CITY OF MUSKEGON

CITY COMMISSION MEETING

MAY 22, 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 22, 2018. Reverend Robert Henderson, First Wesleyan 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, Commissioners Ken Johnson, Byron Turnquist, Debra Warren, and Dan Rinsema-Sybenga, City Manager Frank Peterson, City Attorney John Schrier, and City Clerk Ann Meisch.

Absent: Vice Mayor Eric Hood and Commissioner Willie German, Jr.

INTRODUCTIONS/PRESENTATION:

A. 2017 Outstanding Citizenship Award Presentation

Mayor Stephen J. Gawron, recognized Ann Craig, Craig and Jean Weirich, Carolyn Walker, and Dr. Dick and Lynn Kamps. All were selected as 2017 Outstanding Citizens for their generosity and persevering spirits and contributions to the community.

2018-35 CONSENT AGENDA:

A. Approval of Minutes City Clerk

SUMMARY OF REQUEST: To approve minutes of the May 7, 2018 Worksession and the May 8, 2018 Regular Meeting.

FINANCIAL IMPACT: None

BUDGET RECOMMENDATION: None

STAFF RECOMMENDATION: Approval of the minutes.

B. Upgrade Cable Connection City Clerk

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.

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

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".

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

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 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".

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

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.

H. <u>Toro Groundsmaster Mower</u> DPW/Parks Department

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.

Motion by Commissioner Johnson, second by Commissioner Rinsema-Sybenga, to approve the consent agenda as presented, except items C, G, I, and J.

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

Nays: None

MOTION PASSES

2018-36 ITEMS REMOVED FROM CONSENT AGENDA:

C. <u>Summer Pops Concession for City of Muskegon Parks</u> DPW

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.

Motion by Commissioner Turnquist, second by Commissioner Johnson, to enter into a seasonal Concession/Business contractual agreement, for 2018, with Benjamin Thackrey of "Summer Pops" concession.

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

Nays: None

MOTION PASSES

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

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 remainder 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.

Motion by Commissioner Warren, second by Commissioner Rinsema-Sybenga, to authorize staff to purchase 30' LED Artificial Panel Tree to include topper and shipping costs. Bronners Commercial Display is the sole source company.

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

Nays: None

MOTION PASSES

I. 2018 CDBG/HOME Budget Recommendations CNS

SUMMARY OF REQUEST: To approve the 2018 Budget recommendations from 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 Citizen's District Council has made their recommendations.

Motion by Commissioner Johnson, second by Commissioner Rinsema-Sybenga, to approve and publish the 2018 CDBG/HOME budget as recommended by the Citizen's District Council.

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

Nays: None

MOTION PASSES

J. <u>Neighborhood Renovations</u> City Manager

SUMMARY OF REQUEST: The city recent 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 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.

Motion by Commissioner Turnquist, second by Commissioner Rinsema-Sybenga, 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.

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

Nays: None

MOTION PASSES

2018-37 PUBLIC HEARINGS:

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

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 the 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 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.

Motion by Commissioner Rinsema-Sybenga, second by Commissioner Johnson, to close the public hearing and approve the Brownfield Plan Amendment for the Pigeon Hill 4th Street Expansion Project and approve the 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.

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

Nays: None

MOTION PASSES

2018-38 NEW BUSINESS:

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

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.

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

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

Nays: None

MOTION PASSES

B. <u>Concurrence with the Housing Board of Appeals Notice and Order to Demolish the Following:</u> Public Safety

236 Mason Avenue – Bolt Hardware

586 School Street

2207 Miner Avenue

SUMMARY OF REQUEST: This is to request that the City Commission concur with the findings of the Housing Board of Appeals that the structures are unsafe, substandard, a public nuisance and that they be demolished within 30 days. It is further requested that administration be directed to obtain bids for the demolition of the structures 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 infraction citations to the owner, agent, or responsible party if they do not demolish the structure.

FINANCIAL IMPACT: General Funds and Fire Escrow Funds, respectively.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To concur with the Housing Board of Appeals decision to demolish.

Motion by Commissioner Rinsema-Sybenga, second by Commissioner Turnquist, to concur with the Housing Board of Appeals decision to demolish the structures at 236 Mason and 586 School Street.

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

Nays: None

MOTION PASSES

Motion by Commissioner Warren, second by Commissioner Rinsema-Sybenga, to concur with the Housing Board of Appeals decision to demolish the structure at 2207 Miner Avenue.

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

Nays: None

MOTION PASSES

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

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 recommends 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.

Motion by Commissioner Warren, second by Commissioner Rinsema-Sybenga, to concur with the Housing Board of Appeals decision to demolish the structure at 2207 Miner Avenue.

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

Nays: None

MOTION PASSES

2018-39 ANY OTHER BUSINESS:

A. LeighAnn Mikesell, Director of Municipal Services, provided an update on the problem that the City is experiencing with Oak Wilt at McGraft Park. A report from MSU Extension will be coming.

PUBLIC PARTICIPATION: Comments were received from the public.

2018-40 CLOSED SESSION:

A. <u>Contract Negotiations</u>

Motion by Commissioner Warren, second by Commissioner Rinsema-Sybenga, to go into closed session to discuss collective bargaining.

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

Nays: None

MOTION PASSES

Motion by Commissioner Turnquist, second by Commissioner Johnson to come out of closed session.

MOTION PASSES

ADJOURNMENT: The City Commission Meeting adjourned at 8:55 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC, City Clerk