# CITY OF MUSKEGON

## CITY COMMISSION MEETING

### APRIL 27, 2004

### CITY COMMISSION CHAMBERS @ 5:30 P.M.

## MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Tuesday, April 27, 2004.

Mayor Warmington opened the meeting with a prayer from Pastor Sarah Johnson from the Word of Truth Outreach after which the Commission and Public recited the Pledge of Allegiance to the Flag.

**ROLL CALL FOR THE REGULAR COMMISSION MEETING:**

Present: Mayor Stephen Warmington, Vice Mayor Bill Larson, Commissioners Chris Carter, Kevin Davis, Stephen Gawron, Clara Shepherd, and Lawrence Spataro, City Manager Bryon Mazade, City Attorney John Schrier and City Clerk Gail Kundinger.

**2004-40 CONSENT AGENDA:**

**A. Approval of Minutes.** CITY CLERK

SUMMARY OF REQUEST: To approve the minutes of the Commission Worksession that was held on Monday, April 12, 2004; and the Regular Commission Meeting that was held on Tuesday, April 13, 2004.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the minutes.

**B. Resolution for Charitable Gaming License - Michigan Deaf Association, Inc.** CITY CLERK

SUMMARY OF REQUEST: The Michigan Deaf Association, Inc., is requesting a resolution recognizing them as a non-profit organization operating in the City for the purpose of obtaining a gaming license.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: None

**C. Annual Taxicab License Renewal for Port City Cab Company & Yellow Cab Company.** CITY CLERK

SUMMARY OF REQUEST: This request is from Thomas Wakefield and Steve Barnum of Wakefield Leasing, whose office is located at 770 W. Sherman Blvd., Muskegon, MI. They are requesting approval of a license to operate 11 taxicabs for both Port City Cab Company and Yellow Cab Company. The Muskegon Police Department has inspected the taxicabs and approves this request.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of 11 taxicabs.

**E. Lighthouse Acre Deed.** LEISURE SERVICES

SUMMARY OR REQUEST: To authorize the Mayor to sign the quitclaim deed for Lighthouse Acre.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approve.

COMMITTEE RECOMMENDATION: Leisure Services Board recommends approval.

**F. Sale of Marginal Lot at 1095 James Avenue.** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the sale of a vacant marginal lot (Parcel #24-612-000-0528-00) at 1095 James Avenue to Perry Dennie, of 539 Bennett Street, Muskegon, MI. Approval of this sale will allow the adjacent property owner to expand his current yard. The other adjacent property owner was offered a portion of this lot, but didn't respond. This lot is being offered to Mr. Dennie for $1 under the Dollar Lot Marketing Plan.

FINANCIAL IMPACT: The sale of this lot will allow the property to be placed back on the City's tax rolls thus relieving the City of continued maintenance costs.

BUDGET ACTION REQUIRED: None

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

COMMITTEE RECOMMENDATION: The Land Reutilization Committee (LRC) recommended approval of this request at their March 23, 2004 meeting.

**H. Sale of Non-Buildable Lots at 443 & 453 Catherine Avenue.** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the sale of two vacant non-buildable lots (Parcel #24-205-079-0002-10 and #24-205-079-0003-10) at 443 and 453 Catherine Avenue to William Simonitis, of 449 Catherine Avenue, Muskegon, MI. Approval of this sale will allow Mr. Simonitis to expand his current yard. The lots are being offered to Mr. Simonitis for $1 each under the Dollar Lot Marketing Plan.

FINANCIAL IMPACT: The sale of these lots will allow the properties to be placed back on the City 's tax rolls thus relieving the City of continued maintenance costs.

BUDGET ACTION REQUIRED: None

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

**I. <u>Sale of Buildable Vacant Lot on Meeking Street.</u>** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the sale of a vacant buildable lot at 275 Meeking Street (Parcel #24-613-000-0673-00) to Habitat for Humanity, 280 Ottawa Street, Muskegon, MI. The lot is 223 x 126 ft. and is being offered to Habitat for Humanity for $13,500. They plan to split the lot into three 74.3 ft. lots and construct three 1,260 sq. ft. single-family homes as part of the Jimmy Carter home building program. The homes will conform to the design guidelines contained in the "policy for Sale of City-Owned Residential Property." Habitat for Humanity will be meeting with the president of the Marquette Neighborhood Association to present the home designs for review. The True Case Value (TCV) for the property listed in the Assessor's Office is $18,000, so our price is set at $13,500 which is 75% of that amount.

FINANCIAL IMPACT: The sale of this lot for construction of three new homes will generate additional tax revenue for the City and will place the property back on the City's tax rolls, thus relieving the City of continued maintenance costs.

BUDGET ACTION REQUIRED: None

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

**J. <u>Vacation of a Portion of Jackson Avenue.</u>** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request for the vacation of Jackson Ave., between E. Western and Ottawa Street.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends vacation of the portion of Jackson Ave., with the condition that any City easement rights be retained.

COMMITTEE RECOMMENDATION: The Planning Commission recommended the vacation, with the condition as listed above. The vote was unanimous with B. Mazade, S. Warmington, and B. Smith absent.

**K. <u>Vacation of a Portion of Leahy Street.</u>** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request for the vacation of Leahy St., between Larch Ave. and the Hackley Hospital Professional Center entry drive.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends vacation of the portion of Leahy St., with the condition that any City easement rights be retained.

COMMITTEE RECOMMENDATION: The Planning Commission unanimously recommended the vacation, with the condition as listed above with T. Harryman not present for the vote.

**L.** **Cool Cities Pilot Program – Grant Request.** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: The State has a new Cool Cities Pilot Program available. Cities that are successful in their applications will receive "catalyst" grants of up to $100,000, which are designated to jump-start their revitalization efforts. Grants are due by May 7, 2004. For the first year of funding, 12 cities will be chosen. Muskegon is proposing to combine this grant with the Neighborhoods of Choice (former Partner Grant) and the MDOT Transportation Enhancement Grant. The Cool Muskegon Committee has recommended that we apply for Wayfinding Signage that will be placed in both the downtown and Lakeside area. In this way, the City can tie these two important cultural, transportation and tourist areas together.

FINANCIAL IMPACT: There is no requirement for a match, although several other projects and grants will be tied in with this request. In addition, it is anticipated that the Chamber of Commerce will be able to assist with private contributions to the project. The total project cost is anticipated to be $150,000. This will include a maintenance fund for the signage in the future.

BUDGET ACTION REQUIRED: None

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

COMMITTEE RECOMMENDATION: The Cool Muskegon Committee recommends that the City apply for the Cool City grant and request $100,000 for Wayfinding signage.

**M.** **Set Public Hearing for Amendment to Brownfield Plan - "The Watermark" Project.** 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 P & G Holdings NY, LLC ("P & G"), known as The Watermark project, located at 1321 Division, in the Brownfield Plan.

FINANCIAL IMPACT: There is no direct financial impact in including the project in the Brownfield Plan, although the revitalization of the former Shaw Walker building into residential and commercial space will eventually add to the tax base in Muskegon.

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 April 20, 2004 and approved the Brownfield Plan Amendment and recommends the approval of the Brownfield Plan Amendment to the Muskegon City Commission. In addition, the Brownfield Redevelopment Authority recommends that the Muskegon City Commission set a public hearing on the Plan amendment for May 25, 2004.

**N. Consideration of Proposals for Nims Street Tank Painting.** ENGINEERING

SUMMARY OF REQUEST: Authorize staff to enter into an engineering services agreement with Nelson Tank Engineering & Consulting out of Lansing for a not to exceed cost of $20,175. The scope of services includes the preparation of the contract document and the performance of daily inspection should the project be awarded. Nelson Tank was one of two consulting firms responding to the Request for Proposal. The other firm, Dixon Engineering out of Lake Odessa, submitted a very similar proposal with a not to exceed price of $21,987.50.

FINANCIAL IMPACT: The cost for the engineering services (Contract specifications & Inspection) of $20,175.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Authorize staff to enter into an engineering service agreement with Nelson Tank Engineering & Consulting.

**O. First Quarter 2004 Budget Reforecast - Adoption.** FINANCE

SUMMARY OF REQUEST: Staff has previously transmitted the ***First Quarter 2004 Budget Reforecast*** which outlines proposed changes to the original budget that have come about as result of changes in policy priorities, labor contracts, updated economic conditions, or other factors. At this time staff is recommending adoption of the budget reforecast together with any additional changes deemed necessary by Commissioners.

FINANCIAL IMPACT: General fund revenues continue to deteriorate. Currently we estimate the general fund revenue shortfall to be $451,611, attributable mostly to lower than projected state shared revenues. General fund expenditure projections are little changed from the original budget at this time as staff continues to analyze expense reduction options to offset the revenue shortfall. These will be brought to you in the coming weeks. The first quarter reforecast incorporates several significant changes to major capital projects due to updated information not available at the time the original 2004 budget was prepared.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends formal approval of the *Reforecast* and related budget amendments.

**P. Transmittal of 2003 *Comprehensive Annual Financial Report*.** FINANCE

SUMMARY OF REQUEST: The City's 2003 *Comprehensive Annual Financial Report* (CAFR) has previously been distributed to City Commissioners. At this time the CAFR is being formally transmitted to the Commission in accordance with state law. The 2003 CAFR has been prepared in accordance with GASB 34 accounting standards. Should the Commission wish to do so staff and the independent auditors are prepared to conduct an in-depth work session to focus on the CAFR as well as City finances in general.

FINANCIAL IMPACT: None. The CAFR report summarizes the City's financial activities for 2003 and includes the independent auditor's unqualified opinion on the City's financial statement.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Acceptance of the 2003 CAFR.

**Motion by Commissioner Spataro, second by Commissioner Shepherd to approve the Consent Agenda with the exception of items d and g.**

**ROLL VOTE:** **Ayes: Davis, Gawron, Larson, Shepherd, Spataro, Warmington, Carter**

**Nays: None**

***MOTION PASSES***

**2004-41 ITEMS REMOVED FROM THE CONSENT AGENDA:**

**D. Summer Celebration Request.** LEISURE SERVICES

SUMMARY OF REQUEST: Summer Celebration is asking that the City waive the rental charges for the use of City equipment during the festival.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approve

COMMITTEE RECOMMENDATION: The Leisure Services Board did not make a recommendation. They requested more information be provided in order to make a decision.

**Motion by Vice Mayor Larson, second by Commissioner Shepherd to waive the rental charges for the use of City equipment during the festival.**

**ROLL VOTE:** **Ayes: Gawron, Larson, Shepherd, Spataro, Warmington, Carter, Davis**

**Nays: None**

***MOTION PASSES***

**G. <u>Sale of Marginal Lots at 348 and 372 Dratz Street.</u>** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the sale of two vacant marginal lots (Parcel #24-613-000-0764-00 and #24-613-000-0766-00) at 348 and 372 Dratz Street to Terry Kunnen, Jr., of 354 Dratz Street, Muskegon, MI. Approval of this sale will allow Mr. Kunnen to expand his current yard. The property located to the North of Mr. Kunnen has an occupied, tax-reverted house located on it. These lots are being offered to Mr. Kunnen for $1 each under the Dollar Lot Marketing Plan.

FINANCIAL IMPACT: The sale of these lots will allow the properties to be placed back on the City's tax rolls thus relieving the City of continued maintenance costs.

BUDGET ACTION REQUIRED: None

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

**Motion by Commissioner Spataro, second by Vice Mayor Larson to approve the sale of two vacant marginal lots at 348 and 372 Dratz Street to Terry Kunnen of 354 Dratz.**

**ROLL VOTE: Ayes: Larson, Shepherd, Spataro, Warmington, Carter, Davis, Gawron**

**Nays: None**

***MOTION PASSES***

**2004-42 PUBLIC HEARINGS:**

**A. <u>Request to Establish an Obsolete Property District - Harbor Theater.</u>** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Pursuant to Public Act 146 of the Michigan Public Acts of 2000, Great Lakes Marina & Storage, LLC, 1920 Lakeshore Drive, Muskegon, Michigan, has requested he establishment of an Obsolete Property District. The district would be located at 1937 Lakeshore Drive, Muskegon, MI, the former Harbor Theater. Total capital investment for this project is $123,500. The project will result in the creation of 12-14 new jobs in the City.

FINANCIAL IMPACT: If an Obsolete Property Certificate is issued, the property taxes would be frozen for the duration of the certificate.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the resolution establishing an Obsolete Property District for 1937 Lakeshore Drive, Muskegon, MI.

The Public Hearing opened at 5:55 p.m. to hear and consider any comments from the public. No comments were heard.

**Motion by Vice Mayor Larson, second by Commissioner Shepherd to close the Public Hearing at 5:57 p.m. and approve the resolution establishing an Obsolete**

**Property District for 1937 Lakeshore Drive.**

**ROLL VOTE:** **Ayes: Shepherd, Spataro, Warmington, Carter, Davis, Gawron, Larson**

**Nays: None**

***MOTION PASSES***

**B. <u>Request to Issue an Obsolete Property Certificate - Harbor Theater.</u>** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Pursuant to Public Act 146 of the Michigan Public Acts of 2000, Great Lakes Marina & Storage, LLC, 1920 Lakeshore Drive, Muskegon, MI, has requested the issuance of an Obsolete Property Certificate for the property located at 1937 Lakeshore Drive (former Harbor Theater), Muskegon, MI. The building is presently unoccupied, but will be rehabilitated for use as a new improved theater and coffee shop. Total capital investment for this project is $123,500. The project will result in bringing 12-14 jobs to the City of Muskegon. Because of these new jobs, the applicant is eligible for a 9(nine) year certificate.

FINANCIAL IMPACT: If an Obsolete Property Certificate is issued, the property taxes would be frozen for the duration of the certificate.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the resolution issuing an Obsolete Property Certificate for 1937 Lakeshore Drive, Muskegon, MI for a term of nine (9) years.

The Public Hearing opened at 5:58 p.m. to hear and consider any comments from the public. Comments were heard from John Boltema, 625 Seminole.

**Motion by Commissioner Gawron, second by Commissioner Spataro to close the Public Hearing at 6:00 p.m. and approve the resolution issuing an Obsolete Property Certificate for 1937 Lakeshore Drive for a term of (9) nine years.**

**ROLL VOTE:** **Ayes: Spataro, Warmington, Carter, Davis, Gawron, Larson, Shepherd**

**Nays: None**

***MOTION PASSES***

**2004-43 NEW BUSINESS:**

**A. <u>Vacation of a Portion of Larch Avenue.</u>** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request for the vacation of Larch Avenue, between Clinton and Leahy Street.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends vacation of the portion of Larch Ave., with the condition that any City easement rights be retained.

COMMITTEE RECOMMENDATION: The Planning Commission recommended the vacation, with the condition as listed above with T. Harryman and T. Michalski voting no.

**Motion by Commissioner Spataro, second by Commissioner Gawron to approve the vacation of the portion of Larch Ave., between Clinton and Leahy St., with the condition that any City Easement rights be retained.**

**ROLL VOTE: Ayes: Warmington, Carter, Davis, Gawron, Larson, Shepherd, Spataro**

**Nays: None**

***MOTION PASSES***

**B. <u>Healthcare Renewal/Rx Co-Pay Reimbursement Program.</u>** FINANCE

SUMMARY OF REQUEST: The City has received 2004-05 renewal rates for the Priority Health HMO program – the healthcare choice of nearly all active City employees. Renewal rates at current benefit levels are 15.1% higher than current rates. This translates to an additional annual cost of $286,204. Staff has also received renewal rates assuming a change in the drug benefit co-pay from the current $10.00 to $15.00. Making this change lowers the rate increase to 8.9% and achieves gross annual savings of $118,738. We have discussed this option with the labor-management committee and they are generally receptive to the change provided that the city re-implement the $5.00 Rx reimbursement program to help soften the impact on employees. Staff believes that even with this proviso, significant savings will be achieved and recommends approval.

FINANCIAL IMPACT: Net annual savings are estimated to be $93,438. The level of employee participation in the reimbursement program will determine actual costs/savings.

BUDGET ACTION REQUIRED: No budget action is recommended at this time, however, the change will have positive impact on both the 2004 and 2005 budgets.

STAFF RECOMMENDATION: Staff recommends renewal of the Priority Health contract with a $15.00 Rx co-pay <u>and</u> re-implementation of the $5.00 Rx co-pay reimbursement program.

**Motion by Commissioner Spataro, second by Vice Mayor Larson to approve renewal of the Priority Health contract with a $15.00 Rx co-pay and re-implementation of the $5.00 Rx co-pay reimbursement program.**

**ROLL VOTE: Ayes: Carter, Davis, Gawron, Larson, Shepherd, Spataro, Warmington**

**Nays: None**

***MOTION PASSES***

**C. <u>Liability/Property Insurance Renewal.</u>** FINANCE

SUMMARY OF REQUEST: To renew the City's liability and property insurance coverage with the Michigan Municipal Risk Management Association (MMRMA), an intergovernmental self-insurance pool representing more than 300 Michigan municipalities. Since 1986 the City has had liability coverage through MMRMA; in 1999 property coverage was added. Staff is recommending that the City's self-insured retention (SIR) be increased from the current $75,000 level to $100,000. The savings from doing this are nearly $100,000 which means the City would have to have four claims of over $100,000 before the premium savings were offset by the higher deductible. Recent experience has been favorable and staff believes this is a sound risk to assume.

FINANCIAL IMPACT: Total contribution of $846,246 comprised of two components: $538,728 fixed insurance costs and $272,300 contribution to the City's self-insured retention fund. The fixed insurance costs represent a 3.5% decrease over 2003-04 costs.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Renewal of liability and property insurance coverage with MMRMA. Staff believes that intergovernmental procurement of insurance coverage is most cost-effective approach. Moreover, the MMRMA program has the broadest coverage available to Michigan municipalities and the City's past experience with the program has been very positive.

**Motion by Vice Mayor Larson, second by Commissioner Shepherd to approve the renewal of liability and property insurance coverage with Michigan Municipal Risk Management Association.**

**ROLL VOTE: Ayes: Davis, Gawron, Larson, Shepherd, Spataro, Warmington, Carter**

**Nays: None**

***MOTION PASSES***

**D. <u>Sale of Parcel in Seaway Industrial Park.</u>** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the sale of Lot #9 in Seaway Industrial Park to Schultz Transport, Inc., 1559 Getz Road, Muskegon, MI 49441. This company performs commercial snowplowing, in addition to being a transport company. The purchase price is $24,000, which is the full asking price. Schultz Transport, Inc. will be relocating his business from his current location outside of the City, and has from 2-10 employees, depending on the season. As part of the purchase agreement, Schultz Transport, Inc. has requested a 45-day option on Lot #8.

FINANCIAL IMPACT: The sale of this lot, while is located in a Renaissance Zone, will still generate City of Muskegon income tax.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the resolution and to authorize both the Mayor and the Clerk to sign said resolution, deed, and all other necessary documents.

**Motion by Commissioner Shepherd, second by Commissioner Spataro approve the sale of lot #9 in Seaway Industrial Park to Schultz Transport Inc., 1559 Getz Rd, Muskegon for $24,000 with a 45-day option on Lot #8, and authorize the Mayor and Clerk to sign the resolution and deed and all other necessary documents.**

**ROLL VOTE:** **Ayes: Gawron, Larson, Shepherd, Spataro, Warmington, Carter, Davis**

**Nays: None**

***MOTION PASSES***

E. **Concurrence with the Housing Board of Appeals Notice and Order to Demolish the Following:** INSPECTION SERVICES

SUMMARY OF REQUEST: This is to request City Commission concurrence with the findings of the Housing Board of Appeals that the structures at 1381 Seventh, 1317 Seventh and 637 Amity are unsafe, substandard, public nuisances and that they be demolished within thirty (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.

**1. 1381 Seventh**

CASE # & PROJECT ADDRESS: #EN-040025 – 1381 Seventh

LOCATION AND OWNERSHIP: This structure is located on Seventh Street between Merrill and Monroe and is owned by Chase Manhattan Bank, Houston, Texas.

STAFF CORRESPONDENCE: A dangerous building exterior inspection report was written 2/2/04 and Notice and Order to Repair or Remove was issued 2/3/04. An interior inspection was conducted 2/26/04. On 3/4/04 the HBA declared the structure substandard and a dangerous building.

OWNER CONTACT: A local realtor called and scheduled the interior inspection and stated he would be at the HBA meeting 3/4/04, but he was not there. There has been no contact since the interior inspection.

FINANCIAL IMPACT: CDBG funds.

BUDGET ACTION REQUIRED: None

SEV: $15,000

ESTIMATED COST OF REPAIRS: $25,000

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

**Motion by Commissioner Spataro, second by Commissioner Shepherd to concur with the Housing Board of Appeals to demolish 1381 Seventh and have the Mayor and City Clerk execute a contract for demolition with the lowest responsible bidder.**

**ROLL VOTE:** **Ayes: Larson, Shepherd, Spataro, Warmington, Carter, Davis, Gawron**

**Nays: None**

***MOTION PASSES***

**2. 1317 Seventh**

CASE # & PROJECT ADDRESS: #EN-040026 – 1317 Seventh

LOCATION AND OWNERSHIP: This structure is located on Seventh Street between Houston and Monroe and is owned by Option One Mortgage, Irvine, California.

STAFF CORRESPONDENCE: A dangerous building exterior inspection report was written 2/2/04 and Notice and Order to Repair or Remove was issued 2/3/04. On 3/4/04 the HBA declared the structure substandard and dangerous.

OWNER CONTACT: There has been no contact from the mortgage company.

FINANCIAL IMPACT: CDGB funds

BUDGET ACTION REQUIRED: None

SEV: $16.700

ESTIMATED COST OF REPAIRS: $4,000 plus the cost of interior repairs.

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

**Motion by Commissioner Spataro, second by Commissioner Shepherd to concur with the Housing Board of Appeals to demolish 1317 Seventh and have the Mayor and City Clerk execute a contract for demolition with the lowest responsible bidder.**

**ROLL VOTE:** **Ayes: Shepherd, Spataro, Warmington, Carter, Davis, Gawron, Larson**

**Nays: None**

***MOTION PASSES***

**3. 637 Amity**

**This item was asked to be removed by staff.**

The Regular Commission meeting for the City of Muskegon was adjourned at 7:12pm.

Respectfully submitted,

Gail A. Kundinger, MMC

City Clerk