays: None

MOTION PASSES

2018-33 ITEMS REMOVED FROM CONSENT AGENDA:

I. **Amity Bridge – Resolution of Support for Bridge Funding Application and Commitment for Matching Funds** Department of Public Works

SUMMARY OF REQUEST: The Engineering Department would like to apply for bridge preservation funding through the Michigan Department of Transportation. These funds would be used to remove the Amity Bridge and build a new roadway on fill. The bridge was originally constructed to cross a railroad line that no longer exists.

Construction is estimated at $415,000, and the city would be required to provide matching funds of approximately $90,000 plus engineering costs. Funding is available starting in 2021.

The MDOT application requires a resolution of support and commitment for the matching funds.

FINANCIAL IMPACT: $200,000 split over fiscal year 20/21 and 21/22

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Approve the resolution of support for the bridge preservation fund application and commit to funding the required match and engineering costs.

Motion by Commissioner German, second by Commissioner Warren, to approve the resolution of support for the bridge preservation fund application and commit to funding the required match and engineering costs.

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

Nays: None

MOTION PASSES

J. **Medical Marihuana Facilities Licensing Act Application** Planning & Economic Development

SUMMARY OF REQUEST: Request to approve the proposed local MMFLA application.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To pass the resolution approving the application.

Motion by Commissioner German, second by Commissioner Johnson, to pass the resolution approving the application.

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

Nays: None

MOTION PASSES

2018-34 NEW BUSINESS:

A. **DDA On-Premise Liquor License for Nipotes** Planning & Economic Development

SUMMARY OF REQUEST: To approve the Resolution for a Downtown Development Authority On-Premise Liquor License for Nipotes. The Liquor Control Commission allows for additional for additional liquor licenses within Downtown Development Authority Districts under certain conditions.

FINANCIAL IMPACT: Approving the Liquor License will allow for a new restaurant in the downtown area which should result in increased revenue for the City.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the resolution.

Motion by Commissioner Johnson, second by Commissioner German, to approve the resolution.

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

Nays: None

MOTION PASSES

B. **Medical Marihuana Facilities Licensing Act** Planning & Economic Development **SECOND READING**

SUMMARY OF REQUEST: Request to approve the ordinance for the Medical Marihuana Facilities Licensing Act.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the ordinance.

Motion by Commissioner Johnson, second by Commissioner Rinsema-Sybenga, to approve the ordinance.

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

Nays: None

MOTION PASSES

C. **Amendment to the Zoning Ordinance – Medical Marihuana Facilities Licensing Act Overlay District** Planning & Economic Development

SUMMARY OF REQUEST: Staff-initiated request to amend the zoning ordinance to include a new section for the Medical Marihuana Facilities Overlay District.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATIONS: Staff recommends approval of the ordinance amendment.

COMMITTEE RECOMMENDATION: The Planning Commission voted in favor (4-2) of recommending to the City Commission to approve the zoning ordinance amendment for the MMFLA overlay district at their February 15 meeting.

Michalski, Larson, Gawron, and Doyle voted in support. Mazade and Montgomery-Keast voted in opposition. Peterson and Hovey-Wright were absent. The version they approved for recommendation is slightly different than from what staff is presenting tonight, as this version allows all types of licenses within one overlay zone, rather than restricting licenses between two separate overlay districts.

Motion by Commissioner Rinsema-Sybenga, second by Commissioner Warren, to approve the ordinance amendment.

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

Nays: German

MOTION PASSES

2nd READING REQUIRED

D. <u>Demolition of 1713 and 1747 7th Street AKA Park Street Storage</u>
Public Safety

SUMMARY OF REQUEST: The Director of Public Safety requests that the Commission authorize the amount of $220,000 for the demolition, removal of debris and hard surface foundations, parking lots, etc. that remain at the location, commonly known as “Park Street Storage”. The building and adjacent lot is dangerous and abandoned and is a source of public safety issues. The building has no functional use and is in disrepair.

FINANCIAL IMPACT: Negative impact on the Public Improvement Fund, note $150,000.00 was budgeted (17/18).

BUDGET ACTION REQUIRED: No action at this time *(to be reviewed in the fourth quarter forecast to make adjustments for the additional $70,000.00 needed to complete the project)*.

STAFF RECOMMENDATION: Staff recommends approval of the demolition of 1713 and 1747 7th Street.

Motion by Vice Mayor Hood, second by Commissioner Rinsema-Sybenga, to approve the demolition of 1713 and 1747 7th Street.

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

Nays: None

MOTION PASSES

ANY OTHER BUSINESS: Kevin Santos from the Department of Public works addressed the issue of oak wilt at McGraft Park and the impact the concerns have had on disc golf at the park.

PUBLIC PARTICIPATION: Public comments were received.

ADJOURNMENT: The City Commission meeting adjourned at 6:58 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC, City Clerk

Date: May 15, 2018

To: Honorable Mayor and City Commissioners

From: Ann Marie Meisch, City Clerk

RE: Upgrade Cable Connection

SUMMARY OF REQUEST: To approve the purchase and installation of the necessary products to update the infrastructure for City TV Services.

FINANCIAL IMPACT: $12,971.17 from Public Relations

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approve the purchase and installation of the necessary products to update the infrastructure for City TV Services.

Comcast Cable
25626 Telegraph Rd.
Southfield, MI 48033

INVOICE

Customer

Name: City of Muskegon
Address: 933 Terrace St.
City: Muskegon State MI ZIP 49440
Phone:

Date: 4/10/2018
Order No.: XZ710401JHC18
Rep:
FOB:

Qty	Description	Unit Price	TOTAL
1	Fiber costs for City TV services	$7,776.17	$7,776.17
		Subtotal	$7,776.17
		Shipping & Handling	
		Sales tax	
		TOTAL	$7,776.17

Payment Details

- ○ Cash
- ◉ Check
- ○ ~~Credit Card~~

Name
CC #
Expires

Office Use Only

Please remit payment to 25626 Telegraph Rd., Southfield MI, 48033 Attn: Construction Dept. - Bob Pyle

SINCE 1985

Radiant Communications Corp

P.O. Box 867 - 5001 Hadley Road - South Plainfield, NJ 07080
Phone: (800) 969-3427 - Fax: (908) 757-8666 - Email: sales@rccfiber.com

Quote Number	00003171	Created Date	3/23/2018
Account Name	Shorlincity	Sales Rep	Dennis Young
Contact Name	Ann Meish	Sales Rep Phone	+1 9086017350
Email	ann.meish@shorlincity.com	Sales Rep Email	dyoung@rccfiber.com

Product	Product Description	Quantity	Sales Price	Total Price
VL4510-C	HD/SD Encoder, MPEG-2/ H.264, SDI and Composite inputs, IP-ASI Out, 1U	1.00	$2,795.00	$2,795.00

Subtotal	$2,795.00
Grand Total	$2,795.00

Your Customer Service Rep is: Kim Barrios x
SHIPPING PRE-PAID AND ADDED TO INVOICE
FOB: South Plainfield, NJ 07080
Authorized Signature: ______________________

Precision Optical Transceivers Inc.
100 Latona Rd.
Bldg 318-A
Rochester, NY 14652
US

Company Name	City of Muskegon	Created Date	3/23/2018
Bill To	933 Terrace St Muskegon, MI 49440 USA	Quote Name	COMMUSKAM180323-01
		Vendor #	406165
Prepared By	Stacey Bolger	Prepared For	Ann Meisch
Email	stacey.bolger@precisionot.com	Email	ann.meisch@shorlinecity.com
Phone	(585) 944-2649		

Product	CIFA	Product Description	Quantity	Sales Price	Total Price
TSFP1G-CJ-PR	000103233	SFP, DWDM, 50GHz full C-band tunable, ZX 80km, 1000Base, Multi-rate, DDM, C-Temp, Juniper, Cisco, Ciena Compatible with TN100-XS Tuning Box	2.00	$1,200.00	$2,400.00

Subtotal	$2,400.00
Grand Total	$2,400.00

Shipment Terms: FCA Rochester, NY USA
Payment Terms: 1.5% / 10, NET 60
***** Items and prices quoted are subject to availability.***
******Quote Valid for 90 Days***

AGENDA ITEM NO.____________

CITY COMMISSION MEETING __________________

TO: Honorable Mayor and City Commission

FROM: Department of Public Works

DATE: May 22, 2018

SUBJECT: Summer Pops Concession/Business Contract for City of Muskegon Parks.

SUMMARY OF REQUEST:
Staff is asking permission to enter into a seasonal contractual agreement, for 2018, with Benjamin Thackrey of "Summer Pops" concession, at Pere Marquette Park, located within the City of Muskegon, to sell various items, as stated in their proposal, from a mobile concession.

FINANCIAL IMPACT:
Concession revenue is $1000.00 plus 5% of gross receipts.

BUDGET ACTION REQUIRED:
None

STAFF RECOMMENDATION:
Enter into a seasonal Concession/Business contractual agreement, for 2018, with Benjamin Thackrey of "Summer Pops" concession.

COMMITTEE RECOMMENDATION:

Benjamin Thackrey DBA "Summer Pops"
3638 Whispering Woods Dr.
Muskegon, MI 49444
252.571.6675

To the Council Members of the City of Muskegon,

This proposal is to request access to the Pere Marquette Beach for vending and concessions activities.

We make gourmet ice popsicles using fresh ingredients and fruit from local farms and local sources when possible. While there are many ice cream establishments operating in the West Michigan area, we feel that there is still very little variety in the frozen dessert category. We aim to bring our customers a different option that both supports local business and allows them to enjoy a refreshing dessert without the calories. We can't think of a better place to share such a treat than at the beach on a hot summer day.

We operate out of a 7'x7' wooden booth on wheels, with a bar-like countertop and fabric rooftop. We also have a small "push cart" with umbrella for minimal space requirements. We would plan to serve beach-going customers during the following times, at a minimum:

Thursdays 11am-7pm
Fridays 11am-7pm
Saturdays 3pm-7pm
Sundays 11am-7pm

Our menu changes and expands weekly as we create new flavors. As an example, here is our current menu:

Strawberry Lemonade	Orange & Lemon	Raspberry Basil
Blueberries & Cream	Pineapple Coconut	Spicy Chocolate
Cheesecake	Thai Milk Tea	Sweet Buttermilk

Example Ingredients:
Fruit, Sugar, Honey, Milk, Cream, Spices, Herbs, Vanilla Beans, Cocoa Powder, Coconut

The City of Muskegon has already played an instrumental role in our business's development by allowing us to use Kitchen 242 to make and store our product. With help from the staff of the City Clerk's Office, we have also enjoyed participating in the Farmer's Market and Food Truck Rallys, and look forward to this year's Taste of Muskegon and Business Craft Fair. We would love to continue to work with the city to grow our business and to be able to bring our fun, tasty creations to residents and visitors.

Respectfully,

Benjamin Thackrey

Trash
GOURMET
ICE POPS
SUMMER
POPS


Trash
GOURMET ICE POPS
SUMMER POPS


GOURMET
ICE POPS
SUMMER
POPS
Trash

AGENDA ITEM NO.____________

CITY COMMISSION MEETING __________________

TO: Honorable Mayor and City Commission

FROM: Department of Public Works

DATE: May 22, 2018

SUBJECT: Frank's Taco Shack Concession/Business Contract for City of Muskegon Parks.

SUMMARY OF REQUEST:

Staff is asking permission to enter into a seasonal contractual agreement, for 2018, with Frank Galindo of "Frank's Taco Shack", at Pere Marquette Park and Lighton Park, located within the City of Muskegon, to sell various items, as stated in their proposal, from a mobile concession.

FINANCIAL IMPACT:

Concession revenue is $1000.00 plus 5% of gross receipts.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Enter into a seasonal Concession/Business contractual agreement, for 2018, with Frank Galindo of "Frank's Taco Shack".

COMMITTEE RECOMMENDATION:

Frank's Taco Shack

Muskegon, MI
Cell phone: 231-288-8607

To City of Muskegon,

Here is an overview of my business proposal for a Mexican themed taco shack at Pere Marquette Beach and Lighton Park.

Pere Marquette has lots of pedestrian foot and car traffic in the daytime. Having the Mexican themed taco shack in this location will give customers a new choice of lunch and dinner while enjoying the beach.
Being at Robert C. Lighton Memorial Park would bring a new attraction downtown.
I believe that this would be a great opportunity for the community, while offering Mexican food in the area. A new change a venue may satisfy many.

We would plan on serving Monday: 9am to 7pm
Tuesday: 9am to 7pm
Wednesday: 9am to 7pm
Thursday: 9am to 7pm

Friday: 9am to 7pm
Saturday: 9am to 7pm
Sunday: 9am to 7pm

Frank's Taco Shack offers a variety of Authentic Mexican food: Tacos, walking tacos, nachos, nacho supreme, quesadillas, and tamales. We offer water and different flavors of soda as well.

Ingredients:

lettuce, tomato, onions, shredded cheese, nacho cheese, jalapeños, cilantro, homemade salsa, sour cream and lime.

Prices:

Taco.............................. $2.00
Walking taco................... $4.00
Nacho............................ $5.00
Nacho supreme................ $8.00
Quesadilla...................... $4.00
Tamales...........................$2.00
Pop and water...................$1.00
Fresh squeezed lemonades.......sm $3.00......lg $6.00

Furthermore, Frank's Taco Shack has gained extensive knowledge into providing outstanding customer services by anticipating customer needs. Our customers are our top and main priority. Having previously worked many numerous events, We became proficient in handling customers concerns by ensuring that they never left the Shack without resolving any issue they might have had without a positive outcome.

Sincerely,

Frank's Taco Shack
Owner: Frank Galindo


STOP
& EAT!


HOT DOGS
STOP
RICOS NACHOS

AGENDA ITEM NO.____________

CITY COMMISSION MEETING __________________

TO: Honorable Mayor and City Commission

FROM: Department of Public Works

DATE: May 22, 2018

SUBJECT: 3rd Coast Rentals Concession/Business Contract for City of Muskegon Parks.

SUMMARY OF REQUEST:

Staff is asking permission to enter into a seasonal contractual agreement, for 2018, with Ron Rands of "3rd Coast Rentals", at Pere Marquette Park, located within the City of Muskegon, to rent Stand-up-Paddle Boards, Jet Skis, Pontoon Boats and various beach items.

FINANCIAL IMPACT:

Concession/Business revenue is $1500.00 for the season.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Enter into a seasonal Concession/Business contractual agreement, for 2018, with Ron Rands of "3rd Coast Rentals".

COMMITTEE RECOMMENDATION:

Date: 5/22/2018

To: Honorable Mayor and City Commissioners

From: Department of Public Works

RE: Resolution Authorizing the Pilot Drinking Water Community Water Supply Grant Agreement

---

SUMMARY OF REQUEST:

The Department of Environmental Quality (DEQ) has approved a Pilot Drinking Water Community Water Supply Grant for the City of Muskegon and is requesting a resolution of support. The purpose of the grant is to update our distribution system material inventory and replace lead service lines. Staff is requesting that a resolution of support for the project be approved.

FINANCIAL IMPACT:

None.

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

Approve resolution of support for the Pilot Drinking Water Community Water Supply Grant.

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
LANSING

RICK SNYDER
GOVERNOR

C. HEIDI GRETHER
DIRECTOR

RECEIVED
MAY 08 2018
D.P.W.

April 30, 2018

Ms. LeighAnn Mikesell, Director of Municipal Services
City of Muskegon
933 Terrace Street
P.O. Box 536
Muskegon, Michigan 49443

Dear Ms. Mikesell:

SUBJECT: Notice of Grant Application Approval
City of Muskegon
Material Inventory and Lead Service Line Replacement
Grant Project Number 1913-01

The Michigan Department of Environmental Quality (DEQ) has reviewed your Pilot Drinking Water Community Water Supply Grant Application received by March 30, 2018, and determined that the application is administratively complete. The DEQ has determined that the city of Muskegon is eligible to receive grant assistance and hereby approves the application. Exhibit A, attached, identifies the DEQ approved grant amount along with the approved project scope, budget items with approved project costs, effective grant period (start/end dates), and ineligible services, if any.

You may anticipate the grant award in May 2018. Should you have any questions about this project, please contact your senior project manager, David J. Worthington, by phone at 517-284-5423, e-mail at Worthingtond@michigan.gov, or by mail at DEQ, P.O. Box 30817, Lansing, Michigan 48909-8311, or you may contact me.

Sincerely,

Sonya T. Butler

Sonya T. Butler, Manager
Revolving Loan Section
Drinking Water and Municipal Assistance Division
517-284-5433

Attachment

cc: Mr. David N. Baker, Public Utilities Superintendent, City of Muskegon
Mr. Ernie Sarkipato, DEQ-DWMAD, Grand Rapids District Office
Mr. David J. Worthington and Ms. Debbie Martinson, DEQ-DWMAD

Project No. 1913-01

Pilot Drinking Water Community Water Supply Grant Program

Exhibit A

Grantee: City of Muskegon, County of Muskegon

Project Name: Update Distribution System Material Inventory and Lead Service Line Replacement

DEQ Approved Grant Amount: $600,000 (Six Hundred Thousand Dollars)

Time Period for Eligible Costs: Start Date February 2018

End Date May 2019

Description of Approved Project Scope:

Provide an updated distribution material inventory using GIS for the asset management plan and complete the construction of lead service line replacements.

DEQ Approved Project Costs	
1. Update Distribution System Material Inventory	$100,000
2. Update/Improve Asset Management Program	$0
3. Lead Service Line Construction	$500,000
4. Approved Grant Amount	$600,000

City of Muskegon

RESOLUTION

Authorizing the Pilot Drinking Water Community Water Supply Grant Agreement

WHEREAS, a pilot drinking water community water supply grant program was established with the passing of the supplemental budget of the Department of Environmental Quality ("DEQ"); and

WHEREAS, the pilot drinking water community water supply grant program, administered by the DEQ, provides assistance to municipalities for updating distribution system material inventories and asset management plans to identify lead service lines and galvanized steel service lines, and replacing lead service lines and galvanized steel service lines; and

WHEREAS, the City Commissioners do hereby determine it necessary to update inventory of distribution system material inventory, update and improve an asset management plan to identify lead service lines and galvanized steel service lines, and replace lead service lines and galvanized steel service lines; and

WHEREAS, it is the determination of the City Commissioners that, at this time, a grant in the aggregate principal amount not to exceed Six hundred thousand dollars ("Grant") be requested from the DEQ to pay for the above-mentioned undertaking(s); and

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Director of Municipal Services, a position currently held by LeighAnn Mikesell, is designated as the Authorized Representative for purposes of the Grant Agreement.

2. The proposed form of the Grant Agreement between the City of Muskegon and the DEQ is hereby approved and the Authorized Representative is authorized and directed to execute the Grant Agreement with such revisions as are agreed to by the Authorized Representative.

3. The Authorized Representative is hereby authorized to take any actions necessary to comply with the requirements of the DEQ in connection with the issuance of the Grant, including executing and delivering such other contracts, certificates, documents, instruments, applications and other papers as may be required by the DEQ or as may be otherwise necessary to affect the approval and delivery of the Grant.

4. The City Commissioners acknowledge that the Grant Agreement is a contract between the City of Muskegon and the DEQ.

5. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

Dated this________ of ________ 20__.

By: ___________________________________
Stephen J. Gawron, Mayor

Attest:_________________________________
Ann Marie Meisch, City Clerk

Date: May 22, 2018

To: Honorable Mayor and City Commissioners

From: Parks Department

RE: Artificial Christmas Tree Hackley Park

SUMMARY OF REQUEST:

The Parks Department is requesting permission to purchase a 30' LED Artificial Panel Tree with topper. The cost for the tree is $19,724.00

FINANCIAL IMPACT:

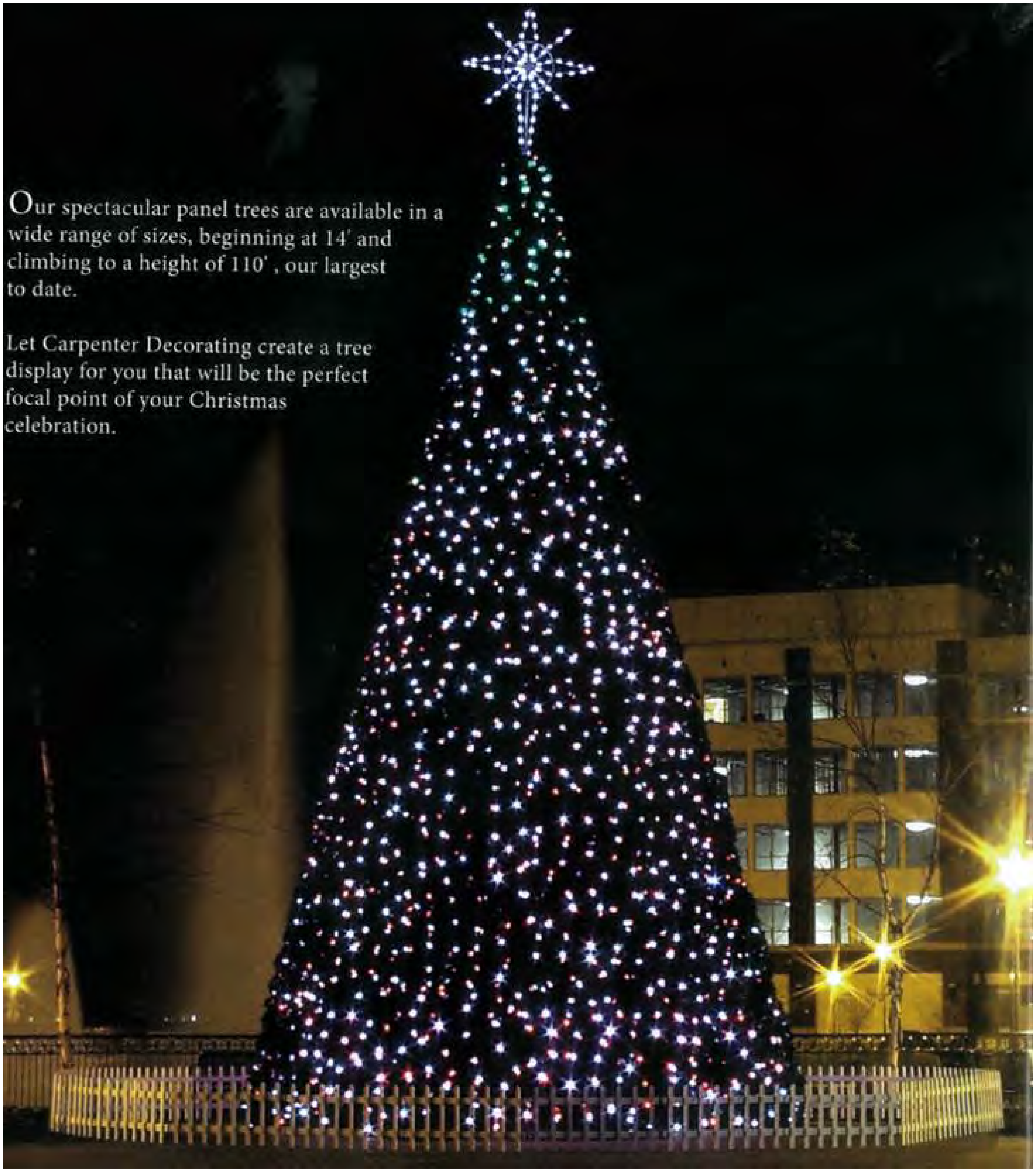
$19,724.00

BUDGET ACTION REQUIRED:

Women's Division Chamber of Commerce and Downtown BID Board donated $15,000.00. The reminder will be from a reforecast of the 2017/2018 Parks Budget.

STAFF RECOMMENDATION:

Authorize staff to purchase 30' LED Artificial Panel Tree to include Topper and shipping costs. Bronner's Commercial Display is the sole source company.


Our spectacular panel trees are available in a wide range of sizes, beginning at 14' and climbing to a height of 110' , our largest to date.
Let Carpenter Decorating create a tree display for you that will be the perfect focal point of your Christmas celebration.


PHILIPS
LUMEC

Date: May 22, 2018

To: Honorable Mayor and City Commissioners

From: Parks Department

RE: Toro Groundsmaster mower

SUMMARY OF REQUEST:

The Parks Department is requesting permission to purchase one (1) Toro 3280 2wd Groundsmaster mower with recycler deck from Spartan Distributors, the lowest qualified bidder. The cost for the mower is $19,891.22.

FINANCIAL IMPACT:

$19,891.22

BUDGET ACTION REQUIRED:

None. The amount was budgeted in the 2017/2018 Parks Budget reforecast.

STAFF RECOMMENDATION:

Authorize staff to purchase one (1) Toro Groundsmaster 3280 2wd mower with recycler deck from Spartan Distributors, the lowest qualified bidder.

Spartan
Distributors

May 1, 2018

City of Muskegon
ATTN: Burnadette Young
1350 Keating
Muskegon, MI 49442

487 W Division Street
PO Box 246
Sparta, MI 49345
616.887.7301
Fax: 616.887.6288

1050 Opdyke Road
Auburn Hills, MI 48326
248.373.8800
Fax: 248.373.8899

Dear Burnadette,

We are pleased to provide a quote on the following equipment:

(1) Toro Groundsmaster 3280 2WD (#30344) **$ 19,891.22**

- 72" Guardian Recycler Deck w/ 4 castors (#31335)
- (2) 8" Foam Filled Castor Wheels (#93-5974)
- Air Ride Seat Suspension (#30313)
- Milsco Seat (#30398)
- Armrest Kit (#30707)
- Armrest Adapter Kit (#109-9687)

Trade Ins

(1)	**1994 Toro Groundsmaster 345 w/3721 Hours**	**($ 1,000.00)**
(1)	**2002 Toro Groundsmaster 345 w/4262 Hours**	**($ 1,200.00)**
(1)	**1999 Toro Groundsmaster 325 4WD w/3908 Hours**	**($ 1,200.00)**

Grand Total $ 16,491.22

Pricing is firm for 30 days.

DELIVERY: As requested

TERMS: Net 30 days

Thank you for your interest in our line of equipment. If you have any questions please feel free to call me at 800-822-2216.

Sincerely,

A.J. Rings
Commercial Division

Reinders

Established in 1866

John Jensen, CSE
Commercial Equip. Sales Mgr.
~~911 Tower Road~~
Mundelein, IL 60060
Cell (414) 313-5130
Fax (262) 786-6111
jjensen@reinders.com

City of Muskegon
1350 Keating
Muskegon, MI 49442

Quote ID	Quotes Good
JJ05031832802WD	for 30 Days
Quote Date	Tax Not Included
5/3/18	In Quote

PRICE QUOTATION

Qty	Model #	Description		Total
1	30344	GM 3280-D 2WD	Subtotal:	$21,255.87
1	31335	72" Guardian Recycler deck with 4 castor wheels		
1	93-5974	Foam Filled 8" Caster Wheel		
1	30313	Air Ride Seat Suspension		
1	30398	Milsco Seat		
1	30707	Armrests		
1	108-9687	Armrest Adaptor Kit		

Trades

(1) 1994 Groundsmaster 345 w/3,721 hours	Trade Value:	($1,000.00)
(1) 2002 Groundsmaster 345 w/4,262 hours	Trade Value:	($1,000.00)
(1) 1999 Groundsmaster 325 w/ 3,908 hours	Trade Value:	($500.00)

Package Total: $18,755.87

CENTURY Equipment

QUOTATION

Date 05/01/18

For: **City of Muskegon**
1350 Keating

Muskegon MI 49442

From: **Cleveland Office located at:**
2266 E Aurora Road
Twinsburg, OH 44087
800-346-0066

Attn: **Burnadette Young**

SalesRep:

Qty	Model#	Description	Sell Price	Extension
	GM3280			
1	30344	Groundsmaster 3280-D 2WD (Kubota® liquid-cooled, diesel, 3-cylinder, 24.8 hp)	15,122.95	15,122.95
1	31335	72" Guardian Recycler deck with 4 castor wheels	5,116.86	5,116.86
1	30313	Air Ride Seat Suspension	566.30	566.30
1	30398	Milsco Seat	370.06	370.06
1	30707	Armrests	148.02	148.02
1	108-9687	Armrest Adaptor Kit	44.79	44.79
2	93-5974	Foam Filled 8" Caster Wheel	104.84	209.68
		Sub-Total:		21,578.66

	Merchandise Total	**21,578.66**
1994 GM345, 2002 GM345, 1999 GM325 4wd	***Trade-In Credit***	**(3,400.00)**
	Destination Charge	**431.57**
	0.00% * Sales Tax	**0.00**
Terms: Net 15 Days (Upon Credit Approval)		**18,610.23**

This Quote Is Good for 30 Days

** Sales Tax is subject to change based on the current rules and regulations in effect at the time of delivery*

Accepted By: ______________________ ***Date:*** ______________

True Lease Financing	Base = $18,502.34	Rate Factor	Payment	Residual%

Conditional Sale Financing	Base = $18,502.34	Rate Factor	Payment

Commission Meeting Date: May 22, 2018

Date: **May 16, 2018**

To: **Honorable Mayor and City Commission**

From: **Community and Neighborhood Services Department (CNS)**

RE: **2018 CDBG/HOME Budget Recommendations**

SUMMARY OF REQUEST: To approve the 2018 Budget recommendations for CDBG/HOME Allocations.

FINANCIAL IMPACT: Budget will be published for release of funds request.

BUDGET ACTION REQUIRED: To finalize the budget for the CNS department and direct staff to publish approved 2018 CDBG/HOME Allocation and Budget for Release of Funds and Environmental Review of Projects.

STAFF RECOMMENDATION: To approve the 2018 CDBG and HOME Budgets.

COMMITTEE RECOMMENDATION: The Citizens District Council has made their recommendations. (See attached spreadsheet)

CDBG Organization/Agency	Activity	2018 Staff Proposed	2018 CDC Proposed	2018 Commission Approved
COM - Finance	Youth Opportunities/Summer Internships	$ 5,000.00	$ 5,000.00	
COM - CNS	CDBG Admin **	$ 187,531.34	$ 187,531.34	
COM - CNS	Priority Home Repair	$ 150,000.00	$ 125,000.00	
COM - CNS	Services Delivery	$ 75,000.00	$ 75,000.00	
COM - CNS	Residential Façade Program	$ 50,000.00	$ 50,000.00	
COM - CNS	Senior Pilot Program	$ -	$ 90,000.00	
COM - Finance	Fire Station Bond Repayment	$ 133,400.66	$ 133,400.66	
COM - Inspections	Dangerous Bldgs - Demolition	$ 50,000.00	$ 50,000.00	
COM - Inspections	Dangerous Bldgs - Board-Ups	$ 10,000.00	$ 10,000.00	
COM - Leisure Services	Youth Recreation*	$ 90,000.00	$ 90,000.00	
COM - Planning	Code Enforcement Staff	$ 50,000.00	$ 25,000.00	
COM - Engineering	Smith Ryerson Park	$ 96,726.00	$ 96,726.00	
COM - Engineering	Neighborhood Beautification - 3rd St Sidewalks	$ 40,000.00	$ -	
	TOTAL	**$ 937,658.00**	**$ 937,658.00**	

HOME Organization/Agency	Activity	2018 Staff Proposed	2018 CDC Proposed	2018 Commission Approved
CHDO Allocation	Housing Affordable Units****	$ 50,000.00	$ 100,000.00	
CHDO Administration	Administration	$ 5,000.00	$ 5,000.00	
COM - CNS	HOME Administration***	$ 32,768.00	$ 32,768.00	
COM - CNS	HOME Rehab Construction *	$ 239,913.00	$ 189,913.00	
	TOTAL	**$ 327,681.00**	**$ 327,681.00**	

AGENDA ITEM NO. _______________

CITY COMMISSION MEETING __________________________

TO: Honorable Mayor and City Commissioners

FROM: Frank Peterson, City Manager

DATE: May 16, 2018

RE: Neighborhood Renovations

SUMMARY OF REQUEST:

The city recently acquired properties at 1531 Beidler, 1078 Second Street, 1067 Grand Street, 248 Mason Street, and 1188 4th Street. All of the properties require extensive renovations prior to being made available for occupancy. Three of the properties were acquired via tax foreclosure and two via conventional property acquisition. Staff is seeking approval to invest up to $400,000 in these five structures. Once renovations are complete, the properties will be sold to as affordable market-rate residential properties.

FINANCIAL IMPACT:

$400,000 allocated from the Public Improvement Fund over the next two fiscal years.

BUDGET ACTION REQUIRED:

This will be accounted for partially in the 3rd Quarter Reforecast. The remainder of the expenses will be accounted for in the FY 2018-19 budget.

STAFF RECOMMENDATION:

To authorize the city manager to expend up to $400,000 for the renovation of city-owned structures at 1531 Beidler, 1078 Second Street, 1067 Grand Street, 248 Mason Street, and 1188 4th Street.

COMMITTEE RECOMMENDATION:

Commission Meeting Date: May 22, 2018

Date: May 16, 2018

To: Honorable Mayor & City Commission

From: Planning & Economic Development Department

RE: Public Hearing for Brownfield Plan Amendment and Development and Reimbursement Agreement for Pigeon Hill 4th Street Expansion Project

---

SUMMARY OF REQUEST: To hold a public hearing and approve the resolution approving and adopting the amendment to the Brownfield Plan and to approve the Development and Reimbursement Agreement. The amendments are for property owned by Pigeon Hill Brewing Company, LLC.

FINANCIAL IMPACT: Brownfield Tax Increment Financing will be used to reimburse the developer and the City for "eligible expenses" incurred in association with development of the Pigeon Hill 4th Street Expansion project. Pigeon Hill Brewing Company, LLC cost for the development of the property is approximately $1,313,187 in private investment, resulting in a substantial increase in the local and school taxes generated by the property.

"Eligible Expenses" would be reimbursed starting in 2019. The estimated tax capture and payment schedule is included as Tables 1 and 5 in the proposed Brownfield Plan Amendment.

During the last five years of the plan (estimated to be 2040-2044), the BRA is authorized to capture local taxes for five years for deposit into a Local Brownfield Revolving Fund.

The Development and Reimbursement Agreement provides the structure for the capture of taxes and the reimbursement to Pigeon Hill Brewing Company, LLC and for eligible expenses.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To hold a public hearing for approval of the Brownfield Plan Amendment for the Pigeon Hill 4th Street Expansion Project and approve the attached resolution and authorize the Mayor and Clerk to sign the resolution, and to approve the Development and Reimbursement Agreement between Pigeon Hill Brewing Company, LLC, the City of Muskegon and the City of Muskegon Brownfield Redevelopment Authority.

COMMITTEE RECOMMENDATION: The Muskegon City Commission set the public hearing for May 22, 2018 at their May 8, 2018 meeting. Since that time, a notice of the public hearing has been sent to taxing jurisdictions. In addition, the Brownfield Redevelopment Authority approved the Plan amendment and the Development and Reimbursement Agreement on May 8, 2018 and recommends that the Muskegon City Commission approve the Plan Amendment and Development and Reimbursement Agreement.

RESOLUTION APPROVING THE BROWNFIELD PLAN AMENDMENT AND

DEVELOPMENT AND REIMBURESMENT AGREEMENT

Pigeon Hill 4th Street Expansion Project

City of Muskegon

County of Muskegon, Michigan

Minutes of a Regular Meeting of the City Commission of the City of Muskegon, County of Muskegon, Michigan (the "City"), held in the City Commission Chambers, on the 22nd day of May 2018, at 5:30 p.m., prevailing Eastern Time.

PRESENT: Members

____

____

ABSENT: Members

____

The following preamble and resolution were offered by Commissioner ________________ and supported by Commissioner ________________:

WHEREAS, in accordance with the provisions of Act 381, Public Acts of Michigan, 1996, as amended ("Act 381"), the City of Muskegon Brownfield Redevelopment Authority (the "Authority") has prepared and approved a Brownfield Plan Amendment to add Pigeon Hill 4th Street Expansion Project; and

WHEREAS, the Authority has forwarded the Brownfield Plan Amendment to the City Commission requesting its approval of the Brownfield Plan Amendment; and

WHEREAS, the Authority has forwarded the Development and Reimbursement Agreement to the City Commission requesting its approval of the Development and Reimbursement Agreement; and

WHEREAS, the City Commission has provided notice and a reasonable opportunity to the taxing jurisdictions levying taxes subject to capture to express their views and recommendations regarding the Brownfield Plan Amendment, as required by Act 381; and

WHEREAS, not less than 10 days has passed since the City Commission provided notice of the proposed Brownfield Plan to the taxing units; and

WHEREAS, the City Commission held a public hearing on the proposed Brownfield Plan on May 22, 2018.

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. That the Brownfield Plan constitutes a public purpose under Act 381.

2. That the Brownfield Plan meets all the requirements of Section 13(1) of Act 381.

3. That the proposed method of financing the costs of the eligible activities, as identified in the Brownfield Plan and defined in Act 381, is feasible and the Authority has the authority to arrange the financing.

4. That the costs of the eligible activities proposed in the Brownfield Plan are reasonable and necessary to carry out the purposes of Act 381.

5. That the amount of captured taxable value estimated to result from the adoption of the Brownfield Plan is reasonable.

6. That the Brownfield Plan in the form presented is approved and is effective immediately.

7. That the Development and Reimbursement Agreement is approved and is effective immediately.

8. That all resolutions or parts of resolutions in conflict herewith shall be and the same are hereby rescinded.

Be It Further Resolved that the Mayor and City Clerk are hereby authorized to execute all documents necessary or appropriate to implement the provisions of the Brownfield Plan.

AYES: Members

____

____

____

NAYS:

Members____

____

RESOLUTION DECLARED ADOPTED.

____
Ann Marie Meisch, City Clerk

____
Stephen J. Gawron, Mayor

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, State of Michigan, at a regular meeting held on May 22, 2018, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

____

Ann Marie Meisch, City Clerk

CITY OF MUSKEGON
BROWNFIELD REDEVELOPMENT AUTHORITY

BROWNFIELD PLAN

FOR

PIGEON HILL BREWING COMPANY, LLC
895 4TH STREET
MUSKEGON, MICHIGAN

Approved by the Brownfield Redevelopment Authority on: May 8, 2018
Approved by the City Commissioners on ______________________

Prepared with the assistance of:
Envirologic Technologies, Inc.
2960 Interstate Parkway
Kalamazoo, Michigan 49048
(269) 342-1100

TABLE OF CONTENTS

EXHIBITS

SCHEDULES/TABLES

ATTACHMENTS

CITY OF MUSKEGON BROWNFIELD REDEVELOPMENT AUTHORITY
BROWNFIELD PLAN
PIGEON HILL BREWING COMPANY, LLC
895 4TH STREET
MUSKEGON, MICHIGAN

1. INTRODUCTION AND PURPOSE

Envirologic has prepared this Brownfield Plan on behalf of the City of Muskegon Brownfield Redevelopment Authority (CMBRA) for 895 4th Street, Muskegon, Michigan. The 895 4th Street parcel is currently an asphalt covered parking lot that Pigeon Hill Brewing Company, LLC will redevelop as a brewery production facility (Exhibits, Figure 1). This redevelopment project may result in the future completion of additional redevelopment costs within the adjacent public right-of-ways that would also be considered eligible activity. Potential future redevelopment activities within adjacent right-of-ways would require an amendment of this Brownfield Plan to be subject to tax increment revenue reimbursement. The City of Muskegon is a Qualified Local Governmental Unit as defined by section 2(k) of the Obsolete Property Rehabilitation Act (OPRA) PA 146 of 2000, as amended. The initial phase of redevelopment will consist of the construction of a 15,000 square foot pre-engineered metal and brick building for brewery production, designated tasting area, offices, as well as surrounding site improvements.

The proposed project included in this Brownfield Plan will benefit the local community by bringing a previously publicly owned parcel back onto the tax rolls generating tax revenues and also creating a destination spot that will encourage additional public traffic to the downtown area for the City of Muskegon without furthering urban sprawl. The project also includes temporary job creation for construction of the facility and long term job creation for brewery operations.

The subject property is currently an asphalt covered parking lot. According to historic sources, the subject property has had several uses: being part of a lumber yard, a baseball diamond, and most recently a parking lot utilized by the L.C. Walker Arena and Event Center. City of Muskegon records indicate that the subject property was purchased by the city in 1963. The deed from the purchase of the property indicated that the use of the parking lot was specifically to be utilized as parking for the L.C. Walker Arena and Event Center for at least 50 years.

In September of 2008, a report titled *Summary Report—Area-Wide Assessment of Historic Fill of Muskegon Lake Shoreline—Muskegon, Michigan* was prepared with the intent to delineate locations of historic fill material and determine the contamination associated with the fill material throughout the downtown Muskegon area. The subject property falls in the region of the Area-Wide Final Summary Report, with sampling activities in the area indicating that several contaminants are present above select Generic Residential Cleanup Criteria (GRCC). The sampling locations that were in close vicinity to the subject property demonstrated the presence of select metals in soil and groundwater at concentrations in excess of MDEQ cleanup criteria. Based upon the fact that the deposition of fill material occurred regionally across the study area it is reasonable to presume that similarly impacted fill is present across the footprint of the subject parcel. This conclusion is supported by the results of the installation of geotechnical borings in December 2017 demonstrating the presence of fill material at multiple boring locations across the parcel. The results of the 2008 Area Wide study demonstrates that the 895 4th Street parcel meets the definition of a "facility" as defined by Part 201 of the Natural Resources and Environmental Protection Act (NREPA) and as defined by the Brownfield Redevelopment Financing Act 381, MCL 125.2652(r).

Potential environmental-related costs include Pre-Approved Activities conducted by the CMBRA and Pigeon Hill Brewing Company, LLC (the developer). These "environmental" costs are eligible for reimbursement through the Brownfield Plan and include a Phase I Environmental Site Assessment (ESA), Baseline Environmental Assessment (BEA), and Documentation of Due Care Compliance (DDCC). These activities are statutorily eligible to be reimbursed using both school and local tax increment revenues without Work Plan approval from the Michigan Department of Environmental Quality (MDEQ). Additional environmental costs to be incurred in the future during redevelopment include transport and disposal of contaminated soil, backfill for the removal of contaminated soil, and associated dust control.

The project includes "non-environmental costs" that are eligible for reimbursement through the Brownfield Plan. Specific non-environmental eligible costs include site demolition, site preparation activities, and those architecture and engineering fees associated specifically with the eligible activities. The development of this Brownfield Plan as well as an Act 381 Work Plan are also eligible costs, as well as contingencies.

This Brownfield Plan identifies the eligible environmental and non-environmental activities that have been completed or will be conducted by the CMBRA or Pigeon Hill Brewing Company, LLC and which will be reimbursed through the capture of tax increment revenues. An Act 381 Work Plan will be prepared to approve the capture of school tax increment revenues for reimbursement. The property is located within a Downtown Development Authority (DDA) district. The DDA passed a resolution to forego their portion of the tax increment capture in support of the project due to its myriad benefits to the community.

The purpose of this plan, to be implemented by the Authority, is to satisfy the requirements for a Brownfield Plan as specified in Act 381 of the Public Acts of the State of Michigan of 1996, as amended, MCL 125.2651 et. seq., which is known as the "Brownfield Redevelopment Financing Act." Terms used in this document are as defined in Act 381.

2. ELIGIBLE PROPERTY INFORMATION

The property subject to this Brownfield Plan consists of a portion of one legal parcel and the adjacent public right-of-ways. The 895 4th Street property subject to this Brownfield Plan consists of a portion of a larger parent parcel. The tax identification number of the parent parcel is: 61-24-205-567-0002-10. The property subject to this Brownfield Plan is the portion of the parent parcel south of Fourth Street, north of Mart (5th) Street, and west of Shoreline Drive and is commonly referred to as Parcel B. The legal description for Parcel B was obtained through a legal survey conducted by Westshore Consulting (attached).

The 895 4th Street property is currently an asphalt covered parking lot. The subject property is zoned Form Based Code – Downtown Context Area, according to the City of Muskegon zoning ordinance. The redevelopment will complement and support the existing needs of the community.

Refer to Figure 1 (Exhibits) for a location map and legal description.

3. PROPOSED REDEVELOPMENT

The 895 4th Street property currently consists of an asphalt covered parking lot. Pigeon Hill Brewing Company, LLC intends to construct a brewery production facility with tasting room on the property. The initial phase of proposed redevelopment consists of the construction of a 15,000 square foot metal and brick building resting on a concrete slab on grade at the north end of the property. The building will include open floor production areas occupying the majority of the structure with office, tasting room and administrative space to be located at the north end of the building. The construction will include an asphalt covered parking area west of the building and a storm water management area/swale along the northwest boundary of the property.

Pigeon Hill Brewing Company, LLC acquired the subject property from the City of Muskegon on December 23, 2017. Environmental assessments have already been performed and construction is scheduled to begin in the Summer of 2018. Redevelopment is anticipated to be complete by the Fall of 2018. The private investment is estimated at $1,313,187. Pigeon Hill Brewing Company, LLC anticipates the creation of five full time equivalent (FTE) jobs within two years of project completion. No FTE jobs will be retained as the property is currently vacant.

4. BROWNFIELD CONDITIONS

According to historic sources, the subject property has had several uses: being part of a lumber yard, a baseball diamond, and most recently a parking lot utilized by the L.C. Walker Arena and Event Center. City of Muskegon records indicate that the subject property was purchased by the city in 1963. The deed from the purchase of the property indicated that the use of the parking lot was specifically to be utilized as parking for the L.C. Walker Arena and Event Center for at least 50 years.

In September of 2008, a report titled *Summary Report—Area-Wide Assessment of Historic Fill of Muskegon Lake Shoreline—Muskegon, Michigan* was prepared with the intent to delineate locations of historic fill material and determine the contamination associated with the fill material throughout the downtown Muskegon area. The subject property falls in the region of the Area-Wide Final Summary Report, with sampling activities in the area indicating that metals contaminants are present in shallow fill material at concentrations above select Generic Residential Cleanup Criteria (GRCC). The area wide sampling locations that were in close vicinity to the subject property demonstrated the presence of chromium and arsenic in soil and manganese in groundwater at concentrations in excess of MDEQ cleanup criteria. Based upon the fact that the deposition of fill material occurred regionally across the study area it is reasonable to presume that similarly impacted fill is present across the footprint of the subject parcel. This conclusion is supported by the results of the installation of geotechnical borings in December 2017 demonstrating the presence of fill material at multiple boring locations across the parcel. Based upon the results of the area wide assessment a Baseline Environmental Assessment (BEA) was prepared on behalf of Pigeon Hill Brewing Company, LLC. The results of the 2008 Area Wide study demonstrates that the 895 4th Street parcel meets the definition of a "facility" as defined by Part 201 of the Natural Resources and Environmental Protection Act (NREPA) and as defined by the Brownfield Redevelopment Financing Act 381, MCL 125.2652(r).

As such, the property qualifies to be included in the Brownfield Plan as defined by the Brownfield Redevelopment Financing Act 381, MCL 125.2652(c)(vii). Additionally, the adjacent public right-of-ways are contiguous to the “facility” 895 4th Street property.

5. BROWNFIELD PLAN ELEMENTS (as specified in Section 13(1) of Act 381)

A. Description of Costs to be Paid for with Tax Increment Revenues

This Brownfield Plan has been developed to reimburse existing and anticipated costs to be incurred by the CMBRA and Pigeon Hill Brewing Company, LLC (the developer). Tax increment revenues will be captured for reimbursement from both local and school taxes. An Act 381 Work Plan will be prepared for the approval of school tax capture. BEA Activities are statutorily eligible for reimbursement with both local and school tax increment revenues. Specific costs to be paid for with tax increment revenues are detailed in Table 1 and described below.

Eligible costs for reimbursement include MDEQ environmental Pre-Approved Activities consisting of a Phase I ESA funded by the CMBRA and a Baseline Environmental Assessment (BEA) and Documentation of Due Care Compliance (DDCC) funded by Pigeon Hill Brewing Company, LLC. The Phase I ESA was completed at a cost of $3,000 and the BEA was completed at a cost of $2,000. The preparation of a Documentation of Due Care Compliance (DDCC) report was at a cost of $1,500. The following additional environmental activities were completed or will be completed in support of redevelopment: transport and disposal of contaminated soil at an estimated cost of $50,000; back-fill replacement of contaminated soil at a cost of $10,000; and dust control during these activities at a cost of $1,000.

The project also includes “non-environmental costs” that are eligible for reimbursement through the Brownfield Plan. Specific non-environmental eligible costs include site demolition activities, site preparation activities, and those architecture and engineering fees associated specifically with the eligible activities. Site demolition will include removal of the asphalt parking lot on northern portions of the site for the new building at a cost of $4,000 and curb/gutter demolition for new access points to the property at a cost of $1,000.

Site preparation activities will include: the transport and disposal of soils that are unsuitable for construction ($125,000); backfill of the removed soil ($30,000); dust control ($1,000); dewatering (5 days @ $5,000/day = $25,000); geotechnical engineering ($6,400); grading (3,333 square yards @ $1.50/square yard = $5,000); land balancing (3,333 square yards @ $1.50/square yard = $5,000); staking ($4,000); temporary erosion control (400 linear foot @ $6.25/linear foot = $2,500); and temporary facility (6 months @ $300\month = $1,800).

The development of the Brownfield Plan and Act 381 Work Plan are also eligible activities, estimated at a proposed cost of $7,000 each.

The Plan also includes Administrative Costs of the CMBRA. For the purposes of this Plan the Administrative Costs of the CMBRA were projected by calculating 10% of the cost of total eligible activities inclusive of contingencies. While the attached Table 5 indicates a consistent annual capture for Administrative Costs beginning the first year of tax capture in 2019; the CMBRA may choose at their discretion to not begin capture of Administrative Costs for some period of time after tax increment revenue capture begins. As such, the capture of tax increment for Administrative Costs may not proceed as detailed in Table 5. Regardless of when tax increment capture for Administrative Costs begins the capture of tax increment for Administrative Costs will not exceed 10% of eligible activities inclusive of contingencies.

Interest expense is an eligible expense and is included in this Brownfield Plan at 2.5%.

The total potential brownfield eligible activity costs—including contingencies, financing costs, administrative fees, preparation of the Brownfield Plan and Act 381 Work Plan — are estimated at $498,558.57.

B. Summary of Eligible Activities

Completed environmental activities include a Phase I ESA, Baseline Environmental Assessment (BEA), and Documentation of Due Care Compliance (DDCC). Additional environmental activities to be conducted include: transport and disposal of contaminated soil; backfill replacement of removed contaminated soil; and dust control during these activities.

Non-environmental activities include: site demolition; site preparation, and those architecture and engineering fees associated specifically with the eligible activities.

The development of the Brownfield Plan and Act 381 Work Plan, administrative costs of the Authority, interest expense, and contingencies are also eligible activities.

C. Estimate of Captured Taxable Value and Tax Increment Revenues

For the purposes of this plan, the initial taxable value is the value of the eligible property in the current 2018 taxable value of $74,200. The eligible activities not yet completed will be initiated in the Spring of 2018 with an expected project completion date in the Fall of 2018. This Plan anticipates that the increment will first be available for capture with the 2019 summer and winter taxes. The increase in taxable value will come from a combination of putting the publicly owned 895 4th Street parcel back on the tax rolls in addition to the increase in taxable value associated with construction of the 15,000 square foot brewery production facility with tasting room.

The planned redevelopment activities and investment for the project was provided to the City of Muskegon Assessor in support of estimating the future taxable value of the property. The City of Muskegon Assessor projects a value of the building at $1,164,575, land improvements valued at $26,612, and a land value of $122,000. Together these provide an estimated true cash value of $1,313,187 and a resulting future taxable value estimate of $656,600.

Based upon the December 2017 purchase of the property by Pigeon Hill Brewing Company, LLC the vacant lot has an initial taxable value of $74,200. As such; a tax increment of $582,400 is anticipated.

The estimated captured taxable value for this redevelopment by year and in aggregate for each taxing jurisdiction is depicted in tabular form (Tables 2, 3, and 4).

A summary of the estimated reimbursement schedule and the amount of capture into the Local Brownfield Revolving Fund (LBRF) by year and in aggregate is presented as Table 5. Once eligible expenses are reimbursed, the Authority may capture up to five full years of the tax increment and deposit the revenues into an LBRF.

D. Method of Financing and Description of Advances by the Municipality

The Phase I ESA was financed by the CMBRA through the use of EPA grant funds on behalf of Pigeon Hill Brewing Company, LLC. All other BEA activities were funded or will be funded by Pigeon Hill Brewing Company, LLC. Non-environmental costs will be incurred by the developer. Eligible costs will be reimbursed through tax increment financing and other leveraged incentives. Eligible activities do include interest expense (financing costs). Interest will be calculated at 2.5% annually on unreimbursed principal costs. Simple interest will be paid after all principal is paid. The environmental assessment costs are statutorily approved for reimbursement with both local and school tax increment revenues.

No advances by the municipality have been made or are anticipated.

E. Maximum Amount of Note or Bonded Indebtedness

At this time, there are no plans by the Authority to incur indebtedness to support development of this site, but such plans could be made in the future to assist in the development if the Authority so chooses.

F. Duration of Brownfield Plan

The Authority intends to begin capture of tax increment in 2019. This Plan will then remain in place until the eligible activities have been fully reimbursed and up to five full years of capture into the LBRF is complete or 30 years, whichever occurs sooner.

G. Estimated Impact of Tax Increment Financing on Revenues of Taxing Jurisdictions

The estimated amount of tax increment revenues to be captured for this redevelopment from each taxing jurisdiction by year and in aggregate is presented as Table 4.

H. Legal Description, Property Map, Statement of Qualifying Characteristics and Personal Property

The 895 4th Street parcel subject to this Brownfield Plan consists of a portion of a larger parent parcel. The tax identification number of the parent parcel is: 61-24-205-567-0002-10. The property subject to this Brownfield Plan is the portion of the parent parcel south of Fourth Street and is commonly referred to as Parcel B. The legal description for Parcel B was obtained through a legal survey conducted by Westshore Consulting (attached). A legal description of the 895 4th Street property subject to this Brownfield Plan is presented below:

PART OF LOT 2, BLOCK 567 REVISED PLAT (OF 1903) OF THE CITY OF MUSKEGON, LIBER 3, PAGE 71 DESCRIBED AS FOLLOWS:

COMMENCING AT A FOUND VERTICAL RAILROAD RAIL ON THE LINE BETWEEN BLOCKS 567 AND 563, BEING 858.25 FT., MORE OR LESS, NORTHWESTERLY OF THE NORTHEAST CORNER OF BLOCK 566, THENCE SOUTH 40 DEGREES 43 MINUTES 49 SECONDS EAST, ON SAID LINE BETWEEN BLOCKS 567 AND 563, A DISTANCE OF 200.00 FT., THENCE SOUTH 34 DEGREES 26 MINUTES 46 SECONDS WEST, A DISTANCE OF 416.28 FEET, THENCE SOUTH 34 DEGREES 29 MINUTES 42 SECONDS WEST, A DISTANCE OF 69.00 FEET TO THE POINT OF BEGINNING;

THENCE SOUTH 38 DEGREES 35 MINUTES 8 SECONDS EAST, A DISTANCE OF 196.65 FEET;

THENCE SOUTHWESTERLY, ALONG A CURVE TO THE RIGHT, 40 FEET NORTHWESTERLY OF THE RAILROAD CENTERLINE AS MEASURED AT RIGHT ANGLES TO THE EXISTING RAILROAD, A DISTANCE OF 260.28 FEET (CURVE DATA BEING, RADIUS=1,777.07 FEET, DELTA=8 DEGREES 23 MINUTES 30 SECONDS, LONG CHORD AND BEARING= =SOUTH 32 DEGREES 23 MINUTES 20 SECONDS WEST, 260.04 FEET);

THENCE SOUTH 36 DEGREES 3 MINUTES 4 SECONDS WEST, ALONG A LINE 40 FEET NORTHWESTERLY OF THE RAILROAD CENTERLINE, AS MEASURED AT RIGHT ANGLES TO THE EXISTING RAILROAD, A DISTANCE OF 128.98 FEET TO THE SOUTHWESTERLY LINE OF BLOCK 567;

THENCE NORTH 38 DEGREES 12 MINUTES 39 SECONDS WEST, ALONG SAID SOUTHWESTERLY LINE, A DISTANCE OF 203.09 FEET

THENCE NORTH 34 DEGREES 27 MINUTES 11 SECONDS EAST, A DISTANCE OF 385.66 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINS 75,681 SQUARE FEET OR 1.74 ACRES, MORE OR LESS.

In addition to the above described 895 4th Street parcel the adjacent 4th Street, Martin Street (5th Street), and Shoreline Drive right-of-ways are contiguous to the 895 4th Street parcel and also considered eligible property for the purposes of this Brownfield Plan.

The property meets the definition of a “brownfield” as defined by Public Act 381, the Brownfield Redevelopment Financing Act of 1996, as amended, based upon the fact that the 895 4th Street parcel meets the definition of a "facility" as defined by Part 201 of NREPA. The "facility" designation is based upon the presence of select metals in shallow soil and groundwater attributable to the historic regional deposition of urban fill material along the Muskegon River including within the area of the project site. Further description of "facility" conditions is described in Section 4 of this Brownfield Plan.

This Brownfield Plan does intend to capture tax increment revenues associated with personal property tax, if available.

I. Estimates of Residents and Displacement of Families

This property is a parking lot. Therefore, there are no plans for displacement of families.

J. Plan for Relocation of Displaced Persons

Not applicable.

K. Provisions for Relocation Costs

Not applicable.

L. Strategy for Compliance with Michigan's Relocation Assistance Law

Not applicable.

M. Other Material that the Authority or Governing Body Considers Pertinent

Not applicable.

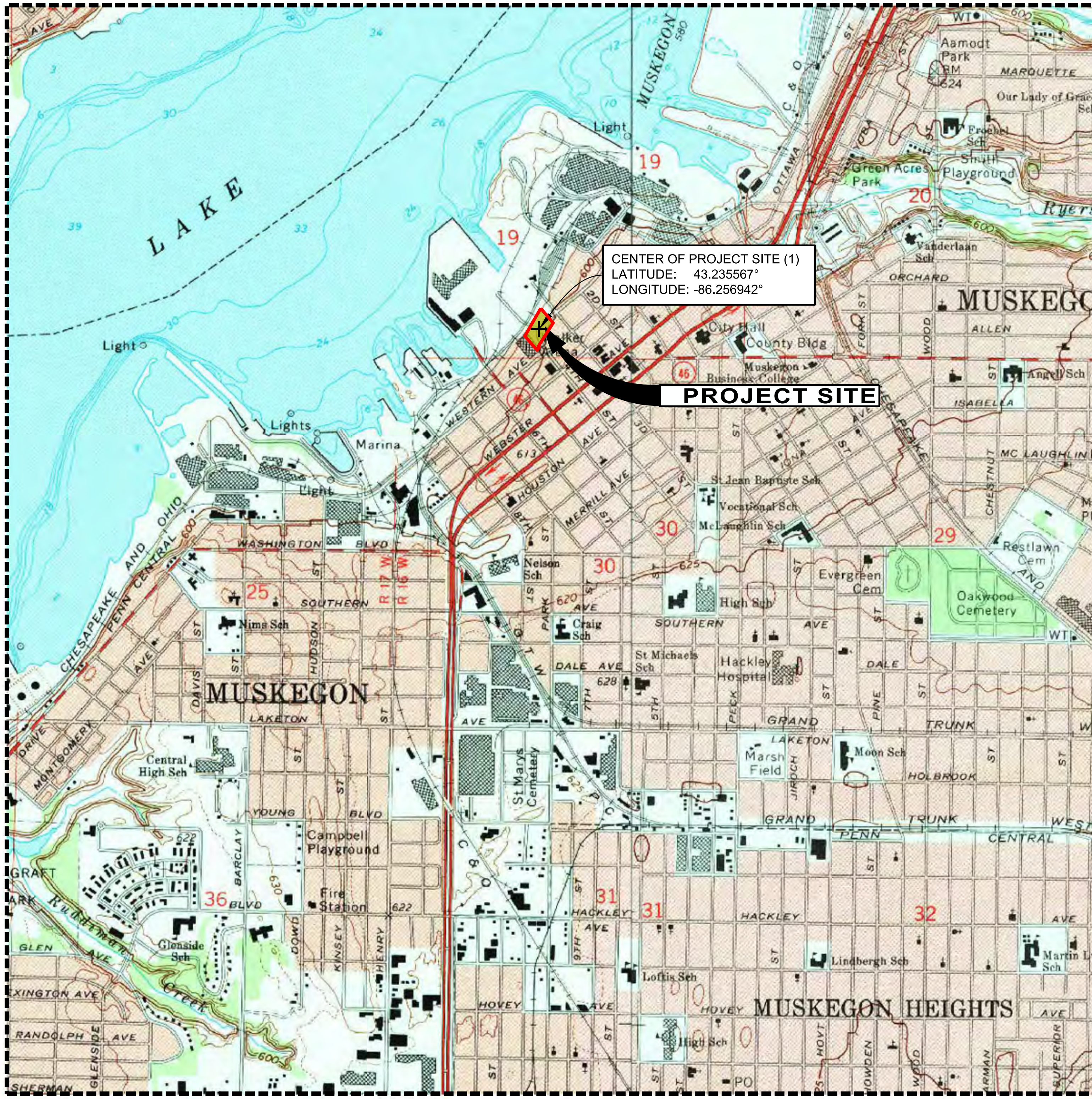
EXHIBITS

SCHEDULES/TABLES

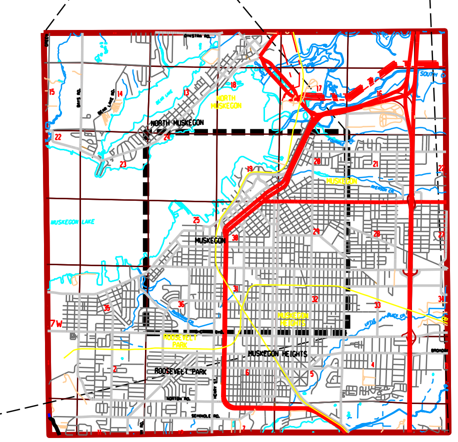
ATTACHMENTS

EXHIBITS

FIGURE 1: ***Location Map***
FIGURE 2: ***Site Plan***
SURVEY AND LEGAL DESCRIPTION



SOURCE: MUSKEGON WEST, MICHIGAN USGS 7.5 MINUTE TOPOGRAPHIC QUADRANGLE MAPS
MAPTECH© U.S. TERRAIN SERIES™ ®MAPTECH©, INC. 606-433-8500



T 10 N. R. 17 W.
MUSKEGON COTUNY
MUSKEGON, MICHIGAN

PROJECT SITE:
TAX ID No: 61-24-205-567-0002-10
BEING IN THE SE1/4 OF THE SW1/4 OF
SECTION 19 TOWNSHIP 10 N, RANGE 16 W

NOTES: (1) LATITUDE AND LONGITUDE INTERPOLATED USING CAD SOFTWARE WITH GEOGRAPHIC CAPABILITIES SET TO THE MICHIGAN GEOREF SYSTEM PROJECTION, AND NATIONAL AGRICULTURAL IMAGERY PROGRAM (NAIP) 2005 GEOREFERENCED IMAGERY OBTAINED FROM THE MICHIGAN GEOGRAPHIC DATA LIBRARY.

0 500 1000 2000 4000
SCALE 1" = 2000'

envirologic
environmental consulting + services
2960 INTERSTATE PARKWAY
KALAMAZOO, MICHIGAN 49048
PH: (269) 342-1100 FAX: (269) 342-4945

895 4th STREET

895 4th STREET
MUSKEGON, MI 49440

LOCATION MAP

PROJECT NO.
170371

FIGURE No.
1

000000 AAAAAA File: AA.dgn Model: Location Map

N

SCALE 1" = 150'

0 50 100 150 300

NOTE:
THIS IS NOT A PROPERTY BOUNDARY SURVEY, PROPERTY BOUNDARIES SHOWN ON THIS MAP ARE BASED ON AVAILABLE FURNISHED INFORMATION AND ARE APPROXIMATE ONLY AND SHOULD NOT BE USED TO ESTABLISH PROPERTY BOUNDARY LOCATION IN THE FIELD.

895 4th STREET

895 4th STREET
MUSKEGON, MI 49440

SITE PLAN

envirologic
environmental consulting + services
2960 INTERSTATE PARKWAY
KALAMAZOO, MICHIGAN 49048
PH: (269) 342-1100 FAX: (269) 342-4945

PROJECT NO.
170371

FIGURE No.
2

000000 AAAAAA File: Model:

PIGEON HILL - PRODUCTION FACILITY

LEGAL DESCRIPTION (AS PROVIDED)

PARCEL B

PART OF LOT 2, BLOCK 567 REVISED PLAT (OF 1903) OF THE CITY OF MUSKEGON, LIBER 3, PAGE 71 DESCRIBED AS FOLLOWS:
COMMENCING AT A FOUND VERTICAL RAILROAD RAIL ON THE LINE BETWEEN BLOCKS 567 AND 563, BEING 858.25 FT., MORE OR LESS, NORTHWESTERLY OF THE NORTHEAST CORNER OF BLOCK 566, THENCE SOUTH 40 DEGREES 43 MINUTES 49 SECONDS EAST, ON SAID LINE BETWEEN BLOCKS 567 AND 563, A DISTANCE OF 200.00 FT., THENCE SOUTH 34 DEGREES 26 MINUTES 46 SECONDS WEST, A DISTANCE OF 416.28 FEET, THENCE SOUTH 34 DEGREES 29 MINUTES 42 SECONDS WEST, A DISTANCE OF 69.99 FEET TO THE POINT OF BEGINNING;

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SAID PARCEL CONTAINS 75,681 SQUARE FEET OR 1.74 ACRES, MORE OR LESS.

EXISTING STRUCTURE INVENTORY

#50080 EX STM CB
RIM 584.27
12" RCP SW 580.87

#50081 EX STM CB
RIM 584.80
12" RCP SW 580.80

#50082 EX STM CB
RIM 584.99
NO VISIBLE PIPES
WATER ELEV 582.74

#50089 EX STM CB
RIM 584.85
12" RCP NE 580.65
12" RCP SW 580.55

#50091 EX STM CB
RIM 584.52
12" RCP NE 580.42
12" RCP SW 580.32

#50092 EX STM CB
RIM 584.27
12" RCP NE 580.77
12" RCP SW 580.67

#50096 EX STM CB
RIM 584.33
12" RCP NE 580.73
12" RCP SW 580.73

#50097 EX STM CB
RIM 583.93
12" RCP NE 580.43
18" RCP SW 579.73
12" RCP SW 580.33

#50098 EX STM CB
RIM 584.23
12" RCP NE 580.03
18" RCP SW 579.83
18" RCP NW 579.83

#50099 EX STM CB
RIM 584.61
12" RCP NE 580.54
12" RCP SW 580.41

#50100 EX STM CB
RIM 585.02
18" RCP NNE 580.52
12" RCP NE 580.52
24" RCP SW 580.07

#50105 EX STM CB
RIM 584.52
12" RCP NE 580.82
12" RCP SW 580.82

#50106 EX STM CB (2' DIA)
RIM 584.49
12" RCP NE 580.99

#50102 EX SAN MH

#50104 EX SAN MH
RIM 584.96

#50103 EX. WTR MH
RIM 585.10

ZONING DATA

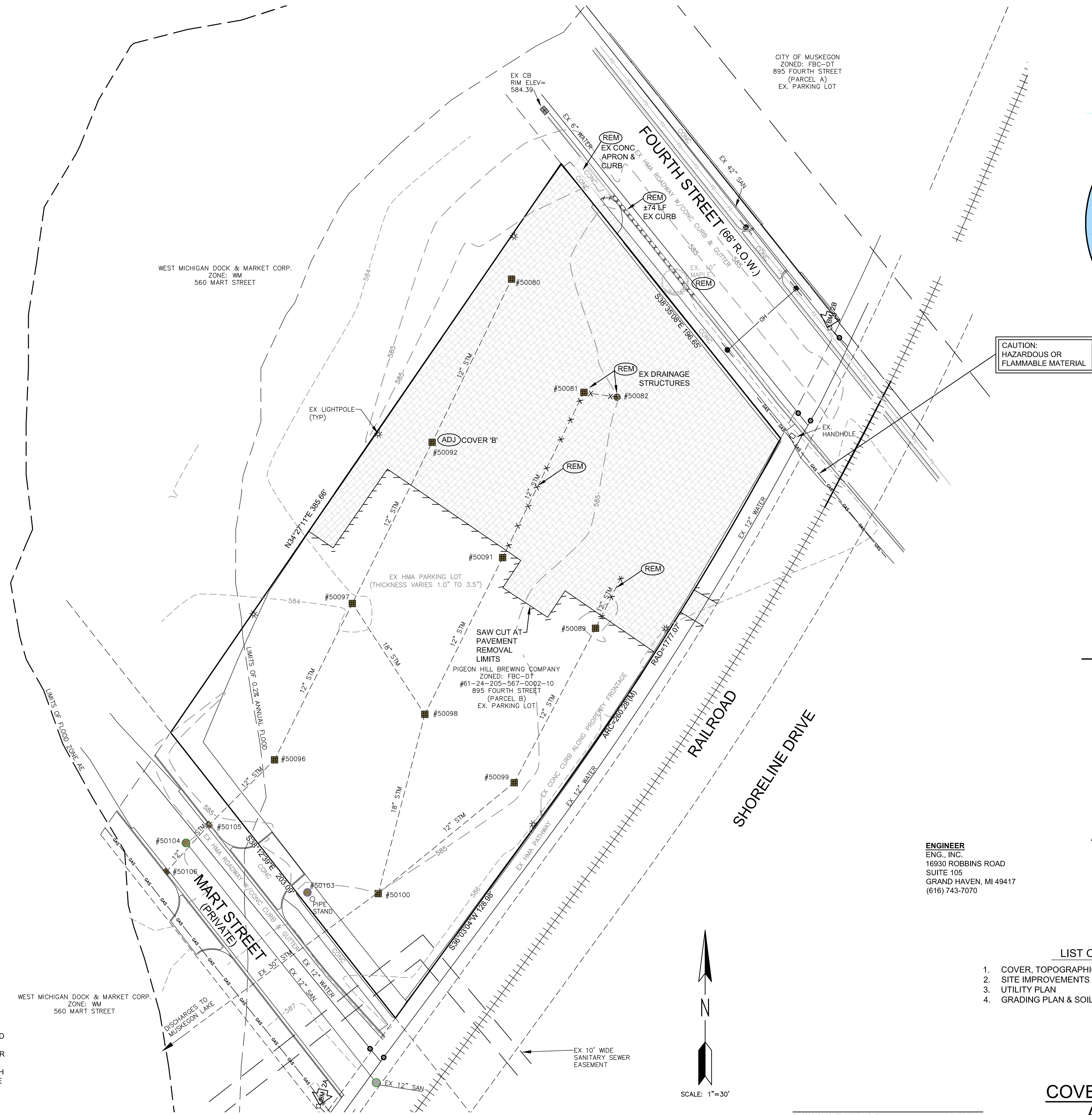
CURRENT ZONING CLASSIFICATION:	FBC:DOWNTOWN
BUILDING SITE PLACEMENT REQUIREMENTS:	FRONT: 0 FEET - REQUIRED BUILD LINE SIDE: 0 FEET - REQUIRED BUILD LINE (FRONTING STREET) SIDE (NON-STREET): 0 FEET REAR: 0 FEET
MAXIMUM BUILDING HEIGHT:	12 STORY
MINIMUM BUILDING HEIGHT:	2 STORY
PARKING PLACEMENT REQUIREMENTS:	FRONT SETBACK: 40 FEET SIDE SETBACK (FROM SIDE STREET): 5 FEET SIDE SETBACK (FROM NON-STREET): 0 FEET REAR SETBACK: 0 FEET

SITE NOTES

1. A PORTION OF THE SUBJECT PARCEL LIES WITHIN FLOOD ZONE X DESIGNATION: AREAS OF 0.2% ANNUAL CHANCE OF FLOOD.
2. THE SUBJECT PARCEL HAS NO EXISTING WETLANDS.

UTILITY STATEMENT

THE UNDERGROUND UTILITIES SHOWN HAVE BEEN LOCATED FROM FIELD SURVEY AND EXISTING DRAWINGS. THE SURVEYOR MAKES NO GUARANTEE THAT THE UNDERGROUND UTILITIES SHOWN COMPRISE ALL SUCH UTILITIES IN THE AREA, EITHER IN SERVICE OR ABANDONED. THE SURVEYOR FURTHER DOES NOT WARRANT THE UNDERGROUND UTILITIES SHOWN ARE IN THE EXACT LOCATION INDICATED ALTHOUGH HE DOES CERTIFY THAT THEY ARE LOCATED AS ACCURATELY AS POSSIBLE FROM THE INFORMATION AVAILABLE. THE SURVEYOR HAS NOT PHYSICALLY LOCATED THE UNDERGROUND UTILITIES.



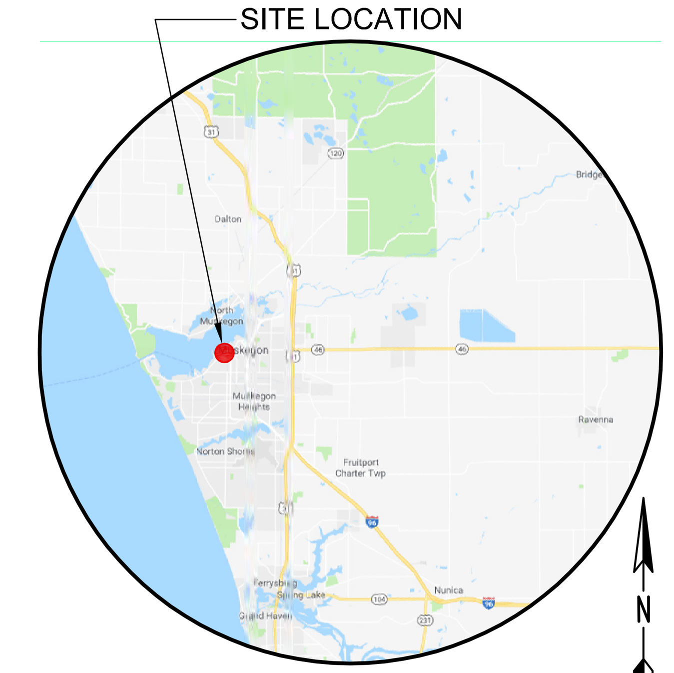
BM 2A: 588.29
ARROW ON TOP OF HYDRANT, NORTHWEST QUAD OF MART ST & RR TRACKS

BM 2B: 589.13
ARROW ON TOP OF HYDRANT, NORTHEAST QUAD 4TH ST & RR TRACKS

811 Know what's below. Call before you dig.

THE LOCATIONS OF EXISTING UNDERGROUND UTILITIES ARE SHOWN IN AN APPROXIMATE WAY ONLY AND HAVE NOT BEEN INDEPENDENTLY VERIFIED BY THE OWNER OR ITS REPRESENTATIVE. THE CONTRACTOR SHALL DETERMINE THE EXACT LOCATION OF ALL EXISTING UTILITIES BEFORE COMMENCING WORK, AND AGREES TO BE FULLY RESPONSIBLE FOR ANY AND ALL DAMAGES WHICH MIGHT BE OCCASIONED BY THE CONTRACTOR'S FAILURE TO EXACTLY LOCATE AND PRESERVE ANY AND ALL UNDERGROUND UTILITIES.

SITE LOCATION



LOCATION MAP
NO SCALE

LEGEND

- = EXISTING DECIDUOUS TREE
- = EXISTING LIGHT POLE
- = EXISTING UTILITY POLE
- = EXISTING OVERHEAD ELECTRIC
- = EXISTING FIRE HYDRANT
- = EXISTING WATER VALVE/WATER MAIN
- = EXISTING SANITARY SEWER
- = EXISTING GAS LINE
- = EXISTING FIBER OPTICS LINE
- = EXISTING PROPERTY LINE
- = EXISTING CATCH BASIN
- = EXISTING CURB INLET
- = EXISTING MANHOLE
- = EXISTING CONTOUR
- = BENCH MARK
- = EXISTING CURB AND GUTTER
- HMA = EXISTING HMA PAVEMENT
- CONC = EXISTING CONCRETE PAVEMENT
- = EXISTING EASEMENT
- = REMOVE PAVEMENT
- = SAW CUT REQUIRED
- REM = REMOVE
- REL = RELOCATE
- ADJ = ADJUST
- = REMOVE EXISTING UTILITY LINE

ENGINEER
ENG., INC.
16930 ROBBINS ROAD
SUITE 105
GRAND HAVEN, MI 49417
(616) 743-7070

LIST OF DRAWINGS

1. COVER, TOPOGRAPHIC SURVEY AND DEMOLITION PLAN
2. SITE IMPROVEMENTS & LANDSCAPING PLAN
3. UTILITY PLAN
4. GRADING PLAN & SOIL EROSION AND SEDIMENTATION CONTROL PLAN

RYAN C. McENHILL, P.E. #56096

COVER, TOPOGRAPHIC SURVEY AND DEMOLITION PLAN

NO.	REVISIONS	BY	DATE
1	ADD TERRACED WALK & REVISE LANDSCAPING	DCD	4/11/18

Drawn By: DCD
Date: 3-21-18
Approved By:
Date:

Eng. Engineering & Surveying
4063 Grand Oak Drive Suite A109
Lansing, MI 48911
517.887.1100
16930 Robbins Road Suite 105
Grand Haven, MI 49417
616.743.7070
engdot.com

Pigeon Hill Brewing Company
895 4TH STREET
CITY OF MUSKEGON, MUSKEGON COUNTY, MICHIGAN

PROJECT NO.
17053

SHEET NO.
1 OF 4

SCHEDULES/TABLES

Table 1

Summary of Eligible Activities

Pigeon Hill Brewing Redevelopment Project
Muskegon, MI

Eligible Activities		Estimated Cost	State and Local	Local Only Costs	State Only Costs
Environmental Activities - MDEQ Eligible (State & Local)					
Pre-Approved Activities		**$ 5,000.00**			
Phase I Environmental Site Assessment - CMBRA		$ -	$ 3,000.00	$ -	$ -
Baseline Environmental Assessment (BEA) - Pigeon Hill		$ -	$ 2,000.00	$ -	$ -
Due Care Activities		**$ 1,500.00**	$ -	$ -	$ -
Documentation of Due Care Compliance (DDCC) - Pigeon Hill			$ 1,500.00		
Response Activities - Pigeon Hill		**$ 61,000.00**	$ -	$ -	$ -
Transport & Disposal of Contaminated Soil			$ 50,000.00		
Fill - Backfill of Environmental Removals			$ 10,000.00		
Dust Control			$ 1,000.00		
MSF Non Environmental Activities (State & Local-QLGU) - Pigeon Hill					
Site Demolition		**$ 5,000.00**		$ -	$ -
	Parking Lot		$ 4,000.00		
	Curbs & Gutters		$ 1,000.00		
Site Preparation		**$ 205,700.00**		$ -	$ -
	Transport & Disposal of Unsuitabe Soil		$ 125,000.00		
	Fill - Backfill of Soil Removal		$ 30,000.00		
	Dust Control		$ 1,000.00		
	Dewatering		$ 25,000.00		
	Geotechnical Engineering		$ 6,400.00		
	Grading		$ 5,000.00		
	Land Balancing		$ 5,000.00		
	Staking		$ 4,000.00		
	Temporary Erosion Control		$ 2,500.00		
	Temporary Facility		$ 1,800.00		
A/E Fees Associated with Eligible Activities		**$ 10,000.00**	$ 10,000.00	$ -	$ -
TOTAL COSTS OF ELIGIBLE ACTIVITIES		**$ 288,200.00**	**$ 288,200.00**	**$ -**	**$ -**
Financing Costs (2.5%)*		$ 91,796.51	$ 91,796.51	$ -	$ -
Contingencies (15%)		$ 44,355.00	$ 44,355.00	$ -	$ -
Administrative Costs of the Authority (10% of eligible activities)		$ 34,655.50	$ -	$ 34,655.50	$ -
Brownfield Plan - Pigeon Hill		$ 7,000.00	$ 7,000.00	$ -	$ -
Act 381 Work Plan - Pigeon Hill		$ 7,000.00	$ 7,000.00	$ -	$ -
TOTAL REIMBURSEMENTS		**$ 473,007.01**	**$ 438,351.51**	**$ 34,655.50**	**$ -**
Total for CMBRA (without Admin)		**$ 3,000.00**	**$ 3,000.00**	**$ -**	**$ -**
Total for Developer with contingency & interest		**$ 435,351.51**	**$ 435,351.51**	**$ -**	**$ -**
Captured and Disbursed to State Brownfield Redevelopment Fund		**$ 41,932.80**	$ -	**$ -**	**$ 41,932.80**
Additional Capture for LBRF		**$ 130,025.07**	**$ -**	**$ 96,470.82**	**$ 33,554.25**
TOTAL CAPTURE		**$ 644,964.88**	**$ 438,351.51**	**$ 131,126.32**	**$ 75,487.05**

*Simple interest paid after all principal is paid,

Interest paid on unreimbursed principal costs (debt), accrued annually at 2.5%

Table 2

Estimate of Total Captured Incremental Taxes

Pigeon Hill Brewing Redevelopment Project
Muskegon, MI

Year	Annual Total Millage†	Initial Taxable Value	Tax Revenues from Initial Taxable Value	Estimated Future Taxable Value	Estimated Future Tax Revenues	Incremental Tax Revenues	Available for Authority Disbursements
2019	30.1741	$ 74,200.00	$ 2,238.92	$ 656,600.00	$ 19,812.31	$ 17,573.40	$ 15,826.20
2020	30.1741	$ 74,200.00	$ 2,238.92	$ 656,600.00	$ 19,812.31	$ 17,573.40	$ 15,826.20
2021	30.1741	$ 74,200.00	$ 2,238.92	$ 656,600.00	$ 19,812.31	$ 17,573.40	$ 15,826.20
2022	30.1741	$ 74,200.00	$ 2,238.92	$ 656,600.00	$ 19,812.31	$ 17,573.40	$ 15,826.20
2023	30.1741	$ 74,200.00	$ 2,238.92	$ 656,600.00	$ 19,812.31	$ 17,573.40	$ 15,826.20
2024	30.1741	$ 74,200.00	$ 2,238.92	$ 656,600.00	$ 19,812.31	$ 17,573.40	$ 15,826.20
2025	30.1741	$ 74,200.00	$ 2,238.92	$ 656,600.00	$ 19,812.31	$ 17,573.40	$ 15,826.20
2026	30.1741	$ 74,200.00	$ 2,238.92	$ 656,600.00	$ 19,812.31	$ 17,573.40	$ 15,826.20
2027	30.1741	$ 74,200.00	$ 2,238.92	$ 656,600.00	$ 19,812.31	$ 17,573.40	$ 15,826.20
2028	30.1741	$ 74,200.00	$ 2,238.92	$ 656,600.00	$ 19,812.31	$ 17,573.40	$ 15,826.20
2029	54.3482	$ 74,200.00	$ 4,032.64	$ 656,600.00	$ 35,685.03	$ 31,652.39	$ 29,905.19
2030	54.3482	$ 74,200.00	$ 4,032.64	$ 656,600.00	$ 35,685.03	$ 31,652.39	$ 29,905.19
2031	54.3482	$ 74,200.00	$ 4,032.64	$ 656,600.00	$ 35,685.03	$ 31,652.39	$ 29,905.19
2032	54.3482	$ 74,200.00	$ 4,032.64	$ 656,600.00	$ 35,685.03	$ 31,652.39	$ 29,905.19
2033	54.3482	$ 74,200.00	$ 4,032.64	$ 656,600.00	$ 35,685.03	$ 31,652.39	$ 29,905.19
2034	54.3482	$ 74,200.00	$ 4,032.64	$ 656,600.00	$ 35,685.03	$ 31,652.39	$ 29,905.19
2035	54.3482	$ 74,200.00	$ 4,032.64	$ 656,600.00	$ 35,685.03	$ 31,652.39	$ 29,905.19
2036	54.3482	$ 74,200.00	$ 4,032.64	$ 656,600.00	$ 35,685.03	$ 31,652.39	$ 29,905.19
2037	54.3482	$ 74,200.00	$ 4,032.64	$ 656,600.00	$ 35,685.03	$ 31,652.39	$ 29,905.19
2038	54.3482	$ 74,200.00	$ 4,032.64	$ 656,600.00	$ 35,685.03	$ 31,652.39	$ 29,905.19
2039	54.3482	$ 74,200.00	$ 4,032.64	$ 656,600.00	$ 35,685.03	$ 31,652.39	$ 29,905.19
2040	54.3482	$ 74,200.00	$ 4,032.64	$ 656,600.00	$ 35,685.03	$ 31,652.39	$ 31,652.39
2041	54.3482	$ 74,200.00	$ 4,032.64	$ 656,600.00	$ 35,685.03	$ 31,652.39	$ 31,652.39
2042	54.3482	$ 74,200.00	$ 4,032.64	$ 656,600.00	$ 35,685.03	$ 31,652.39	$ 31,652.39
2043	30.3482	$ 74,200.00	$ 2,251.84	$ 656,600.00	$ 19,926.63	$ 17,674.79	$ 17,674.79
2044	30.3482	$ 74,200.00	$ 2,251.84	$ 656,600.00	$ 19,926.63	$ 17,674.79	$ 17,674.79
TOTAL						**$ 654,217.03**	**$ 617,525.83**

† - Does not include debt millages
* - Total includes five year future capture to Local Brownfield Revolving Fund

Term of Industrial Facilities Tax abatement

Table 3

Estimate of Annual Effect on Taxing Jurisdictions
During IFT Abatement Period

Pigeon Hill Brewing Redevelopment Project
Muskegon, MI

SUMMER TAXES[1]

Taxing Jurisdiction		State Ed Tax[7]	County Oper.				Total
Millage		6	2.8492				8.8492
Initial Taxable Value[4]	$ 74,200.00	$ 445.20	$ 211.41				$ 656.61
Future Taxable Value[5]	$ 656,600.00	$ 3,939.60	$ 1,870.78				$ 5,810.38
Captured Taxable Value	$ 582,400.00	$ 3,494.40	$ 1,659.37				$ 5,153.77

WINTER TAXES[2]

Taxing Jurisdiction		County Museum	County Veterans	Senior Cit Svc	Central Dispatch	Comm College	Comm. College Debt	MAISD	City Oper.	City San.	Hackley Library	Hackley Debt	MPS Oper.	MPS Sink.	MPS Debt 1995	MPS Debt 2009	Streetlight LED	Total
Millage		0.16105	0.0376	0.25	0.15	1.10185	0.17	2.379	5.0454	1.5	1.2	0.24995	9	0.5000	2.0400	1.3000	0.0000	25.08485
Initial Taxable Value[4]	$ 74,200.00	$ 11.95	$ 2.79	$ 18.55	$ 11.13	$ 81.76	$ 12.61	$ 176.52	$ 374.37	$ 111.30	$ 89.04	$ 18.55	$ 667.80	$ 37.10	$ 151.37	$ 96.46	$ -	$ 1,861.30
Future Taxable Value[5]	$ 656,600.00	$ 105.75	$ 24.69	$ 164.15	$ 98.49	$ 723.47	$ 111.62	$ 1,562.05	$ 3,312.81	$ 984.90	$ 787.92	$ 164.12	$ 5,909.40	$ 328.30	$ 1,339.46	$ 853.58	$ -	$ 16,470.71
Captured Taxable Value	$ 582,400.00	$ 93.80	$ 21.90	$ 145.60	$ 87.36	$ 641.72	$ -	$ 1,385.53	$ 2,938.44	$ 873.60	$ 698.88	$ -	$ 5,241.60	$ 291.20	$ -	$ -	$ -	$ 12,419.62

1. Based on millages from 2017 taxes with IFT abatement
2. Based on millages from 2017 taxes with IFT abatement
3. Half of captured SET conveyed to State Brownfield Redevelopment Fund
4. Based on 2018 taxable value
5. Estimate established by county assessor
6. IFT Terms are 10 years and essentially reduce millage rates by 50%
7. SET during IFT will be established by Dept. of Treasury
   SET may be abated 100%, 50% or not at all
8. Debt millages and special assessments not capturable

School/Local ratio 49.71%/50.29%

Total Millage during IFT Term	33.9341
Total Annual Future Tax Liability	$ 22,281.10
Total Capturable Local Millages	15.1741
Total Annual Capturable Local Tax Increment	$ 8,837.40
Total Capturable School Millages	15.0000
Total Annual Capturable School Tax Increment	$ 8,736.00
Total School and Local Tax Increment Revenue/Yr	$ 17,573.40
Total Capturable School and Local Millages	30.1741

Table 3B

Estimate of Annual Effect on Taxing Jurisdictions
Without IFT/Post- Abatement Period

Pigeon Hill Brewing Redevelopment Project
Muskegon, MI

SUMMER TAXES[1]

Taxing Jurisdiction		State Ed Tax	County Oper.				Total
Millage		6	5.6984				11.6984
Initial Taxable Value[4]	$ 74,200.00	$ 445.20	$ 422.82				$ 868.02
Future Taxable Value[5]	$ 656,600.00	$ 3,939.60	$ 3,741.57				$ 7,681.17
Captured Taxable Value	$ 582,400.00	$ 3,494.40	$ 3,318.75				$ 6,813.15

WINTER TAXES[2]

Taxing Jurisdiction		County Museum	County Veterans	Senior Cit Svc	Central Dispatch	Comm College	Comm. College Debt	MAISD	City Oper.	City San.	Hackley Library	Hackley Debt	MPS Oper.	MPS Sink.	MPS Debt 1995	MPS Debt 2009	Streetlight LED	Total
Millage		0.3221	0.0752	0.5	0.3	2.2037	0.34	4.758	10.0908	3	2.4	0.4999	18	1.0000	4.0800	2.6000	0.0000	50.1697
Initial Taxable Value[4]	$ 74,200.00	$ 23.90	$ 5.58	$ 37.10	$ 22.26	$ 163.51	$ 25.23	$ 353.04	$ 748.74	$ 222.60	$ 178.08	$ 37.09	$ 1,335.60	$ 74.20	$ 302.74	$ 192.92	$ -	$ 3,722.59
Future Taxable Value[5]	$ 656,600.00	$ 211.49	$ 49.38	$ 328.30	$ 196.98	$ 1,446.95	$ 223.24	$ 3,124.10	$ 6,625.62	$ 1,969.80	$ 1,575.84	$ 328.23	$ 11,818.80	$ 656.60	$ 2,678.93	$ 1,707.16	$ -	$ 32,941.43
Captured Taxable Value	$ 582,400.00	$ 187.59	$ 43.80	$ 291.20	$ 174.72	$ 1,283.43	$ -	$ 2,771.06	$ 5,876.88	$ 1,747.20	$ 1,397.76	$ -	$ 10,483.20	$ 582.40	$ -	$ -	$ -	$ 24,839.24

1. Based on millages from 2017 taxes
2. Based on millages from 2017 taxes
3. Half of captured SET conveyed to State Brownfield Redevelopment Fund
4. Based on 2018 taxable value
5. Estimate established by county assessor
6. Debt millages and special assessments not capturable

School/Local ratio 49.71%/50.29%

Total Millage	61.8681
Total Annual Future Tax Liability	$ 40,622.59
Total Capturable Local Millages	30.3482
Total Annual Capturable Local Tax Increment	$ 17,674.79
Total Capturable School Millages	24.0000
Total Annual Capturable School Tax Increment	$ 13,977.60
Total School and Local Tax Increment Revenue/Yr	$ 31,652.39
Total Capturable School and Local Millages	54.3482

Table 4

Captured Taxable Value and Tax Increment Revenue by Year and Aggregate for Each Taxing Jurisdiction

Pigeon Hill Brewing Redevelopment Project
Muskegon, MI

Year	Captured Taxable Value	State Ed Tax	County Oper.	County Museum	County Veterans	Senior Cit Svc	Central Dispatch	Comm College	MAISD	City Oper.	City San.	Hackley Library	MPS Oper.	MPS Sink.	
		6	2.8492	0.16105	0.0376	0.25	0.15	1.10185	2.379	5.0454	1.5	1.2	9	0.5	Total
2019	$ 582,400.00	$ 3,494.40	$ 1,659.37	$ 93.80	$ 21.90	$ 145.60	$ 87.36	$ 641.72	$ 1,385.53	$ 2,938.44	$ 873.60	$ 698.88	$ 5,241.60	$ 291.20	$ 17,573.40
2020	$ 582,400.00	$ 3,494.40	$ 1,659.37	$ 93.80	$ 21.90	$ 145.60	$ 87.36	$ 641.72	$ 1,385.53	$ 2,938.44	$ 873.60	$ 698.88	$ 5,241.60	$ 291.20	$ 17,573.40
2021	$ 582,400.00	$ 3,494.40	$ 1,659.37	$ 93.80	$ 21.90	$ 145.60	$ 87.36	$ 641.72	$ 1,385.53	$ 2,938.44	$ 873.60	$ 698.88	$ 5,241.60	$ 291.20	$ 17,573.40
2022	$ 582,400.00	$ 3,494.40	$ 1,659.37	$ 93.80	$ 21.90	$ 145.60	$ 87.36	$ 641.72	$ 1,385.53	$ 2,938.44	$ 873.60	$ 698.88	$ 5,241.60	$ 291.20	$ 17,573.40
2023	$ 582,400.00	$ 3,494.40	$ 1,659.37	$ 93.80	$ 21.90	$ 145.60	$ 87.36	$ 641.72	$ 1,385.53	$ 2,938.44	$ 873.60	$ 698.88	$ 5,241.60	$ 291.20	$ 17,573.40
2024	$ 582,400.00	$ 3,494.40	$ 1,659.37	$ 93.80	$ 21.90	$ 145.60	$ 87.36	$ 641.72	$ 1,385.53	$ 2,938.44	$ 873.60	$ 698.88	$ 5,241.60	$ 291.20	$ 17,573.40
2025	$ 582,400.00	$ 3,494.40	$ 1,659.37	$ 93.80	$ 21.90	$ 145.60	$ 87.36	$ 641.72	$ 1,385.53	$ 2,938.44	$ 873.60	$ 698.88	$ 5,241.60	$ 291.20	$ 17,573.40
2026	$ 582,400.00	$ 3,494.40	$ 1,659.37	$ 93.80	$ 21.90	$ 145.60	$ 87.36	$ 641.72	$ 1,385.53	$ 2,938.44	$ 873.60	$ 698.88	$ 5,241.60	$ 291.20	$ 17,573.40
2027	$ 582,400.00	$ 3,494.40	$ 1,659.37	$ 93.80	$ 21.90	$ 145.60	$ 87.36	$ 641.72	$ 1,385.53	$ 2,938.44	$ 873.60	$ 698.88	$ 5,241.60	$ 291.20	$ 17,573.40
2028	$ 582,400.00	$ 3,494.40	$ 1,659.37	$ 93.80	$ 21.90	$ 145.60	$ 87.36	$ 641.72	$ 1,385.53	$ 2,938.44	$ 873.60	$ 698.88	$ 5,241.60	$ 291.20	$ 17,573.40
		6	5.6984	0.3221	0.0752	0.5	0.3	2.2037	4.758	10.0908	3	2.4	18	1	
2029	$ 582,400.00	$ 3,494.40	$ 3,318.75	$ 187.59	$ 43.80	$ 291.20	$ 174.72	$ 1,283.43	$ 2,771.06	$ 5,876.88	$ 1,747.20	$ 1,397.76	$ 10,483.20	$ 582.40	$ 31,652.39
2030	$ 582,400.00	$ 3,494.40	$ 3,318.75	$ 187.59	$ 43.80	$ 291.20	$ 174.72	$ 1,283.43	$ 2,771.06	$ 5,876.88	$ 1,747.20	$ 1,397.76	$ 10,483.20	$ 582.40	$ 31,652.39
2031	$ 582,400.00	$ 3,494.40	$ 3,318.75	$ 187.59	$ 43.80	$ 291.20	$ 174.72	$ 1,283.43	$ 2,771.06	$ 5,876.88	$ 1,747.20	$ 1,397.76	$ 10,483.20	$ 582.40	$ 31,652.39
2032	$ 582,400.00	$ 3,494.40	$ 3,318.75	$ 187.59	$ 43.80	$ 291.20	$ 174.72	$ 1,283.43	$ 2,771.06	$ 5,876.88	$ 1,747.20	$ 1,397.76	$ 10,483.20	$ 582.40	$ 31,652.39
2033	$ 582,400.00	$ 3,494.40	$ 3,318.75	$ 187.59	$ 43.80	$ 291.20	$ 174.72	$ 1,283.43	$ 2,771.06	$ 5,876.88	$ 1,747.20	$ 1,397.76	$ 10,483.20	$ 582.40	$ 31,652.39
2034	$ 582,400.00	$ 3,494.40	$ 3,318.75	$ 187.59	$ 43.80	$ 291.20	$ 174.72	$ 1,283.43	$ 2,771.06	$ 5,876.88	$ 1,747.20	$ 1,397.76	$ 10,483.20	$ 582.40	$ 31,652.39
2035	$ 582,400.00	$ 3,494.40	$ 3,318.75	$ 187.59	$ 43.80	$ 291.20	$ 174.72	$ 1,283.43	$ 2,771.06	$ 5,876.88	$ 1,747.20	$ 1,397.76	$ 10,483.20	$ 582.40	$ 31,652.39
2036	$ 582,400.00	$ 3,494.40	$ 3,318.75	$ 187.59	$ 43.80	$ 291.20	$ 174.72	$ 1,283.43	$ 2,771.06	$ 5,876.88	$ 1,747.20	$ 1,397.76	$ 10,483.20	$ 582.40	$ 31,652.39
2037	$ 582,400.00	$ 3,494.40	$ 3,318.75	$ 187.59	$ 43.80	$ 291.20	$ 174.72	$ 1,283.43	$ 2,771.06	$ 5,876.88	$ 1,747.20	$ 1,397.76	$ 10,483.20	$ 582.40	$ 31,652.39
2038	$ 582,400.00	$ 3,494.40	$ 3,318.75	$ 187.59	$ 43.80	$ 291.20	$ 174.72	$ 1,283.43	$ 2,771.06	$ 5,876.88	$ 1,747.20	$ 1,397.76	$ 10,483.20	$ 582.40	$ 31,652.39
2039	$ 582,400.00	$ 3,494.40	$ 3,318.75	$ 187.59	$ 43.80	$ 291.20	$ 174.72	$ 1,283.43	$ 2,771.06	$ 5,876.88	$ 1,747.20	$ 1,397.76	$ 10,483.20	$ 582.40	$ 31,652.39
2040	$ 582,400.00	$ 3,494.40	$ 3,318.75	$ 187.59	$ 43.80	$ 291.20	$ 174.72	$ 1,283.43	$ 2,771.06	$ 5,876.88	$ 1,747.20	$ 1,397.76	$ 10,483.20	$ 582.40	$ 31,652.39
2041	$ 582,400.00	$ 3,494.40	$ 3,318.75	$ 187.59	$ 43.80	$ 291.20	$ 174.72	$ 1,283.43	$ 2,771.06	$ 5,876.88	$ 1,747.20	$ 1,397.76	$ 10,483.20	$ 582.40	$ 31,652.39
2042	$ 582,400.00	$ 3,494.40	$ 3,318.75	$ 187.59	$ 43.80	$ 291.20	$ 174.72	$ 1,283.43	$ 2,771.06	$ 5,876.88	$ 1,747.20	$ 1,397.76	$ 10,483.20	$ 582.40	$ 31,652.39
2043	$ 582,400.00		$ 3,318.75	$ 187.59	$ 43.80	$ 291.20	$ 174.72	$ 1,283.43	$ 2,771.06	$ 5,876.88	$ 1,747.20	$ 1,397.76		$ 582.40	$ 17,674.79
2044	$ 582,400.00		$ 3,318.75	$ 187.59	$ 43.80	$ 291.20	$ 174.72	$ 1,283.43	$ 2,771.06	$ 5,876.88	$ 1,747.20	$ 1,397.76		$ 582.40	$ 17,674.79
TOTAL CAPTURED TAXES		**$ 83,865.60**	**$ 69,693.71**	**$ 3,939.41**	**$ 919.73**	**$ 6,115.20**	**$ 3,669.12**	**$ 26,952.13**	**$ 58,192.24**	**$ 123,414.52**	**$ 36,691.20**	**$ 29,352.96**	**$ 199,180.80**	**$ 12,230.40**	**$ 654,217.03**

1. Half of SET conveyed to State Brownfield Redevelopment Fund

Table 5
Estimated Reimbursement Schedule
Pigeon Hill Brewing Redevelopment Project

Year	Incremental Taxes Capturable			Funds Disbursed													Interest Calculation		
				Authority (School)	Authority (Local)	Authority (Aggregate)	Developer (School)	Developer (Local)	Developer				Brownfield Redevelopment Fund	Administrative Fees	Local Brownfield Revolving Fund (school)	Local Brownfield Revolving Fund (Local)	Principal Due (Developer)	Principal Remaining (Year End) (Developer)	Interest Accrued
	School	Non-School	Aggregate						Principal Balance	Principal Payment	Interest Balance	Interest Payment							
2019	$ 8,736.00	$ 8,837.40	$ 17,573.40	$ 1,400.00	$ 1,600.00	$ 3,000.00	$ 5,588.80	$ 5,587.13	$ 343,555.00	$ 11,175.93	$ 8,588.88		$ 1,747.20	$ 1,650.26			$ 343,555.00	$ 332,379.07	$ 8,588.88
2020	$ 8,736.00	$ 8,837.40	$ 17,573.40				$ 6,988.80	$ 7,187.13	$ 332,379.07	$ 14,175.93	$ 8,309.48		$ 1,747.20	$ 1,650.26			$ 332,379.07	$ 318,203.13	$ 8,309.48
2021	$ 8,736.00	$ 8,837.40	$ 17,573.40				$ 6,988.80	$ 7,187.13	$ 318,203.13	$ 14,175.93	$ 7,955.08		$ 1,747.20	$ 1,650.26			$ 318,203.13	$ 304,027.20	$ 7,955.08
2022	$ 8,736.00	$ 8,837.40	$ 17,573.40				$ 6,988.80	$ 7,187.13	$ 304,027.20	$ 14,175.93	$ 7,600.68		$ 1,747.20	$ 1,650.26			$ 304,027.20	$ 289,851.26	$ 7,600.68
2023	$ 8,736.00	$ 8,837.40	$ 17,573.40				$ 6,988.80	$ 7,187.13	$ 289,851.26	$ 14,175.93	$ 7,246.28		$ 1,747.20	$ 1,650.26			$ 289,851.26	$ 275,675.33	$ 7,246.28
2024	$ 8,736.00	$ 8,837.40	$ 17,573.40				$ 6,988.80	$ 7,187.13	$ 275,675.33	$ 14,175.93	$ 6,891.88		$ 1,747.20	$ 1,650.26			$ 275,675.33	$ 261,499.40	$ 6,891.88
2025	$ 8,736.00	$ 8,837.40	$ 17,573.40				$ 6,988.80	$ 7,187.13	$ 261,499.40	$ 14,175.93	$ 6,537.48		$ 1,747.20	$ 1,650.26			$ 261,499.40	$ 247,323.46	$ 6,537.48
2026	$ 8,736.00	$ 8,837.40	$ 17,573.40				$ 6,988.80	$ 7,187.13	$ 247,323.46	$ 14,175.93	$ 6,183.09		$ 1,747.20	$ 1,650.26			$ 247,323.46	$ 233,147.53	$ 6,183.09
2027	$ 8,736.00	$ 8,837.40	$ 17,573.40				$ 6,988.80	$ 7,187.13	$ 233,147.53	$ 14,175.93	$ 5,828.69		$ 1,747.20	$ 1,650.26			$ 233,147.53	$ 218,971.59	$ 5,828.69
2028	$ 8,736.00	$ 8,837.40	$ 17,573.40				$ 6,988.80	$ 7,187.13	$ 218,971.59	$ 14,175.93	$ 5,474.29		$ 1,747.20	$ 1,650.26			$ 218,971.59	$ 204,795.66	$ 5,474.29
2029	$ 13,977.60	$ 17,674.79	$ 31,652.39				$ 12,230.40	$ 16,024.53	$ 204,795.66	$ 28,254.93	$ 5,119.89		$ 1,747.20	$ 1,650.26			$ 204,795.66	$ 176,540.73	$ 5,119.89
2030	$ 13,977.60	$ 17,674.79	$ 31,652.39				$ 12,230.40	$ 16,024.53	$ 176,540.73	$ 28,254.93	$ 4,413.52		$ 1,747.20	$ 1,650.26			$ 176,540.73	$ 148,285.80	$ 4,413.52
2031	$ 13,977.60	$ 17,674.79	$ 31,652.39				$ 12,230.40	$ 16,024.53	$ 148,285.80	$ 28,254.93	$ 3,707.15		$ 1,747.20	$ 1,650.26			$ 148,285.80	$ 120,030.87	$ 3,707.15
2032	$ 13,977.60	$ 17,674.79	$ 31,652.39				$ 12,230.40	$ 16,024.53	$ 120,030.87	$ 28,254.93	$ 3,000.77		$ 1,747.20	$ 1,650.26			$ 120,030.87	$ 91,775.94	$ 3,000.77
2033	$ 13,977.60	$ 17,674.79	$ 31,652.39				$ 12,230.40	$ 16,024.53	$ 91,775.94	$ 28,254.93	$ 2,294.40		$ 1,747.20	$ 1,650.26			$ 91,775.94	$ 63,521.01	$ 2,294.40
2034	$ 13,977.60	$ 17,674.79	$ 31,652.39				$ 12,230.40	$ 16,024.53	$ 63,521.01	$ 28,254.93	$ 1,588.03		$ 1,747.20	$ 1,650.26			$ 63,521.01	$ 63,521.01	$ 1,588.03
2035	$ 13,977.60	$ 17,674.79	$ 31,652.39				$ 12,230.40	$ 16,024.53	$ 35,266.08	$ 28,254.93	$ 881.65		$ 1,747.20	$ 1,650.26			$ 35,266.08	$ 35,266.08	$ 881.65
2036	$ 13,977.60	$ 17,674.79	$ 31,652.39				$ 12,230.40	$ 16,024.53	$ 7,011.15	$ 7,011.15	$ 175.28	$ 21,243.78	$ 1,747.20	$ 1,650.26			$ 7,011.15	$ 7,011.15	$ 175.28
2037	$ 13,977.60	$ 17,674.79	$ 31,652.39				$ 12,230.40	$ 16,024.53				$ 28,254.93	$ 1,747.20	$ 1,650.26					
2038	$ 13,977.60	$ 17,674.79	$ 31,652.39				$ 12,230.40	$ 16,024.53				$ 28,254.93	$ 1,747.20	$ 1,650.26					
2039	$ 13,977.60	$ 17,674.79	$ 31,652.39				$ 6,115.20	$ 7,927.67				$ 14,042.87	$ 1,747.20	$ 1,650.26	$ 6,115.20	$8,096.86			
2040	$ 13,977.60	$ 17,674.79	$ 31,652.39										$ 1,747.20		$ 12,230.40	$17,674.79			
2041	$ 13,977.60	$ 17,674.79	$ 31,652.39										$ 1,747.20		$ 12,230.40	$17,674.79			
2042	$ 13,977.60	$ 17,674.79	$ 31,652.39										$ 1,747.20		$ 2,978.25	$17,674.79			
2043		$ 17,674.79	$ 17,674.79													$17,674.79			
2044		$ 17,674.79	$ 17,674.79													$17,674.79			
Totals	**$ 283,046.40**	**$ 371,170.63**	**$ 654,217.03**	**$ 1,400.00**	**$ 1,600.00**	**$ 3,000.00**	**$ 196,907.20**	**$ 238,444.31**		**$ 343,555.00**	**$ 91,796.51**	**$ 91,796.51**	**$ 41,932.80**	**$ 34,655.50**	**$ 33,554.25**	**$ 96,470.82**			**$ 91,796.51**

Note: The estimated taxable value and resulting tax increment may vary. The available tax increment will be captured accordingly over time until the eligible costs are reimbursed.

*Simple interest paid after all principal is paid, 2036 is final reimbursement and commencement of interest payment

The amount of school tax captured into the LBRF is limited to the proportional amount of school taxes captured for environmental activities $ 33,554.25

The remaining amount of school tax capture in 2042 will be returned to the schools

Term of Industrial Facilities Tax Abatement

Administrative fees were calculated as 10% of eligible activities, inclusive of contingencies

ATTACHMENTS

Notice of Public Hearing
Notice to Taxing Jurisdictions
Resolution Supporting a Brownfield Plan – City of Muskegon BRA/DDA
Resolution Approving a Brownfield Plan – City of Muskegon Commission

CITY OF MUSKEGON
COUNTY OF MUSKEGON, STATE OF MICHIGAN

PUBLIC HEARING ON AN AMENDMENT TO THE MUSKEGON BROWNFIELD PLAN, AS APPROVED BY THE CITY OF MUSKEGON BROWNFIELD REDEVELOPMENT AUTHORITY

TO ALL INTERESTED PERSONS IN THE CITY OF MUSKEGON:

PLEASE TAKE NOTICE that the Muskegon City Commission of the City of Muskegon, Michigan, will hold a public hearing on **May 22, 2018, at 5:30 p.m**., prevailing Eastern Time in the City Hall Commission Chambers located at 933 Terrace Street, Muskegon, MI, to consider the adoption of a resolution approving a Brownfield Plan Amendment for the City of Muskegon Brownfield Redevelopment Authority pursuant to Act 381 of the Public Acts of Michigan of 1996, as amended.

The property to which the proposed Brownfield Plan Amendment applies is:

Pigeon Hill Brewing Company, LLC
895 Fourth St
Muskegon, MI 49440

Copies of the proposed Brownfield Plan Amendment are on file at the office of the City Clerk for inspection during regular business hours.

At the public hearing, all interested persons desiring to address the City Commission shall be afforded an opportunity to be heard in regard to the approval of the Brownfield Plan Amendments for the City of Muskegon Brownfield Redevelopment Authority. All aspects of the Brownfield Plan Amendments will be open for discussion at the public hearing.

FURTHER INFORMATION may be obtained from the City Clerk.

This notice is given by order of the City Commission of the City of Muskegon, Michigan.

Ann Marie Meisch, City Clerk

NOTICE OF PUBLIC HEARING
CITY OF MUSKEGON
(TAXING JURISDICTIONS)

Notice is hereby given that the City of Muskegon will hold a public hearing as part of their regular City Commission meeting scheduled for Tuesday, **May 22, 2018 at 5:30 p.m**., or as soon thereafter as possible, in the City Commission Chambers, City Hall, 933 Terrace Street, Muskegon, Michigan, on the adoption of a proposed resolution approving a Brownfield Redevelopment Plan Amendment for the property located at **895 Fourth Street**, a vacant parcel located at the corner of Fourth Street and Shoreline Drive.

The property subject to this Brownfield Plan consists of a portion of one legal parcel and the adjacent public right-of-ways. The 895 4th Street property subject to this Brownfield Plan consists of a portion of a larger parent parcel. The tax identification number of the parent parcel is: 61-24-205-567-0002-10. The property subject to this Brownfield Plan is the portion of the parent parcel south of Fourth Street, north of Mart (5th) Street, and west of Shoreline Drive and is commonly referred to as Parcel B. The legal description for Parcel B was obtained through a legal survey conducted by Westshore Consulting and reads as follows:

> PART OF LOT 2, BLOCK 567 REVISED PLAT (OF 1903) OF THE CITY OF MUSKEGON, LIBER 3, PAGE 71 DESCRIBED AS FOLLOWS: COMMENCING AT A FOUND VERTICAL RAILROAD RAIL ON THE LINE BETWEEN BLOCKS 567 AND 563, BEING 858.25 FT., MORE OR LESS, NORTHWESTERLY OF THE NORTHEAST CORNER OF BLOCK 566, THENCE SOUTH 40 DEGREES 43 MINUTES 49 SECONDS EAST, ON SAID LINE BETWEEN BLOCKS 567 AND 563, A DISTANCE OF 200.00 FT., THENCE SOUTH 34 DEGREES 26 MINUTES 46 SECONDS WEST, A DISTANCE OF 416.28 FEET, THENCE SOUTH 34 DEGREES 29 MINUTES 42 SECONDS WEST, A DISTANCE OF 69.00 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 38 DEGREES 35 MINUTES 8 SECONDS EAST, A DISTANCE OF 196.65 FEET; THENCE SOUTHWESTERLY, ALONG A CURVE TO THE RIGHT, 40 FEET NORTHWESTERLY OF THE RAILROAD CENTERLINE AS MEASURED AT RIGHT ANGLES TO THE EXISTING RAILROAD, A DISTANCE OF 260.28 FEET (CURVE DATA BEING, RADIUS=1,777.07 FEET, DELTA=8 DEGREES 23 MINUTES 30 SECONDS, LONG CHORD AND BEARING= =SOUTH 32 DEGREES 23 MINUTES 20 SECONDS WEST, 260.04 FEET); THENCE SOUTH 36 DEGREES 3 MINUTES 4 SECONDS WEST, ALONG A LINE 40 FEET NORTHWESTERLY OF THE RAILROAD CENTERLINE, AS MEASURED AT RIGHT ANGLES TO THE EXISTING RAILROAD, A DISTANCE OF 128.98 FEET TO THE SOUTHWESTERLY LINE OF BLOCK 567; THENCE NORTH 38 DEGREES 12 MINUTES 39 SECONDS WEST, ALONG SAID SOUTHWESTERLY LINE, A DISTANCE OF 203.09 FEET THENCE NORTH 34 DEGREES 27 MINUTES 11 SECONDS EAST, A DISTANCE OF 385.66 FEET TO THE POINT OF BEGINNING. SAID PARCEL CONTAINS 75,681 SQUARE FEET OR 1.74 ACRES, MORE OR LESS. In addition to the above described 895 4th Street parcel the adjacent 4th Street, Martin Street (5th Street), and Shoreline Drive right-of-ways are contiguous to the 895 4th Street parcel and also considered eligible property for the purposes of this Brownfield Plan.

A copy of the Brownfield Plan, including maps and a detailed summary regarding the fiscal and economic implications of the plan, can be reviewed in the City Clerk's Office during regular business hours of 8:30 a.m. until 5:00 p.m. All aspects of the Brownfield Plan are open for discussion at the public hearing.

City of Muskegon
Brownfield Redevelopment Authority
County of Muskegon, State of Michigan

RESOLUTION APPROVING REVISED BROWNFIELD PLAN AMENDMENT

PIGEON HILL 4Th STREET EXPANSION PROJECT

Minutes of a meeting of the Board of the City of Muskegon Brownfield Redevelopment Authority, County of Muskegon, State of Michigan, held in the City Hall on the 8th day of May, 2018 at 2:30 p.m., prevailing Eastern Time.

PRESENT: Members M. Bottomley, M. Kleaveland, H. Sytsema, J. Riegler, R. Pesch, J. Wallace Jr., F. Peterson, J. Moore, D. Kalisz

ABSENT: Members M. Johnson, P. Edbrooke

The following preamble and resolution were offered by Member J. Moore and supported by Member J. Wallace Jr.:

WHEREAS, a Brownfield Plan was adopted by the Muskegon City Commission on April 14, 1998, pursuant to Act 381, Public Acts of Michigan, 1996 ("Act 381"), a copy of which is on file with the Secretary of the City of Muskegon Brownfield Redevelopment Authority (the "Authority"); and

WHEREAS, the Authority is authorized to approve amendments to the Brownfield Plan; and

WHEREAS, the Authority approved a draft Brownfield Plan Amendment to include the Pigeon Hill 4TH Street Expansion ("Project") during its meeting on May 8, 2018;

WHEREAS the draft Brownfield Plan Amendment has been revised to reflect the terms of the Brownfield Reimbursement Agreement negotiated between Pigeon Hill Brewing Company, LLC and the City;

WHEREAS the Authority recommends approval of the attached revised amendment to include the **Pigeon Hill 4th Street Expansion** project ("Project") in the Brownfield Plan to the City of Muskegon, County of Muskegon, State of Michigan (the "City").

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The revised Brownfield Plan Amendment complies with all the requirements set forth in Section 13(1) of Act 381.
2. The Project is reasonable and necessary to carry out the purposes of Act 381
3. The Board hereby adopts and approves the revised Brownfield Plan Amendment adding the Pigeon Hill 4th Street Expansion Project and recommends the approval of the Brownfield Plan Amendment by the Muskegon City Commission
4. The Secretary of the Authority is directed to deliver a certified copy of this resolution and the revised Brownfield Plan Amendment to the City Clerk.

5. Disclaimer. By adoption of this resolution and approval of the Brownfield Plan Amendment, the Authority assumes no obligation or liability to the owner, developer or lessor of the Eligible Property for any loss or damage that may result to such persons from the adoption of this resolution and Brownfield Plan Amendment. The Authority makes no guarantees or representations as to the determinations of the appropriate state officials regarding the ability of the owner, developer or lessor to qualify for a Michigan business tax credit pursuant to Michigan Public Act 36 of 2007, as amended, or as to the ability of the Authority to capture tax increment revenues from the State school and local taxes for the Brownfield Plan,.

6. Repealer. All resolutions and parts of resolution in conflict with the provisions of this resolution are hereby repealed or amended to the extent of such conflict.

AYES: Members M. Bottomley, M. Kleaveland, H. Sytsema, J. Riegler, R. Pesch, J. Wallace Jr., F.Peterson, J. Moore, D. Kalisz

NAYS: None

RESOLUTION DECLARED ADOPTED.

Secretary

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of the City of Muskegon Brownfield Redevelopment Authority, County of Muskegon, State of Michigan, at a meeting held on May 8, 2018, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Secretary

DEVELOPMENT AND REIMBURSEMENT AGREEMENT

THIS DEVELOPMENT AND REIMBURSEMENT AGREEMENT (the "**Agreement**") is made on May 8, 2018, by and between the CITY OF MUSKEGON, a Michigan municipal corporation, whose address is 933 Terrace Street, Muskegon, Michigan 49440 (the "**City**"), the CITY OF MUSKEGON BROWNFIELD REDEVELOPMENT AUTHORITY, a Michigan public body corporate, whose address is 933 Terrace Street, Muskegon, Michigan 49440 (the "**Authority**"), and Pigeon Hill Brewing Company, LLC, a Michigan limited liability company, whose address is P.O. Box 388, Muskegon, MI 49443 (the "**Developer**").

RECITALS

A. Pursuant to P.A. 381 of 1996, as amended, ("**Act 381**"), the Authority adopted a brownfield plan on May 8, 2018 (the "**Brownfield Plan**") to add property located at 895 4th Street, Muskegon, Michigan (the "**Property**").

B. The Developer owns the Property, which is included in the Brownfield Plan as an "eligible property" because it is a "facility", as defined by Part 201 of the Natural Resources and Environmental Protection Act ("**Part 201**") and adjacent or contiguous to the "facility". The Developer is not a liable party, under Part 201, for the contamination on the Property.

C. The Developer intends to conduct eligible activities on the Property in order to address environmental conditions and redevelop the site into <u>an industrial brewing project that will include a 15,000 square foot brewing facility</u> (the "**Project**"). The Project will include statutorily pre-approved activities, due care activities, environmental response activities, site demolition, site preparation, brownfield plan/work plan preparation, and development eligible activities under Act 381 (the "**Eligible Activities**"), all as described in the Brownfield Plan and eligible for reimbursement under Act 381. The total cost of developer Eligible Activities, including interest and contingencies, is $435,351.51 (the "**Total Eligible Brownfield TIF Costs**").

D. Act 381 permits the Authority to capture and use the school tax (where applicable) and local property tax revenues (both real and personal property) generated from the incremental increase in property value of a redeveloped brownfield site constituting an "eligible property" under Act 381 to pay or to reimburse the cost of Eligible Activities conducted on the "eligible property" (the "**Brownfield TIF Revenue**").

E. In accordance with Act 381, the parties desire to establish the procedure for using the available Brownfield TIF Revenue generated from the Property to reimburse the Developer for completion of Eligible Activities on the Property in amounts not to exceed the Total Eligible Brownfield TIF Costs.

NOW, THERFORE, the parties agree as follows:

1. Reimbursement Source.

During the Term (defined below) of this Agreement, and except as set forth in Paragraph 3 below, the Authority shall reimburse the Developer for the cost of its Eligible Activities conducted on the Property from the Brownfield TIF Revenue collected from the Property in proportion to the total overall Eligible Activities incurred under the Brownfield Plan. The amount reimbursed to Developer for the Eligible Activities shall not exceed the Total Eligible Brownfield TIF Costs. The Authority shall capture Brownfield TIF Revenue from the Property and reimburse the Developer for Eligible Activities until the earlier of the Developer being fully reimbursed or December 31, 2045.

Reimbursement payments shall be made on a semi-annual basis as incremental local and school taxes are captured and available.

2. <u>Capture of Taxes</u>

During the term of this Agreement, the Authority shall capture all Brownfield TIF Revenue from the Property and use those revenues as provided in this Agreement.

3. <u>Reimbursement Process</u>.

(a) Developer shall submit to the Authority a “Request for Cost Reimbursement” of Eligible Activities paid for by the Developer on or before twelve (12) months after an unconditional certificate of occupancy has been issued for the Project. All costs for the Eligible Activities must be consistent with the approved Brownfield Plan. The Developer must include documentation sufficient for the Authority to determine whether the costs incurred were for Eligible Activities, including detailed construction draws or invoices and proof of payment or lien waivers. Copies of all invoices for Eligible Activities must note what Eligible Activities they support.

(b) Within forty-five (45) days after receiving a Request for Cost Reimbursement from Developer, the Authority shall pay to the Developer the amounts for which submissions have been made pursuant to Paragraph 3(a) of this Agreement from which the submission may be wholly or partially paid from available Brownfield TIF Revenue from the Property as described in Paragraph 1. The Developer shall cooperate with the Authority’s review by providing information and documentation to supplement the Request for Cost Reimbursement which may be reasonably requested by the Authority during its review period. If a partial payment is made by the Authority because of insufficient Brownfield TIF Revenue, the Authority shall make additional payments toward the remaining amount within thirty (30) days of its receipt of additional Brownfield TIF Revenue from the Property until all of the amounts for which submissions have been made, have been fully paid to Developer or the end of the Term (defined below), whichever occurs first. The Authority is not required to reimburse the Developer from any other source but may at its sole discretion. If the Authority determines that the requested costs are deemed ineligible for reimbursement, the Authority shall notify the Developer in writing of its reasons for rejection within the forty-five (45) day time period for review. The Developer shall then have forty-five (45) days to provide supplemental information or documents to the Authority demonstrating that the costs are eligible for reimbursement.

(c) The Authority shall send all payments to the Developer by registered or certified mail addressed to the Developer at the address shown above, or by electronic funds transfer directly to Developer's bank account. Developer may change the address by providing written notice sent by registered or certified mail to the Authority.

4. Term of Agreement.

The Authority's reimbursement to Developer of the Total Eligible Brownfield TIF Costs under this Agreement shall terminate the earlier of the date when all reimbursements to Developer required under this Agreement have been made or December 31, 2045 (the "**Term**"). If the Term of this Agreement ends before the full reimbursement of all of Developer's Total Eligible Brownfield TIF Costs, the last reimbursement payment by the Authority shall be the summer and winter tax increment collected during the final year of this Agreement.

5. <u>Adjustments</u>

If, due to an appeal of any tax assessment or reassessment of any portion of the Property or for any other reason the Authority is required to reimburse any Brownfield TIF Revenue to any tax levying unit of government, the Authority may deduct the amount of any such reimbursement, including interest and penalties, from any amounts due and owing the Developer. If all amounts due the Developer under this Agreement have been fully paid or the Authority is no longer obligated to make any further payments to the Developer, the Authority shall invoice the Developer for the amount of such reimbursement and the Developer shall pay the Authority such invoiced amount within forty-five (45) days of the Developer's receipt of the invoice. Amounts invoiced and paid to the Authority by the Developer pursuant to this paragraph shall be reinstated as Eligible Activities for which the Developer shall have the opportunity to be reimbursed in accordance with the terms, conditions and limitations of this Agreement. Nothing in this Agreement shall limit the right of the Developer to appeal any tax assessment.

6. <u>Legislative Authorization</u>.

This Agreement is governed by and subject to the restrictions set forth in Act 381. If there is legislation enacted in the future that alters or affects the amount of Brownfield TIF Revenue subject to capture, eligible property, or eligible activities, then the Developer's rights and the Authority's obligations under this Agreement shall be modified accordingly as required by law, or by agreement of the parties.

7. <u>Notices</u>.

All notices shall be given by registered or certified mail addressed to the parties at their respective addresses as shown above. Any party may change the address by written notice sent by registered or certified mail to the other party.

8. Assignment.

This Agreement and the rights and obligations under this Agreement shall not be assigned or otherwise transferred by any party without the consent of the other party, which shall not be unreasonably withheld, *provided*, *however*, the Developer may assign its interest in this Agreement to an affiliate without the prior written consent of the Authority, provided, any such assignee shall acknowledge to the Authority in writing on or prior to the effective date of such assignment its obligations upon assignment under this Agreement, *provided*, *further*, that the Developer may make a collateral assignment of the Brownfield TIF Revenue for project financing purposes. As used in this paragraph, "affiliate" means any corporation, company, partnership, limited liability company, trust, sole proprietorship or other entity or individual which (a) is owned or controlled by such Developer, (b) owns or controls such Developer or (c) is under common ownership or control with such Developer. This Agreement shall be binding upon any successors or permitted assigns of the parties.

9. Entire Agreement.

This Agreement supersedes all agreements previously made between the parties relating to the subject matter. There are no other understandings or agreements between them.

10. Non-Waiver.

No delay or failure by any party to exercise any right under this Agreement, and no partial or single exercise of that right, constitutes a waiver of that or any other right, unless otherwise expressly provided herein.

11. Headings.

Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.

12. Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the State of Michigan.

13. Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

14. Binding Effect.

The provisions of this Agreement shall be binding upon and inure to the benefit of all the parties and their respective heirs, legal representatives, successors and assigns.

The parties have executed this Agreement on the date set forth above.

CITY OF MUSKEGON

By:______________________________

Its:______________________________

CITY OF MUSKEGON BROWNFIELD
REDEVELOPMENT AUTHORITY

By:______________________________

Its:______________________________

PIGEON HILL BREWING COMPANY,
LLC

By:______________________________

Its:______________________________

14800907

Commission Meeting Date: May 22, 2018

Date: May 17, 2018

To: Honorable Mayor and City Commissioners

From: Planning & Economic Development

RE: Amendment to the Zoning Ordinance - Medical Marihuana Facilities Licensing Act Overlay District - 2ND READING

SUMMARY OF REQUEST:

Staff-initiated request to amend the zoning ordinance to include a new section for the Medical Marihuana Facilities Overlay District.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Staff recommends approval of the ordinance amendment.

COMMITTEE RECOMMENDATION:

The Planning Commission voted in favor (4-2) of recommending to the City Commission to approve the zoning ordinance amendment for the MMFLA overlay district at their February 15 meeting. Michalski, Larson, Gawron and Doyle voted in support. Mazade and Montgomery-Keast voted in opposition. Peterson and Hovey-Wright were absent. The version they approved for recommendation is slightly different than from what staff is presenting tonight, as this version allows all types of licenses within one overlay zone, rather than restricting licenses between two separate overlay districts.

CITY OF MUSKEGON

MUSKEGON COUNTY, MICHIGAN

ORDINANCE NO._____

An ordinance to amend Section 2320 of the zoning ordinance to create a Medical Marihuana Facilities Licensing Act Overlay District.

THE CITY COMMISSION OF THE CITY OF MUSKEGON HEREBY ORDAINS:

NEW LANGUAGE

SECTION 2330: MEDICAL MARIHUANA FACILITIES OVERLAY DISTRICTS

A Medical Marihuana Facilities Overlay Districts is hereby created as outlined in Figure 23-2. Within said overlay district only, Medical Marihuana Facilities to the extent licensed pursuant to City Code Sections 34-201 through 34-208 are permitted.

A. Overlay District:

   1. Location: Please see Figure 23-2 for the location of the overlay district. Within the overlay district, licenses for Provisioning Centers, Growers, Processors, Secure Transporters and Safety Compliance Facilities are permitted.

B. Growers and Processors Requirements:

   1. Signage. Signage shall be limited to one sign, no larger than 25 square feet and shall not use the word marihuana/marijuana, cannabis or any other word or phrase which would depict marihuana/marijuana; nor may pictures of a leaf or leaves, green cross or any other rendering which would depict marihuana/marijuana be displayed on a sign or any part of the building.
   2. Building and Site Amenities. All Grower and Processor facilities must meet the following amenity requirements:
      a. Bay doors. Buildings must have bay doors in which a secure transport vehicle can enter for delivery.
      b. Canopy. Buildings must have a canopy or decorative awning over the main entrance to the building.
      c. Lighting. There shall be ornamental lighting on the exterior of the building at all ingress and egress doors.
      d. Landscaping plan. Decorative landscaping shall be provided with irrigation. All new construction projects shall require underground sprinkling.
      e. Carbon filtration system. The building shall be equipped with an activated carbon filtration system for odor control and be maintained in working order.
   3. Waste Disposal Plan. A plan must be approved for the disposal of waste, chemicals and unused plant material.
   4. Security. There must be a security presence in place on the property at all times, either by licensed security guard(s) and/or security cameras. A floor plan with security details is required.

C. Provisioning Center Requirements:

1. Hours. Provisioning Centers may operate between the hours 8 am and 8 pm.
2. Signage. Signage shall be limited to one sign, no larger than 25 square feet and shall not use the word marihuana/marijuana, cannabis or any other word or phrase which would depict marihuana/marijuana; nor may pictures of a leaf or leaves, green cross or any other rendering which would depict marihuana/marijuana be displayed on a sign or any part of the building. Windows shall remain free and clear of all advertising.
3. Building and Site Amenities. All Provisioning Centers must meet the following amenity requirements:
   a. Bay doors. Buildings must have bay doors in which a secure transport vehicle can enter for delivery.
   b. Canopy. Buildings must have a canopy or decorative awning over the main entrance to the building.
   c. Security shutters. The interior of all windows shall require security shutters that give the appearance of shutters or window shades. Metal bars and gates are prohibited.
   d. Lighting. There shall be ornamental lighting on the exterior of the building at all ingress and egress doors.
   e. Landscaping plan. Decorative landscaping shall be provided with irrigation. All new construction projects shall require underground sprinkling.
   f. Carbon filtration system. The building shall be equipped with an activated carbon filtration system for odor control and be maintained in working order.
4. Indoor Activities. All activities of a provisioning center shall be conducted within the structure and out of public view. Walk-up and drive thru windows are not permitted.
5. Security. There must be a security presence in place on the property at all times, either by licensed security guard(s) and/or security cameras. A floor plan with security details is required.

D. Safety Compliance Facility Requirements:

1. Indoor Activities. All activities of a marihuana safety compliance facility shall be conducted within the structure and out of public view.
2. Building and Site Amenities. All Safety Compliance Facilities must meet the following amenity requirements:
   a. Canopy. Buildings must have a canopy or decorative awning over the main entrance to the building.
   a. Lighting. Ornamental lighting is required on the exterior of the building at all ingress and egress doors.
   b. Landscaping Plan. Decorative landscaping shall be provided and all landscaping shall be irrigated. All new construction projects shall require underground sprinkling.
3. Security. There must be a security presence in place on the property at all times, either by licensed security guard(s) and/or security cameras. A floor plan with security details is required.
4. Chemical waste and plant disposal plan. A list of all chemicals used in testing and how they will be disposed of must be provided. The plan must also show how marihuana plants and products will be disposed.

E. Secure Transporter Requirements:

1. Storage. Marihuana and supplies, materials or money shall not be kept in any secure transport vehicle overnight. Outdoor storage, excluding transport vehicles is prohibited.
2. Building and Site Amenities. All Secure Transporter buildings must meet the following amenity requirements:
    a. Canopy. Buildings must have a canopy or decorative awning over the main entrance to the building.
    b. Lighting. Ornamental lighting is required on the exterior of the building at all ingress and egress doors.
    c. Landscaping Plan. Decorative landscaping shall be provided and all landscaping shall be irrigated. All new construction projects shall require underground sprinkling.
3. Security. There must be a security presence in place on the property at all times, either by licensed security guard(s) and/or security cameras. A floor plan with security details is required.

This ordinance adopted:

Ayes:____

Nayes:____

Adoption Date:______________________________

Effective Date:______________________________

First Reading:______________________________

Second Reading:______________________________

CITY OF MUSKEGON

By:__________________________

Ann Meisch, MMC, City Clerk

CERTIFICATE

The undersigned, being the duly qualified clerk of the City of Muskegon, Muskegon County, Michigan, does hereby certify that the foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Muskegon, at a regular meeting of the City Commission on the 22nd day of May, 2018, at which meeting a quorum was present and remained throughout, and that the original of said ordinance is on file in the records of the City of Muskegon. I further certify that the meeting was conducted and public notice was given pursuant to and in full compliance with the Michigan Zoning Enabling Act, Public Acts of Michigan No. 33 of 2006, and that minutes were kept and will be or have been made available as required thereby.

DATED: ___________________, 2018. ____

Ann Meisch, MMC
Clerk, City of Muskegon

Publish: Notice of Adoption to be published once within ten (10) days of final adoption.

CITY OF MUSKEGON
NOTICE OF ADOPTION

Please take notice that on May 22nd, 2018, the City Commission of the City of Muskegon adopted an ordinance to amend Section 2320 of the zoning ordinance create a Medical Marihuana Faculties Overlay Distract.

Copies of the ordinance may be viewed and purchased at reasonable cost at the Office of the City Clerk in the City Hall, 933 Terrace Street, Muskegon, Michigan, during regular business hours.

This ordinance amendment is effective ten days from the date of this publication.

Published ____________________, 2018.　　　CITY OF MUSKEGON

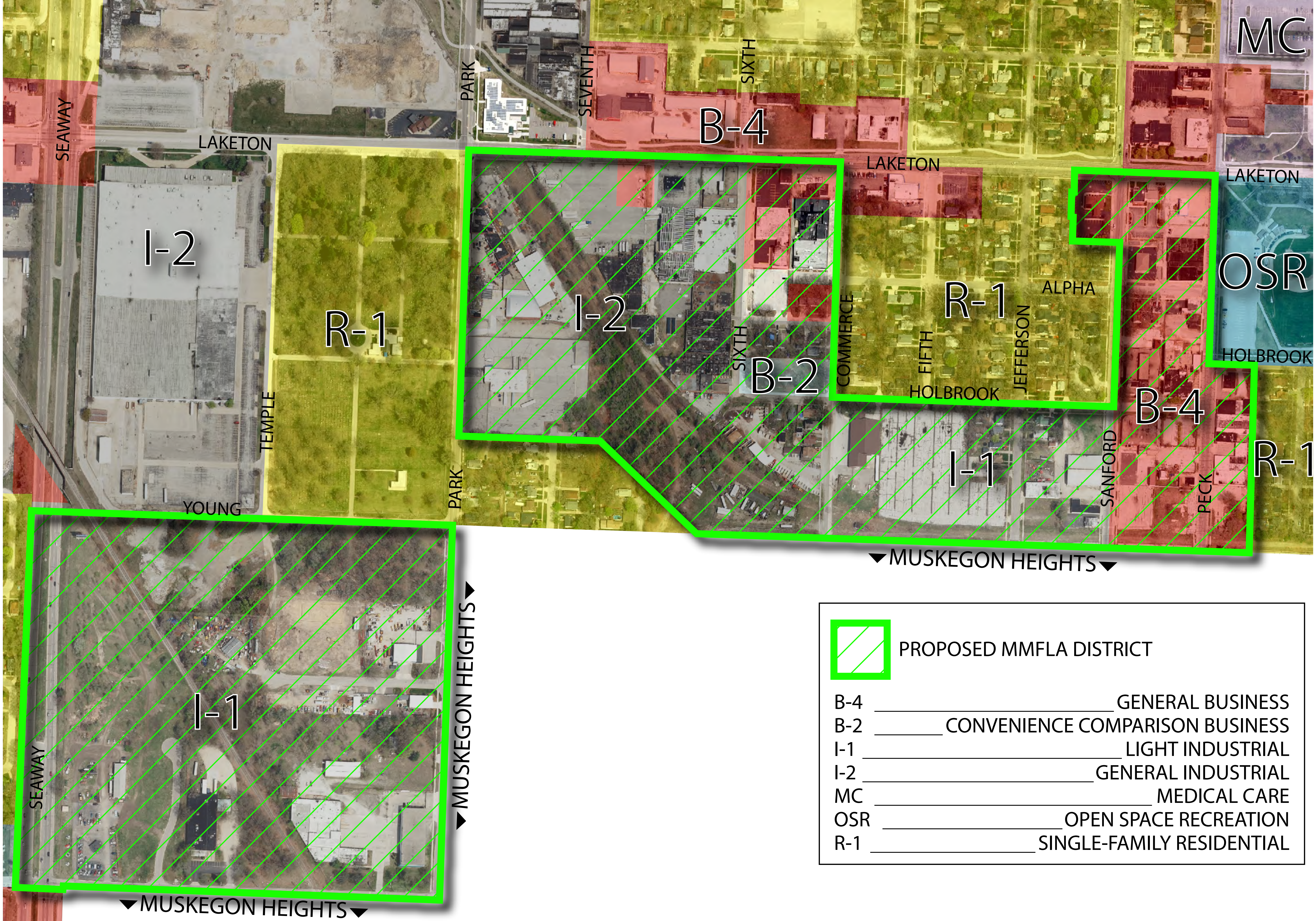
By

____

Ann Meisch, MMC
City Clerk

PUBLISH ONCE WITHIN TEN (10) DAYS OF FINAL PASSAGE.

Account No. 101-80400-5354



MC
B-4
LAKETON
SEAWAY
PARK
SEVENTH
SIXTH
I-2
R-1
TEMPLE
YOUNG
COMMERCE
FIFTH
JEFFERSON
ALPHA
HOLBROOK
B-2
OSR
I-1
SANFORD
PECK
MUSKEGON HEIGHTS
PROPOSED MMFLA DISTRICT
B-4 GENERAL BUSINESS
B-2 CONVENIENCE COMPARISON BUSINESS
I-1 LIGHT INDUSTRIAL
I-2 GENERAL INDUSTRIAL
MC MEDICAL CARE
OSR OPEN SPACE RECREATION
R-1 SINGLE-FAMILY RESIDENTIAL

CITY OF MUSKEGON
PLANNING COMMISSION
REGULAR MEETING
MINUTES

February 15, 2018

Vice Chairman B. Larson called the meeting to order at 4:00 p.m. and roll was taken.

MEMBERS PRESENT: T. Michalski, F. Peterson, B. Larson, B. Mazade, J. Doyle, S. Gawron, J. Montgomery-Keast, M. Hovey-Wright

MEMBERS ABSENT: E. Hood, excused

STAFF PRESENT: M. Franzak, H. Mitchell

OTHERS PRESENT: J. Rooks, 75 W. Walton; D. Kamps, 1885 N. Buys Rd.; L. Spataro, 1567 6th; B. Krick, 1762 Jefferson; Dr. R. Hilt, 1627 Jefferson; F. Farmer; 1668 Jefferson; Q. Tiffany, 1694 Jefferson; L. & R. Doctor, 1706 Sanford; D. Manley, 4290 Eastlake Dr; B. Lowry, 4080 Oak Hollow Ct; A. Cirner, 1729 Huizenga; E. Seifert, 297 W Clay; D. Foster, 135 Ottawa; J. Slack, 1472 Marquette; G. Adams, 2112 Sampson; S. Orey, 3060 Sherwood; R. King, 3393 Fulton; K. Johnson, 1281 Montgomery.

APPROVAL OF MINUTES

A motion to approve the Minutes of the regular Planning Commission meeting of December 14, 2017 was made by J. Doyle, supported by J. Montgomery-Keast and unanimously approved.

PUBLIC HEARINGS

Hearing, Case 2018-01: Request for a departure from Section 2003.07 of the form based code section of the zoning ordinance to forego the rooftop mechanical equipment screening requirements at 285 W Western Ave, by Parkland Muskegon, Inc. The property is zoned Form Based Code, Neighborhood Context Area (FBC-NC). Section 2003.07 of the code states "All rooftop mechanical, communication and similar devices shall be screened from view of adjacent properties and streets. Screening shall be so designed as to be an integral part of the building. The screening shall match the buildings material and color or be another material or color that is compatible with the building exterior." There is mechanical equipment on the tallest roof on the building, above the 8th floor. However, this equipment is not required to be screened because it is not visible from the street. There is another roof on the building, above a portion of the 3rd floor, and this area has air conditioning units on it that are visible from Western Ave and Jefferson St. The applicant is seeking a departure to forego these screening requirements so that the tenants in the two apartments near this equipment will have a better view out of the building. It is possible that the future development of the adjacent property to the east will create somewhat of a screen to this equipment from the road; however, a parking lot is planned for the southern portion of this property. Most of the equipment would still be visible from Jefferson St. Notice was sent to all property owners/tenants within 300 feet of this property and no comments were received. Staff recommends small individual white screens in front of each unit, or some type of painting or white casing over each unit that will blend them in with the building; something that would still allow views from the apartments but also provide a partial screening of the equipment.

J. Rooks stated that the pictures that were included in the members' meeting packet were the views from inside the units which was his primary concern due to the blocking of the view from inside of the units. There were discussions of individual screening of the air conditioning units. He discussed the permits and any changes would be a life safety issue from what he had originally submitted. He went over the different views and how the screening would be minimal in blocking the different views from the adjacent properties. He shared pictures of different view of adjacent properties as well as pictures of a metal mesh that could be attached to each air conditioner on one side and would look like the screening and the holes wouldn't be seen as well as they would be white. He also provided pictures of the air conditioners and asking that they be left as is. J. Montgomery-Keast asked for clarification of the photo in regards to the vacant lot and the area of Jefferson St. J. Rooks explained how he and another adjacent property owner were using this section for parking and the City owns a strip that 60 feet deep along Western and he believed the an offer had been made on it for development. F. Peterson explained the lot is 60 feet deep and the full length of Western Ave. but an offer had not been made for this City owned portion yet. M. Hovey-Wright asked if Mr. Rooks considered using the same type of screening on the Jefferson St. side as the units weren't attractive to look at. Mr. Rooks stated that he would not as it isn't as noticeable on that side of the building.

A motion to close the public hearing was made by B. Mazade, supported by J. Doyle and unanimously approved.

There was discussion on the screening of the units in regards to the pictures that were provided at the meeting. Mr. Rooks stated that they would need to be about an inch away from the units. M. Franzak stated that the ordinance states that the units have to be screened with the same color so it would blend in. The units already have a screen over them and if they were painted to match; it would look better. Mr. Rooks agreed and was willing to paint the screens to match.

A motion that the request for a departure from Section 2003.07 of the form based code section of the zoning ordinance to forego the rooftop mechanical equipment screening requirements at 285 W Western Ave be approved with the painting of the screens to be white, was made by M. Hovey-Wright, supported by J. Montgomery-Keast and unanimously approved with F. Peterson, B. Larson, B. Mazade, J. Doyle, S. Gawron, M. Hovey-Wright, and J. Montgomery-Keast voting aye.

Hearing, Case 2018-02: Request to rezone the property at 1698 Sanford St from R-2, Medium-Density Single-Family Residential district to RM-1, Low-Density Multiple-Family Residential district, by Step Up.

Hearing, Case 2018-03: Request to allow a non-profit organization that focuses on assisting young adults that have recently aged out of the foster care system transition to independent living in an RM-1, Low Density Multiple Family Residential district at 1698 Sanford St, contingent upon the successful rezoning of the property, by Step Up. The applicant is requesting to utilize the home as a non-profit agency that provides housing and mentoring to young adults that have aged out of foster care. It would house up to six male participants along with a live-in mentor. Please see the enclosed letter provided by Step Up. Last year this organization was approved for the woman's version of this program at 1319 Peck St, in an RM-1, Low Density Multiple Family district. This request requires a rezoning to multi-family and a special use permit. The property is zoned R-2, Medium Density Single Family Residential. The properties to the east, along Peck St, are zoned RM-1, Low Density Multiple Family. The house measure 3,146 sf and has seven bedrooms and three bathrooms. It was formerly used as a state-licensed adult foster care home. The adjacent property to the north at 1690 Sanford was previously as well. The Rescue Mission's Woman's Shelter is located behind this property to the east. All twelve properties on this block are conforming as single-family homes. Eleven of the twelve homes on this block are single-family owner-occupied, which depicts strong neighborhood characteristics, investment and involvement among the community. Notice was sent to all property owners/tenants within 300 feet of this property. Staff had received two calls that were against the request. Lawrence and Robyn Doctor, the next-door neighbors, at 1706 Sanford St and Ray and Jackie Hilt at 1627 Jefferson St are all opposed to the specific use and the intrusion of multi-family to the neighborhood. The Master Plan calls for action to keep single-family owner-occupied neighborhoods intact. While the property is adjacent to a multi-family district, which is often used as support of a rezoning, it is clear that this area has been kept intact over the years as a singly family neighborhood and was able to avoid the conversion to multi-family that was prevalent in many areas downtown in previous generations. While Step Up provides great services and has shown to be an asset to the area at their Peck St. location (no police reports since opening), the rezoning to multi-family would permanently designate this home for multi-family use, regardless of the owner. Staff recommends denial of the rezoning.

D. Kamps described what the program does as well as what the requirements are that the residents must commit to. He described the home on Peck St. This location opened September 2016. They purchased this location for woman. He discussed the upgrades that were performed to the structure and how they have kept to the historic nature of the home by painting it. Since their upgrades to this structure there have been upgrades to the two houses to the south of this home.

T. Michalski arrived at 4:18 p.m.

D. Kamps did make a correction that the proposed amount of people would be four men with one house manager for 1698 Sanford if this were approved. M. Hovey-Wright asked if there had been any incidents at the home for women. D. Kamps stated that there hadn't been. M. Franzak confirmed that he had checked to see if there were any police reports for the Peck St. location in the past year and there hadn't been any. J. Montgomery-Keast had asked why the applicant felt this home would meet their needs and if they had considered other homes in other areas as well. D. Kamps stated that this location was near other facilities, bus lines, and the City of Muskegon's central location and with the size and layout of the structure along with the price; met their needs. T. Michalski admitted that this is a tough decision for him. The program is a valuable program. The program is not catered for juveniles that are caught up in the system and need help. His concerns are for maintaining the History of the Jefferson neighborhood and this type of use seemed to be in the center of Muskegon. He suggested that there may be other areas/communities that could support this use as there are the same amenities as well as the bus system located within them. He is not opposed to the program as the program is a good program and there is a need for this type of program.

L. Spataro, Nelson Neighborhood Improvement Association, stated that they have no issues with the Step Up program and that the house on Peck St. was zoned for this type of use. He shared the history of a Victorian mansion that had been located in this area and was deeded to senior citizens. As the times changed; the structure ended up being demolished as it was no longer needed to house the senior citizens. He went over the history of zoning and the changes that were made over the years. This particular home is a single-family home and has concerns with the values of the other homes in the surrounding areas if this were changed when it is compared with other single-family homes. He suggested trying to find a way to allow this use in the current zoning as opposed to changing the zoning. Should the zoning change and this use end up leaving this structure; anything that would be allowed in the zoning district would be allowed. He suggested looking at allowing a special use permit for this zoning district to allow the use as more stipulations may be placed and should the use discontinue; it may be removed. He also suggested looking at a possible overlay district. He would rather have the request tabled so other avenues may be reviewed. B. Larson asked M. Franzak to explain the details for this request as opposed to leaving the zoning and having this as a special use permit instead. M. Franzak stated that the criteria for a special use permit would have to be met. When considering a special use permit for this type of use in a single-family zoning district may not be the best for all the single-family zoning districts. By allowing a special use permit for this type of use; it would then be allowed in all the single-family zoning districts throughout the City and some areas may not be the best place for this type of use.

B. Krick stated he could see this structure from the east window of his home. He does understand the necessity of the program, but he believes there is a better location than the location proposed. Dr. R. Hilt also had some concerns with the location. He is fond of Mr. Kamps and the organization. His biggest concern is the change of zoning because it becomes something that is there forever. This could be detrimental to the neighborhood. This neighborhood has been having many houses being rehabbed. He doesn't feel this use would be good for this neighborhood and not necessarily in the Nelson Neighborhood. F. Farmer added that he has lived in his homes on Jefferson for 45 years and has seen the changes. He is concerned with the domino effect this may have on the neighborhood and adjacent properties. He has concerns when larger homes end up being broken up into multiple units. He would like the commission to vote against the rezoning. Q. Tiffany has his home currently up for sale and his realtor did inform him that this type of use could affect his property. He has had offers on his home from people wanting to put an office in the home. He turned the offers down. He would like to see the commission vote against the rezoning. L. & R. Doctor stated that they have lived in their home for 30 years and has seen the slow changes. The lady's rescue Mission is adjacent to their property and they listen to the foul language that the women use while their children are outside playing at the Mission. They have had some women from the Mission approach them for cash or to use their phone. In the past there had been adult foster care at the location which was governed by the State, so the City couldn't do anything about it. He is thankful that this type of endeavor does fall under the City's purview and would like to see it voted down. B. Lowry described what a family is and how the Step Up's program helps create family for those that really don't have it. He understands the issues that were discussed when it came to the zoning. He was also pleased that no one had said anything bad about the program itself. L. Spataro stated that they were not against helping children in need because the need is real. The solution is not to change the zoning for this property because no one knows what will happen in the future. He didn't want to see any damage caused in this area of single-family housing. He felt that there should be something that would be more creative than a rezoning.

A motion to close the public hearing was made by T. Michalski, supported by J. Montgomery-

Keast and unanimously approved.

T. Michalski would like to see this request for rezoning be tabled until March so staff may have time to see if there is a more creative way for this use to be located here as opposed to having the property rezoned due to what may happen to the property in the future.

A motion that the request to rezone the property at 1698 Sanford St from R-2, Medium-Density Single-Family Residential district to RM-1, Low-Density Multiple-Family Residential district, be tabled until March so staff may look at a different way that this use may work within the zoning without having to rezone the property such as an overlay district, was made by T. Michalski, supported by M. Hovey-Wright and failed with T. Michalski and M. Hovey-Wright voting aye and F. Peterson, B. Larson, B. Mazade, J. Doyle, S. Gawron, and J. Montgomery Keast voting nay.

Discussion continued with B. Mazade stating that a compromised solution would make sense and that rezoning this property would have a lifetime effect and would allow for more principle uses that could impact the neighborhood later. M. Hovey-Wright added that there is a need for this use as the Webster House had closed years ago and she knows the good that programs like this can do but there are other locations that would be better than the property on Sanford with public amenities that are available.

A motion that the request to rezone the property at 1698 Sanford St from R-2, Medium-Density Single-Family Residential district to RM-1, Low-Density Multiple-Family Residential district, be recommended to the City Commission for denial was made by B. Mazade, supported by F. Peterson and unanimously approved with T. Michalski, F. Peterson, B. Larson, B. Mazade, J. Doyle, S. Gawron, J. Montgomery-Keast, and M. Hovey Wright voting aye.

B. Mazade felt that the commission should take action on the special use permit because the City Commission could decide to approve the rezoning request. Commission and staff discussed whether or not the denial of the rezoning request for this property would be required to continue to the City Commission for final approval or denial. It was unclear if the Zoning Enabling act would require a denial recommendation of a rezoning request by the Planning Commission would be required to go before the City Commission. Planning Commissioners and staff concurred that the special use permit should still be considered. B. Mazade added that if the Special Use request was denied; it would make the rezoning request moot.

Hearing, Case 2018-03: Request to allow a non-profit organization that focuses on assisting young adults that have recently aged out of the foster care system transition to independent living in an RM-1, Low Density Multiple Family Residential district at 1698 Sanford St, contingent upon the successful rezoning of the property, by Step Up. This is for the discussion and motion. Staff report is listed with the rezoning request above.

D. Manley, Realtor, felt that granting a special use permit under the current zoning for this property wouldn't affect any appraisals for this area. He brought up Terrace Point's appraisals were coming in lower than expected. He didn't understand why the neighbors would have an issue with this use as the program is a good program. He could understand the property not being rezoned; but there should be allowances for uses such as this. He suggested allowing the use for a year to see how this program works in this neighborhood. B. Larson had brought up that the special use permit would be contingent upon the successful rezoning of the property. B. Mazade added that the City Commission could approve the rezoning even if the Planning Commission recommended denial of it and B. Larson concurred that a motion on the special use permit should be made.

A motion to close the public hearing was made by B. Mazade, supported by J. Doyle and unanimously approved.
A motion that the request to allow a non-profit organization that focuses on assisting young adults that have recently aged out of the foster care system transition to independent living in an RM-1, Low Density Multiple Family Residential district at 1698 Sanford St, be denied was made by B. Mazade, supported by S. Gawron and unanimously approved with T. Michalski, F. Peterson, B. Larson, B. Mazade, J. Doyle, S. Gawron, J. Montgomery-Keast and M. Hovey-Wright voting aye.

Hearing, Case 2018-05: Staff-initiated request to amend Section 2330 of the zoning ordinance to create a Medical Marijuana Facilities Overlay District. Staff has prepared the proposed amendments to the zoning ordinance for the Medical Marihuana Facilities Licensing Act (proposed as Section 2330 of the zoning ordinance). The proposed amendments only relate to the zoning designations related to the Medical Marihuana Facilities Licensing Act (MMFLA) Ordinance that will eventually be proposed to the City Commission for approval into the City Code of Ordinances at a later date. Please note that the MMFLA Ordinance will have to be approved before the zoning designations are approved. This review by the Planning Commission is intended to provide the City Commission with a recommendation as to where these facilities should be allowed, should the new MMFLA Ordinance be adopted by the City Commission as part of the City Code of Ordinances. Please see the enclosed proposed MMFLA Ordinance that references amending Chapter 34, Article IV of the Code of Ordinances of the City of Muskegon. Please also see enclosed the proposed amendment to the zoning ordinance: Section 2330 – Medical Marihuana Facilities Overlay District.

1. Definitions for the types of MMFLA facilities are as follows:

   Grower means an MMFLA licensee that is a commercial entity located in this state that cultivates, dries, trims, cures or packages marihuana for sale to a Processor or Provisioning Center.

   Processor means an MMFLA licensee that is a commercial entity located in this state that purchases marihuana from a Grower and that extracts resin from the marihuana or creates a marihuana-infused product for sale and transfer in package form to a Provisioning Center.

   Provisioning Center means an MMFLA licensee that is a commercial entity located in this state that purchases marihuana from a Grower or Processor and sells, supplies, or provides marihuana to registered qualify patients, directly or through the patients' registered primary caregivers. Provisioning Center includes any commercial property where marihuana is sold at retail to registered qualifying patients or registered primary caregivers. A noncommercial location used by a primary caregiver to assist a qualifying patient connected to the caregiver through the department's marihuana registration process in accordance with the MMMA is not a Provisioning Center for purposes of the MMFLA or this section.

Secure Transporter means an MMFLA licensee that is a commercial entity located in this state that transports marihuana, with or without storage, between Marihuana Facilities for a fee.

Safety Compliance Facility means an MMFLA licensee that is a commercial entity that receives marihuana from a Marihuana Facility or registered primary caregiver, tests it for contaminants and for tetrahydrocannabinol and other cannabinoids, returns the test results, and may return the marihuana to the Marihuana Facility.

Staff recommends approval of the ordinance amendment.

T. Michalski stated that there had been a lengthy conversation at a prior Commission meeting regarding this and what the role of the Planning Commission was. His understanding was that the City was going to determine whether or not they would have dispensaries and then determine where they would go. Now the Planning Commissioners are looking at this in reverse and looking at where they should go before determining if the City was going to allow for dispensaries or if the State was going to even issue more licenses. He had concerns about possibly wasting their time looking at this now. M. Franzak stated that the City Commission wasn't comfortable with voting on whether to allow it until it was determined where they would go. F. Peterson added that staff had asked for more time to see what other cities were also doing. This was then going to be brought back to the City Commission in March or early April. Staff felt this would be a necessary step to bring this before the Planning Commission with a strong understanding of where this would be acceptable to the City Commission. The City Commission didn't want to approve it if there was a chance it could be anywhere but wanted to see it in more of a defined district. This would need to be approved at the Planning Commission, City Commission and then the State levels. By starting with the Planning Commission; this will allow for a stronger understanding of a defined district. M. Hovey-Wright stated that she tried looking for the areas and wasn't sure of the locations based on the map that was supplied in their packets. The places she looked had structures that looked like they should be removed. She stated it made sense to consolidate the areas. B. Mazade asked about the proposed District 2 having two locations that are not contiguous. M. Franzak confirmed that there were two due to the residential neighborhood in the middle. J. Montgomery-Keast asked if there were any churches in the proposed areas. M. Franzak stated that to his knowledge there wasn't but churches do come and go in different commercial sites.

A. Cirner stated that he was a Planning Commissioner in Palm Springs, CA and had worked on this issue there. He had moved here almost a year ago and would like to offer his services to help the City when it comes to this type of planning and ordinance language as he had been through it already and he is familiar with mistakes that other municipalities have made and would like to help make sure no mistakes are made. He does feel that this planning should be brought together at this juncture. B. Larson stated that this is about the districts at this time. A. Cirner stated that churches, schools, etc. should be researched before looking at locations. He would like to help out with work sessions regarding this and to reach out to the other communities that have gone through this already. E. Seifert is passionate about this. He described his personal experience regarding his wife and himself and their need for this. His wife had passed away two years ago. Medical Marihuana has helped his wife get off some of her medications. He to had obtained a Medical Marihuana license for his health issues and it helped him better than any other medications that he had been on. There are many buildings that are not feasible for this type of use; but other areas may need to be looked at and it shouldn't be restricted. He is also willing to help with this to ensure it is done accurately. D. Foster stated that she had spoken on this about eight years ago. This is about the patients and getting them comfortable and some of the locations aren't feasible. The places need to be easily accessible and making patients comfortable. She felt the districts could be in nicer areas. She felt that the proposed areas aren't aesthetically pleasing or inviting. It took her two and a half months to find her facility and when she was looking; she looked at accessibility, what the structure looked like and handicap accessibility. J. Slack stated that he is a young entrepreneur and was born and raised in Muskegon. He stated that 50% of the taxes go back to the local municipality for the schools, etc. He would like to get into this industry. G. Adams stated that the overlay districts are a good start and is necessary. He wanted to locate his business here. He had sold one of his facilities that he had in Lansing. There are a lot of people that would want to invest in this. He would like to have a facility here and not just be a caregiver. He had brought up how he has worked with Muskegon Heights for having properties zoned correctly and are hashing out the language now. S. Orley had done research into cancer and Parkinson while in college. He would like to bring his services to Muskegon as well. He owns an old building on E. Apple that is located next to Dominoes. He has patients that he has to deliver to. He spoke with Ann Meisch regarding the number of growers located in Muskegon and he doesn't believe there have been any issues with any of them. R. King is happy to see that the City is looking at having dispensaries in Muskegon. This is medicine and she isn't sure that segregating dispensaries in the industrial areas is a good choice. Marihuana businesses are highly regulated, so this type of business isn't something that just anyone can get into and it is expensive to get started. She stated that Ann Arbor has 18 dispensaries with four dispensaries in the prime downtown business district.

M. Hovey-Wright left at 5:40 p.m.

M. Franzak added that he received over 100 inquiries and given input and offered help with writing the ordinance. He brought up how the City started out with caregivers who grow out of their homes and there had been no issues. Now there are commercial and industrial areas where growers are located. K. Johnson shared a spreadsheet from when medical marihuana was approved by the voters in 2008 which was the highest voter turnout. Every precinct was in favor of this. He shared other positive information regarding the need and how helpful it is medically. This is a continuing positive when it comes to zoning and this is the next best step. He is also a caregiver. This is widely supported. The State is saying that local municipalities can opt in and choose where it will go within their municipalities. He did have concerns with the proposed locations. He felt the ordinance could be crafted in a way that it could be in other areas. He has been to the different neighborhood association meetings to discuss this and he has had feedback from Beachwood/Bluffton to Marquette neighborhoods and they feel these shouldn't be segregated in a small area; but should be more spread out to accommodate more. The proposed area is on the bus route so it is accessible to people where it is proposed. He feels they should be allowed to be near pharmacies or other medical areas. There have been studies that show that deaths from opioids have declined since the approval of medical marihuana. He believes that staff's proposal is a good start but would like to see it spread to other areas as well.
F. Peterson left at 5:50 p.m.

A motion to close the public hearing was made by B. Mazade, supported by J. Montgomery-Keast and unanimously approved.

A motion that the request to amend Section 2330 of the zoning ordinance, to allow for a Medical Marihuana Facilities Overlay District, be recommended to the City Commission for approval, was made by T. Michalski, supported by S. Gawron and was approved with T. Michalski, B. Larson, J. Doyle, S. Gawron voting aye and B. Mazade and J. Montgomery-Keast voting nay.

Hearing, Case 2018-04: Staff-initiated request to vacate Market St between Western Avenue and Terrace St. The Farmers Market currently hosts many events that utilize a temporary liquor license. The City has to apply for a temporary liquor license with the State of Michigan every time an event is held. A permanent license is available, but it cannot be utilized across a public street. Vacating the street would solve the problem and the liquor license could be used in the designated area, which would include the building and the street and a small area across of the street near the stage. Please see the map below that depicts the approximate area that the liquor license could be used. The City would still maintain the street as a public street but vacating it would allow for more flexibility for closure during special events. There are no plans to close the street other than temporarily for events, as it currently happens. Staff sent notices to all property owners adjacent to Market St and had not received any comments at the time of this writing. Staff recommends approval of the street vacation.

A motion to close the public hearing was made by T. Michalski, supported by S. Gawron and unanimously approved.

A motion that the request to vacate Market St, between Western Avenue and Terrace St, be recommended to the City Commission for approval was made by J. Doyle, supported by S. Gawron and unanimously approved, with T. Michalski, B. Larson, B. Mazade, J. Doyle, S. Gawron, and J. Montgomery-Keast voting aye.

NEW BUSINESS

None

OLD BUSINESS

None.

OTHER

B. Mazade asked for an update on the cell tower issue. M. Franzak stated that the proposal is ready for the March meeting.

B. Mazade asked for an update on the former Nims School building. M. Franzak stated that it would be coming back as they would like to demolish the gym for additional parking. They will also be adding an urban farm in the back, but it won't need approval and they want to move the pocket park to another location on the property and then the City can sell the property to them.

B. Mazade asked for an update on the planning process with Pure Muskegon. M. Franzak stated that he would try to get the schematics, but he wasn't sure if they wanted it made public yet. B. Mazade was also interested in when they would be back before the planning commission.

J. Doyle asked for an update in regard to Melching and the storing of aggregate at their new location. M. Franzak stated that Melching needs the Drain Commissioner's approval first but he hasn't applied yet. Staff also put them in contact with another chemical company so there is a chance that the buildings could be saved.

There being no further business, the meeting was adjourned at 6:00 p.m.

HM

COMMISSION MEETING DATE: May 22, 2018

TO: Honorable Mayor and Commissioners

FROM: Jeffrey Lewis, Director of Public Safety

RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN1800336 – 236 Mason Ave as known as "Bolt Hardware"

SUMMARY OF REQUEST: This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the structure located at **236 Mason Ave** is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder or staff may issue civil infraction citations to the owner, agent or responsible party if they do not demolish the structure.

Location and ownership: This structure is located on Mason Ave between 4th St and 5th St in the Nelson Neighborhood. The property is owned by Mark Ruesgsegger, 5841 Loop Rd, Hesperia, MI 49421

Staff Correspondence: Building collapse occurred on February 15, 2018.
The "Notice & Order" was sent and posted on April 4, 2018.
A ten day notice was sent and posted on April 23, 2018.
On May 3, 2018, the HBA declared the structure substandard, dangerous and a nuisance.

Financial Impact: General Funds

Budget action required: None

State Equalized value: $24,100

Estimated cost to repair: $70,000

Staff Recommendation: To concur with the Housing Board of Appeals decision to demolish all structures on the property

Owner Contact:
The owner was contacted the day of the building collapse and was informed he must board up and secure the building. The owner secured the building the same day. The owner called on February 22, 2018 and stated he wanted to keep the building. The owner noted his wife has cancer and he is the care giver. The owner said he simply does not have the time to make the repairs or doing any work at the store. On February 27, 2018, the owner's grandson called and stated he would be taking over his grandfather's affairs with the building. The grandson stated they would be demolishing the building once the building was emptied of its contents. The grandson was informed he must submit a written plan of abatement by March 2, 2018. The grandson was instructed to shore up the area of collapse first and the shoring must be inspected prior to any removal of the contents. On March 14, 2018, the Inspections department had not received a written plan of abatement or a request to inspect the collapse shoring. The grandson was emailed and informed the City would be moving toward to an immediate removal of the building if he did not provide his plan of abatement. On March 16, 2018 the

grandson called and said he hired a contractor to demolish the entire building and stated the collapse area was shored up and we could inspect at any time. The grandson scheduled an inspection for March 26, 2018 but did not appear. The grandson has he not contacted the inspection department since. The case was referred to the Housing Board of Appeals. The owner appeared at the HBA meeting to learn his grandson was not communicating with the Inspections dept. The owner said he needs more time to empty the contents before the building is demolished.

Permits obtained: None

INSPECTION REPORT

Owner RUEGSEGGER MARK D
5841 E LOOP RD
HESPERIA, MI 49421

Enforcement # EN1800336
Property Address: 236 MASON AVE
Parcel # 24-205-387-0008-10

Date completed: February 15, 2018

DEFICENCIES:

1. Block wall at the rear of the building has collapsed
2. Flat roofing area has deteriorated and has is leaking. Roofing material and roof decking material must be replaced.
3. Roofing shingles on pitched roof over the main store area is has deteriorated, covered with moss and must be replaced
4. Soffits and fascia are rotted, missing, have peeling paint or holes in many areas around the structure
5. Wood siding is rotted, missing, has peeling paint in many areas.
6. Front store windows have been broken out and are boarded with interior grade materials
7. Stairways to upper floors are rotten, missing railings & spindles and have peeling paint.
8. Entry doors are rotted, have broken or missing window glass.
9. Attic vents covers are loose
10. Windows are broken, missing, have rotted sills and sashes and peeling or no paint
11. Front Store windows are broken, have rotted sills and boarded with interior grade materials with no paint
12. Electrical service has been disconnected and now must be upgraded to a minimum of 100 amp service with circuit breakers
13. Cement block wall has missing mortar, mortar joints not complete, cement blocks are cracked and missing
14. Foundation walls for store area are cracked, missing mortar and have peeling paint.

Jay Paulson, Inspector

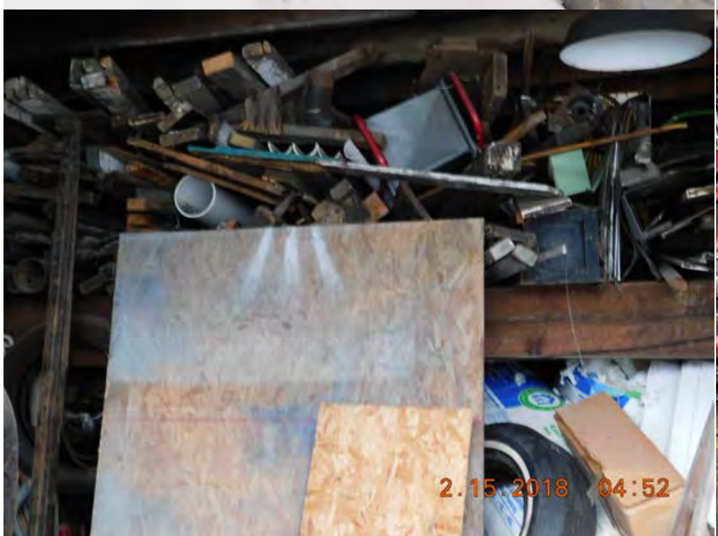
Based upon my recent inspection of the above property I determined that the structure meets the definition of a Dangerous Building and/or Substandard Building as set forth in Section 10-61 of the Muskegon City Code.

SECTION 116.3 Notice (UNSAFE STRUCTURES AND EQUIPMENT)
If an unsafe condition is found, the *building official* shall serve on the owner, agent or person in control of the structure, a written notice that describes the condition deemed unsafe and specifies the required repairs or improvements to be made to abate the unsafe condition, or that requires the unsafe structure to be demolished within a stipulated time. Such notice shall require the person thus notified to declare immediately to the *building official* acceptance or rejection of the terms of the order.

PHOTOS of 236 Mason Ave


2.15.2018 04:50


2.15.2018 04:53


2.15.2018 04:52


2.15.2018 04:52


2.15.2018 04:54


2.15.2018 04:54


2.15.2018 21:21


2.15.2018 21:21


2.15.2018 21:21


2.15.2018 21:21


2.15.2018 21:22

COMMISSION MEETING DATE: May 22, 2018

TO: Honorable Mayor and Commissioners

FROM: Jeffrey Lewis, Director of Public Safety

RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN1800301 – 586 School St

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SUMMARY OF REQUEST: This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the structure located at **586 School St** is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder or staff may issue civil infraction citations to the owner, agent or responsible party if they do not demolish the structure.

Location and ownership: This structure is located on School St between Albert Ave and Wesley Ave in the Marquette Neighborhood. The property is owned by James & Theresa Tenbrink, 121 N. Merchant Ave, Fremont, MI 49412.

Staff Correspondence: Fire occurred on February 4, 2018.
The “Notice & Order” was sent and posted on April 4, 2018.
A ten day notice was sent and posted on April 23, 2018.
On May 3, 2018, the HBA declared the structure substandard, dangerous and a nuisance.

Financial Impact: Fire Escrow Funds have been requested but not received

Budget action required: None

State Equalized value: $16,800

Estimated cost to repair: $35,900

Staff Recommendation: To concur with the Housing Board of Appeals decision to demolish all structures on the property

Owner Contact:
Owner’s daughter, who was the occupant of the home, called and said they cost to repair the home is too costly and would not be repairing the home and asked for a list of demolition contractors. The owner or the owner’s daughter did not appear at the HBA hearing. No further contact from the owner or owner’s daughter.

Permits obtained: None

FIRE INSPECTION REPORT

Owner TENBRINK JAMES R/THERESA
121 N MERCHANT AVE
FREMONT, MI 49412-1248

Enforcement # EN1800301
Property Address: 586 SCHOOL ST
Parcel # 24-611-000-0253-00

Date completed: March 3, 2018

NOTE: Home was damaged by fire on February 4, 2018. Master bedroom was the area of origin and the cause of the fire was determined to be a heating source placed too close to combustibles. The room of origin was received heavy fire & water damage and the entire home received smoke and heat damage.

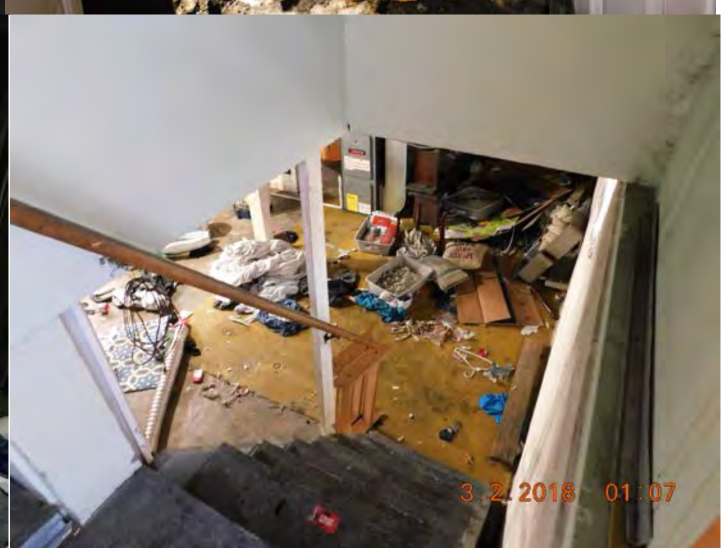
DEFICENCIES:

1. The room of origin must be gutted to studs and re-wired to code, new drywall and new window(s)
2. Hard-wired smoke detection must be added throughout the home and must meet current code
3. Replace all electrical devices and fixtures throughout
4. Replace electrical service to code
5. Were service wires enter the home must be moved to prevent contact with the rain gutter
6. All rooms with smoke soot must be cleaned, soot removed, sealed and repainted
7. Floor coverings must be cleaned or replaced
8. Plumbing must be checked by a licensed plumbing contractor and certified safe
9. The furnace and water heater must be checked by a licensed mechanical contractor and certified safe.

Based upon my recent inspection of the above property I determined that the structure meets the definition of a Dangerous Building and/or Substandard Building as set forth in Section 10-61 of the Muskegon City Code.

If you disagree with the decision of the City Commission, you have the right to file a petition for superintending control in the Circuit Court for the County of Muskegon within 21 days after the City Commission concurs.

PHOTOS OF 586 School St




3.2.2018 01:08


3.2.2018 01:08


3.2.2018 01:10


3.2.2018 01:10


3.2.2018 01:11


3.2.2018 01:14


3.2.2018 01:15

3.2.2018 01:15

3.2.2018 01:16

3.2.2018 01:16

COMMISSION MEETING DATE: May 22, 2018

TO: Honorable Mayor and Commissioners

FROM: Jeffrey Lewis, Director of Public Safety

RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN1800344 – 2207 Miner Ave

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SUMMARY OF REQUEST: This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the structure located at **2207 Miner Ave** is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder or staff may issue civil infraction citations to the owner, agent or responsible party if they do not demolish the structure.

Location and ownership: This structure is located on Miner Ave between Leon St and Leboeuf St in the Lakeside Neighborhood. The property is owned by Lambertus Vanderstrom, 2207 Miner Ave, Muskegon, MI 49441. (Currently in temp housing)

Staff Correspondence: Fire occurred on February 18, 2018.
The "Notice & Order" was sent and posted on April 4, 2018.
A ten day notice was sent and posted on April 23, 2018.
On May 3, 2018, the HBA declared the structure substandard, dangerous and a nuisance.

Financial Impact: Insurance Fire Escrow Funds of $12,508 has been received

Budget action required: None

State Equalized value: $32,800

Estimated cost to repair: $85,000

Staff Recommendation: To concur with the Housing Board of Appeals decision to demolish all structures on the property

Owner Contact:
Owner called and said he agreed the home needs to be demolished. Owner said he is waiting on the insurance company to pay the claim.
Owner did not attend the HBA hearing.

Permits obtained: None

FIRE INSPECTION REPORT

Owner VANDERSTROM LAMBERTUS
2207 MINER AVE
MUSKEGON, MI 49441

Enforcement # EN1800344
Property Address: 2207 MINER AVE
Parcel # 24-205-660-0003-00

Date completed: March 6, 2018 by Inspector Jay Paulson

DEFICENCIES:
Inspector's note: Heavy fire damage to the entire home. Fire originated in one of two bedrooms. Fire burned through the bedroom floor, west wall of the home and roof.

1. The entire home must be gutted to the studs, bath and kitchen cabinet removed, bath kitchen fixtures must be replaced
2. All fire structure members, including walling studs, roof rafters and floor joists must be replaced.
3. Insulation must be replace or installed to code
4. New drywall or plaster must installed.
5. All floor coverings throughout the home must be replaced
6. All windows, doors, siding, fascia, soffits, roofing and roof decking must be replaced (note: siding must match on the entire structure) (windows must meet egress requirements)
7. All electrical wiring must be replaced to code
8. The electrical service panel must be replaced to code
9. Hardwired smoke detection must be installed to code
10. Plumbing must be replaced to code
11. Furnace must be certified safe or replaced
12. Water heater was not installed to code. Must be certified safe or replaced
13. Smoke staining must be removed and sealed
14. Clean, seal and repaint all areas
15. Home must be all applicable current codes

Based upon my recent inspection of the above property I determined that the structure meets the definition of a Dangerous Building and/or Substandard Building as set forth in Section 10-61 of the Muskegon City Code.

If you disagree with the decision of the City Commission, you have the right to file a petition for superintending control in the Circuit Court for the County of Muskegon within 21 days after the City Commission concurs.

PHOTOS of 2207 Miner Ave


03.06.2018 11:01

03.06.2018 11:05

03.06.2018 11:05

03.06.2018 11:07

03.06.2018 11:07

03.06.2018 11:08


03.06.2018 11:10


03.06.2018 11:08


03.06.2018 11:09


03.06.2018 11:15

Commission Meeting Date: May 22, 2018

Date: May 22, 2018

To: Honorable Mayor and City Commissioners

From: Planning & Economic Development

RE: Request to Rezone 731 Yuba St, 205 E Muskegon Ave, 287 E Muskegon Ave and 225 Eastern Ave

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SUMMARY OF REQUEST:

Request to rezone these properties from B-4, General Business to I-1, Light Industrial, by Citiparc, LLC. The applicant is seeking the rezoning in order to develop a food processing center.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Staff recommend approval of the rezonings.

COMMITTEE RECOMMENDATION:

The Planning Commission voted in favor (5-0), with 4 members absent, recommending approval of the proposed zoning changes at their May 21, 2018 meeting. Michalski, Doyle, Gawron, Montgomery-Keast, and Peterson voted in support, Mazade, Hood, Larson, and Hovey-Wright were absent.

STAFF REPORT

May 21, 2018

Hearing, Case 2018-15: Request to rezone the properties at 731 Yuba St, 205 E Muskegon Ave, 287 E Muskegon Ave and 225 Eastern Ave from B-4, General Business to I-1, Light Industrial by Citiparc, LLC.

SUMMARY

1. The parcels included in this rezoning request were used as the former farmers market site.
2. 731 Yuba St is 2.45 acres, 205 E Muskegon Ave is 2.55 acres, 225 Eastern Ave is 1.59 acres and 287 E Muskegon Ave is 1.48 acres.
3. There are unimproved alleys running through each parcel. Also, the unimproved easement for Rathborne St runs north/south through the properties and the unimproved easement for Muskegon Ave runs east/west through the properties.
4. The applicant is requesting to rezone these parcels so they may develop a food processing center.
5. Please see the enclosed zoning ordinance excerpt on I-1, Light Industrial districts.
6. Notice was mailed to every property owner and tenant within 300 feet. At the time of this writing, staff had not received any comments from the public.

Subject Parcels Looking North from Walton Ave

Aerial Map

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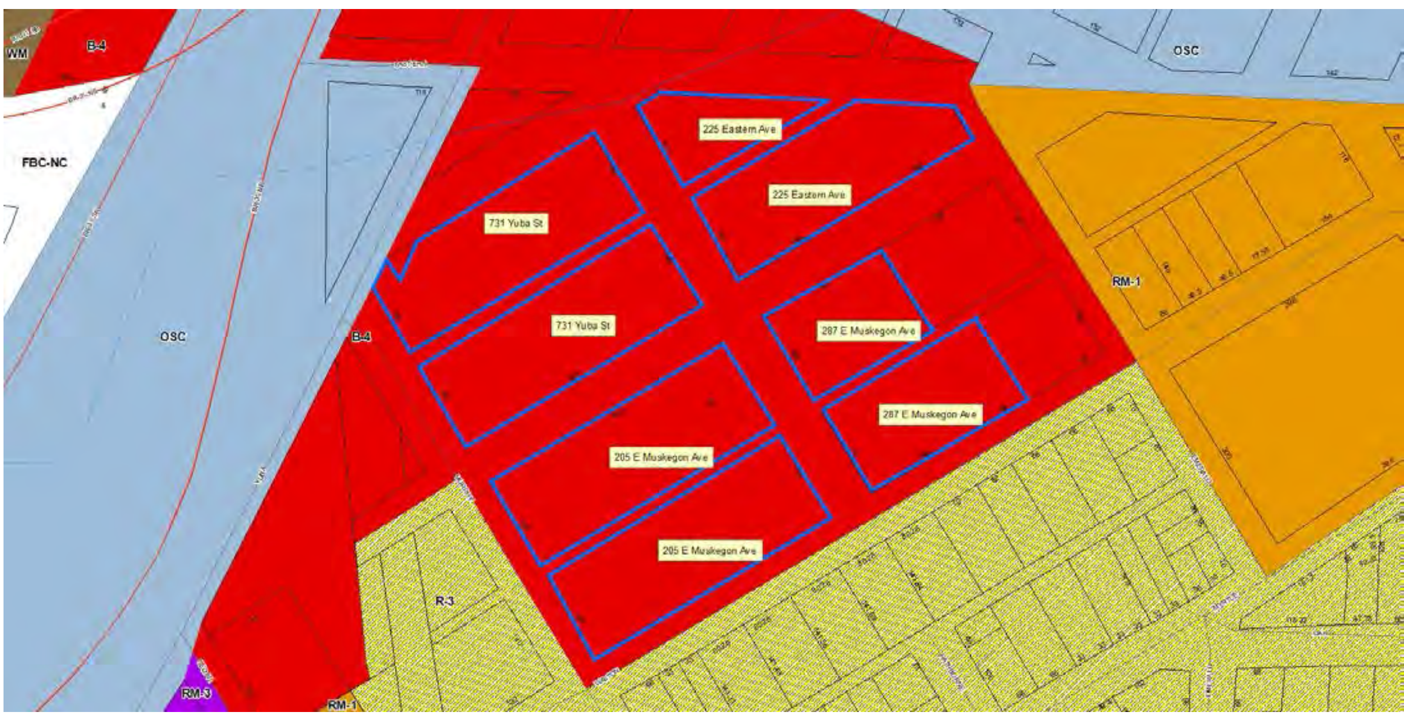
Zoning Map



CITY OF MUSKEGON

MUSKEGON COUNTY, MICHIGAN

ORDINANCE NO.________

An ordinance to amend the zoning map of the City to provide for a zone change for 731 Yuba St, 205 E Muskegon Ave, 287 E Muskegon Ave and 225 E Muskegon Ave from B-4, General Business to I-1, Light Industrial

THE CITY COMMISSION OF THE CITY OF MUSKEGON HEREBY ORDAINS:

The zoning map of the City of Muskegon is hereby amended to change the zoning for 731 Yuba St, 205 E Muskegon Ave, 287 E Muskegon Ave and 225 E Muskegon Ave from B-4, General Business to I-1, Light Industrial.

This ordinance adopted:

Ayes:____

Nayes:____

Adoption Date:______________________________

Effective Date:______________________________

First Reading:_______________________________

Second Reading:_____________________________

CITY OF MUSKEGON

By: __________________________
Ann Meisch, MMC
City Clerk

CERTIFICATE (Rezoning of 731 Yuba St, 205 E Muskegon Ave, 287 E Muskegon Ave and 225 E Muskegon Ave from B-4, General Business to I-1, Light Industrial)

The undersigned, being the duly qualified clerk of the City of Muskegon, Muskegon County, Michigan, does hereby certify that the foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Muskegon, at a regular meeting of the City Commission on the 22nd day of May, 2018, at which meeting a quorum was present and remained throughout, and that the original of said ordinance is on file in the records of the City of Muskegon. I further certify that the meeting was conducted and public notice was given pursuant to and in full compliance with the Michigan Zoning Enabling Act, Public Acts of Michigan No. 33 of 2006, and that minutes were kept and will be or have been made available as required thereby.

DATED: ___________________, 2018 ________________________________

Ann Meisch, MMC
Clerk, City of Muskegon

Publish: Notice of Adoption to be published once within ten (10) days of final adoption.

CITY OF MUSKEGON
NOTICE OF ADOPTION

Please take notice that on May 22, 2018, the City Commission of the City of Muskegon adopted an ordinance amending the zoning map to provide for the change of zoning for for 731 Yuba St, 205 E Muskegon Ave, 287 E Muskegon Ave and 225 E Muskegon Ave from B-4, General Business to I-1, Light Industrial.

Copies of the ordinance may be viewed and purchased at reasonable cost at the Office of the City Clerk in the City Hall, 933 Terrace Street, Muskegon, Michigan, during regular business hours.

This ordinance amendment is effective ten days from the date of this publication.

Published ____________________, 2018 CITY OF MUSKEGON

By ___________________________
Ann Meisch, MMC
City Clerk

PUBLISH ONCE WITHIN TEN (10) DAYS OF FINAL PASSAGE.

Account No. 101-80400-5354

I-1 Light Industrial

ARTICLE XIV - I-1 LIGHT INDUSTRIAL DISTRICTS

PREAMBLE

The I-1 Light Industrial Districts are designed so as to permit wholesale, warehousing, and manufacturing facilities whose external, physical effects have a minimum detrimental effect on the adjacent districts. It is the intent of this article to permit, in addition to specific uses enumerated, the manufacturing, compounding, processing, packaging, assembly, and/or treatment of finished or semi-finished products from previously prepared material. The uses permitted are those which meet a higher standard of restrictions than those imposed in the I-2 Zoning District, and shall be of a type other than those which produce hazardous material as defined in the Fire Code.

SECTION 1400: PRINCIPAL USES PERMITTED

All principal uses of land and buildings which are erected or structurally altered or occupied shall be those specified in this article:

1. The manufacture, compounding, processing of food, and pharmaceuticals.

2. The manufacture, compounding, or assembly of products from previously prepared materials, including but not limited to fabrics, glass, leather, paper, metal, or plastics.

3. Machine shops and metal finishing shops, including the incidental of casting of metal products and alloying of furnace ready non-ferrous metals which are free of paint, oils or other organic substances.

4. Crematories.

5. Retail uses which have an industrial character in terms of either their outdoor storage requirements or activities such as: lumber yards or motor vehicle, boat, or implement sales.

6. Storage yards.

7. Warehousing of materials not highly hazardous as defined in the Fire Code.

8. Veterinary clinics and outdoor kennels.

9. Lumber and planing mills.

10. Municipal buildings, public service buildings, auto equipment repair shops doing major repair.

11. Micro breweries, breweries, small wineries, wineries, small distilleries and distilleries. [amended 3/12]

12. Accessory buildings and uses customarily incidental to the above Principal Uses Permitted.

13. Uses similar to the above.

SECTION 1401: SPECIAL LAND USES PERMITTED

The following uses, and their accessory buildings and accessory uses, shall be permitted as a special land use if it is found to meet the standards outlined in Section 2332 of this Ordinance, subject to the applicable conditions imposed by Ordinance and other reasonable conditions imposed by the Planning Commission:

1. Railway or truck freight terminals located more than two hundred (200) feet from any residential district.

2. Freestanding commercial radio, television, and similar transmission towers greater than 175 feet and their attendant facilities.

3. Paint manufacturing.

4. Accessory buildings and accessory uses customarily incidental to any of the above Special Land Uses Permitted.

5. Prisons and other similar correctional facilities.

6. Adult bookstores, adult indoor and outdoor motion picture theaters, and cabarets. Recognizing that because of their nature some uses have objectionable operational characteristics, especially when concentrated in small areas and recognizing that such uses may have a harmful effect on adjacent areas, special regulation of these uses is necessary to insure that these adverse effects will not contribute to the blighting or downgrading of the surrounding neighborhood. These special regulations are as follows:

   a. No such uses may be permitted in the I-1 Districts within one thousand (1,000) feet if any residential district measured from the lot line of the location of the proposed use.

   b. The Planning Commission may waive this location provision if the following findings are made:

      i. That the proposed use will not be contrary to the public interest or injurious to nearby properties and that the spirit and intent of this Ordinance will be observed.

ii. That the character of the area shall be maintained.

iii. That all applicable regulations of this Ordinance will be observed.

iv. That no other adult bookstore, adult motion picture theater, or cabaret is located within two thousand (2,000) feet of the proposed location.

c. Anything herein to the contrary notwithstanding, the Planning Commission shall not consider the waiver of the locational requirements as hereinabove set forth until a petition shall have been filed with the City Clerk and verified as to sufficiency. Such petition shall indicate approval of the proposed regulated use by fifty-one (51) percent or more of the persons owning property within a radius of one thousand (1,000) feet of the location of the proposed use as measured from the lot line. The petitioner, or his agent, shall attempt to contact all eligible property owners within this radius and must maintain a list of all addresses at which no contact was made.

d. The petition hereafter required shall contain an affidavit signed by the party circulating such petition attesting to the fact that the petition was circulated by him and that the circulator personally witnessed the signatures on the petition and that the same were affixed to the petition by the person whose name appeared thereon, and that the circulator truly believes that the signers of such petition are persons owning property within one thousand (1,000) feet of the premises mentioned in said petition. Such petition shall also comply with other rules and regulations as may be promulgated by the City Commission.

7. Wind Turbine Facilities [amended 10/09].

8. Uses similar to the above Special Land Uses Permitted.

<u>SECTION 1402: PLANNED UNIT DEVELOPMENTS</u>

Planned developments may be allowed by the Planning Commission under the procedural guidelines of Section 2101. The intent of Planned Unit Developments in the I-1 Light Industrial Districts is to allow mixed land uses, which are compatible to each other, while prohibiting uses which would not be compatible or harmonious with other uses permitted in the I-1 District.

<u>SECTION 1403: AREA AND BULK REQUIREMENTS</u> [amended 4/00]

1. <u>Minimum lot size</u>: 21,780 sq. feet.

2. <u>Maximum lot coverage</u>:
   Buildings: 85 %
   Pavement: 25 %

3. Lot width: 100 feet (shall be measured at road frontage unless a cul-de-sac, then measured from setback).

4. Width to depth ratios: The depth of any lot(s) or parcel(s) shall not be more than three (3) times longer its width.

5. Height limit: 3 stories or 50 feet

   Height measurement: In the case of a principal building, the vertical distance measured from the average finished grade to the highest point of the roof surface where the building line abuts the front yard, except as follows: to the deck line of mansard roofs, and the average height between eaves and the ridge of gable, hip, and gambrel roofs (see Figure 2-2). If the ground is not entirely level, the grade shall be determined by averaging the elevation of the ground for each face of the building (see Figure 2-4).

6. Front Setbacks: [amended 1/05]
   Minimum:
   Expressway or Arterial Street: 30 feet
   Collector or Major Street: 20 feet
   Minor Street: 10 feet

7. Rear setback: 10 feet

8. Setback from the ordinary high water mark or wetland: 75 feet (principal structures only).

9. Side setbacks:
   1-story: 10 feet and 20 feet
   2-story: 15 feet and 25 feet
   3-story: 20 feet and 30 feet

   Note, setback measurement: All required setbacks shall be measured from the right-of-way line to the nearest point of the determined drip line of buildings. [amended 10/02]

10. Zero lot line option: New principal buildings may be erected on the rear lot line and/or one side lot line provided: [amended 10/02]

    a. The building has an approved fire rating for zero-lot line development under the building code.

    b. The building has adequate fire access preserved pursuant to fire code requirements.

    c. The zero lot line side is not adjacent to a street.

    d. A maintenance access easement is granted by the adjacent property owner and recorded with the County Register of Deeds and provided to the zoning administrator with the site plan or plot plan.

e. It is not adjacent to wetlands, or waterfront.

11. All required side and rear setbacks shall be landscaped, greenbelt buffers, unless zero-lot-line is employed for a structure or fire access. At least fifty percent of all required front setbacks shall be landscaped and adjacent to the road right-of-way. An average minimum greenbelt of 10 feet shall be maintained along each street frontage. [amended 12/01, amended 10/02]

SECTION 1404: BUSINESS CONDUCT LIMITATION

1. All uses permitted under Section 1400 and 1401 shall be subject to all environmental limitations imposed by this Section, other ordinances, statutes and governmental regulations.

2. Casting of metal parts in shops other than foundries shall be limited so that not more than twenty-five percent (25%) of the aggregate floor area may be used for the casting process.

3. Crematories shall be located not less than two hundred (200) feet from a residential district.

4. Storage yards shall be screened from any adjacent street or non-industrial district by an obscuring fence. This shall not require that parking lots of motor vehicles, boats, or implement sales be screened.

5. No property line of a lumber or planing mill shall be contiguous to the exterior boundary of a Residential District.

6. Uses permitted in the I-1 District shall be those whose finished products are non-hazardous as defined in the Fire Code.

7. Stamping machines, presses, and shears shall be dampened so as not to produce noises and vibrations which conflict with the preamble of this Article.

8. Animals kept for slaughter shall be only that number which will be processed in one day.