CITY OF MUSKEGON

CITY COMMISSION MEETING

APRIL 23, 2019 @ 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, April 23, 2019, 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, Debra Warren, and Dan Rinsema-Sybenga, City Manager Frank Peterson, City Attorney John Schrier, and City Clerk Ann Meisch.

Absent: Commissioner Willie German, Jr.

INTRODUCTIONS/PRESENTATION:

A. Recognition of Women Veterans Day

In acknowledgement of the one-year anniversary of the City's creation of Women Veteran's Day. Zenata Adams from WINC – Women Injured in Combat – was present to thank the City Commission for recognizing Women Veterans. The City of Muskegon was the first in the State of Michigan to do so.

B. Mr. Football Presentation

Muskegon Big Red Football Player, Cameron Martinez, was recognized for his outstanding achievement in being named High School Football Player of the Year. Mr. Martinez was joined by some of his teammates and was recognized by the Mayor and Commissioners and presented with a certificate and street sign for him to keep.

2019-32 CONSENT AGENDA:

A. Approval of Minutes City Clerk

SUMMARY OF REQUEST: To approve minutes of the continued Goal Setting meeting held March 26, 2019, minutes of the Worksession meeting held April 8, 2019, and minutes of the Regular meeting held April 9, 2019.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the minutes.

B. <u>Request to Fly the Norwegian Flag</u> City Clerk

SUMMARY OF REQUEST: Sons of Norway are requesting permission to fly the Norwegian Flag at City Hall on Friday, May 17th, in honor of Norway's Constitution Day (Independence Day).

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the request.

C. <u>Special Event Liquor Licenses – 2019 Events</u> City Clerk

SUMMARY OF REQUEST: The City Clerk's Office is organizing several events for 2019 and we are seeking commission approval to apply for a special liquor license for beer, wine, and spirit service for the following:

Taste of Muskegon at Hackley Park – June 14 & 15, 2019

Food Truck Rallies at the Farmer's Market – June 26, July 24, and August 21, 2019

150th Anniversary Celebration at Heritage Landing – July 11, 12, & 13, 2019

Farm-to-Table Fundraiser at the Farmer's Market – September 5, 2019

The Farmer's Market does have a liquor license but the licensed area does not extend beyond the barn.

FINANCIAL IMPACT: $50 permit from the State for every date requested.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve a special liquor license for the events organized by the City Clerk for 2019.

D. <u>Zoning Ordinance Amendment – Planned Unit Development Section of Single-Family Residential Districts</u>
Planning & Economic Development

SUMMARY OF REQUEST: Staff initiated request to amend Section 403 of the zoning ordinance to revise the intent of the Planned Unit Development option by allowing limited retail options.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the zoning ordinance amendment.

COMMITTEE RECOMMENDATION: The Planning Commission unanimously recommended approval of the request 8-0 at the April 11 meeting.

SECOND READING REQUIRED

E. <u>Zoning Ordinance Amendment – Landscaping Requirements</u> Planning & Economic Development

SUMMARY OF REQUEST: Staff initiated request to amend Section 2331 of the zoning ordinance to allow applicants to donate trees to the City's nursery rather than to replace trees on site during development.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the zoning ordinance amendment.

COMMITTEE RECOMMENDATION: The Planning Commission unanimously recommended approval of the request 8-0 at their April 11 meeting.

SECOND READING REQUIRED

H. <u>Permanent Traffic Control Orders #37 through #52</u> Department of Public Works

SUMMARY OF REQUEST: Authorize the various Traffic Control Orders #37 thru #52.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Authorize the various Traffic Control Orders.

I. <u>Water Interconnect Contract</u> Department of Public Works

SUMMARY OF REQUEST: Approve the Water Interconnect Contract and authorize the Mayor and Clerk to sign the contract.

The Water Interconnect Contract outlines the details for the current and any future locations where the city of Norton Shores/Fruitport Township water mains are interconnected with the Spring Lake Township water mains along their shared border. These connections serve to provide continuation of service in the event of an emergency.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approve the Water Interconnect Contract and authorize the Mayor and Clerk to sign.

J. <u>City Hall Elevator Repairs</u> Department of Public Works

SUMMARY OF REQUEST: Award a contract for elevator repairs at City Hall to the low bidder Otis Elevator Company. The elevator is currently not functioning properly and is often times only accessible from the basement.

Two contractors submitted bids for this project as follows:

Otis Elevator Company $69,861 (Base) + $9,850 (Alternate)=**$79,711 Total**

KONE, Inc. $89,850 (Base) + $24,470 (Alternate)=**$114,320 Total**

The base bids include functionality repairs to the elevator including new power units, sensors, control panels, buttons, and chimes. The alternate bid provided by Otis includes rehabilitation of the cab interior with new walls, handrails, ceiling and lighting.

FINANCIAL IMPACT: $79, 711.00

BUDGET ACTION REQUIRED: None. To be address in future reforecast.

STAFF RECOMMENDATION: Award the project including the alternate to the low bidder Otis Elevator Company.

L. <u>Smith Ryerson Parking Lot Improvements</u> Department of Public Works

SUMMARY OF REQUEST: To award contract (SP-240) for construction of improvements at the parking lot for Smith-Ryerson Park.

Five contractors submitted bids for this project as follows:

Accurate Excavators $88,668.50

Terra Contractors $89,416.00 (Local Contractor)

Stein Construction $105,937.15

Bultsma Construction $108,057.00

West Michigan Dirtworks $123,396.49

The second low bidder is a local contractor with offices located within the City of Muskegon the low bidder is not located within the City of Muskegon. The bids are within 1% of each other.

FINANCIAL IMPACT: $89,416.00

BUDGET ACTION REQUIRED: None. Project is budgeted for $96,726 of CDBG funds in the 18-19 budget.

STAFF RECOMMENDATION: Award the project to the second low bidder, Terra Contractors, in accordance with the City of Muskegon Policy regarding Local Preference Purchasing/Contracting.

M. <u>Purchase Agreement – 1067 Grand Avenue</u> City Manager

SUMMARY OF REQUEST: City staff is seeking permission to enter into a purchase agreement with Jonathan and Melissa Wilson for city-owned home located at 1067 Grand. The purchase price is $143,000.

FINANCIAL IMPACT: $143,000 minus closing costs deposited into the City's Public Improvement Fund.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To authorize the city manager to enter into a

sales agreement to sell the property at 1067 Grand Avenue for $143,000 with Jonathan and Melissa Wilson.

N. <u>Approval of a Neighborhood Enterprise Zone Certificate – 324 Terrace Point</u> Planning & Economic Development

SUMMARY OF REQUEST: An application for a Neighborhood Enterprise Zone (NEZ) certificate has been received from Christopher & Elizabeth Beck for the new construction of a home at 324 Terrace Point. The applicant has met local and state requirements for the issuance of the NEZ certificate.

FINANCIAL IMPACT: Taxation will be 50% of the State average for the next 12 years.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the NEZ Certificate.

O. <u>Approval of a Neighborhood Enterprise Zone Certificate – 343 Terrace Point</u> Planning & Economic Development

SUMMARY OF REQUEST: An application for a Neighborhood Enterprise Zone (NEZ) certificate has been received from Dennis Atkinson for the new construction of a home at 343 Terrace Point. The applicant has met local and state requirements of the issuance of the NEZ certificate.

FINANCIAL IMPACT: Taxation will be 50% of the State Average for the next 12 years.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the NEZ certificate.

Motion by Commissioner Johnson, second by Commissioner Warren, to approve the consent agenda as presented, except items F, G, and K.

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

Nays: None

MOTION PASSES

2019-33 ITEMS REMOVED FROM CONSENT AGENDA:

F. <u>Set the Public Hearing for Amendment to Brownfield Plan – City of Muskegon (Developer)</u> Planning & Economic Development

SUMMARY OF REQUEST: To approve the resolution setting a public hearing for an amendment to 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 properties in the Nelson Neighborhood owned by the City of Muskegon.

FINANCIAL IMPACT: There is no direct financial impact in including the project in the Brownfield Plan, although the redevelopment of the site into a residential development 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 9, 2019 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 14, 2019.

Motion by Commissioner Johnson, second by Commissioner Warren, to approve the resolution to set a public hearing and authorize the Mayor and Clerk to sign the resolution.

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

Nays: None

MOTION PASSES

G. <u>Set the Public Hearing for Amendment to Brownfield Plan- Sweetwater Development, LLC</u> Planning & Economic Development

SUMMARY OF REQUEST: To approve the resolution setting a public hearing for an amendment to 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 at 292 W. Western, owned by Sweetwater Development, LLC.

FINANCIAL IMPACT: There is no direct financial impact in including the project in the Brownfield Plan, although the redevelopment of the site into a residential development 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 9, 2019 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 14, 2019.

Motion by Commissioner Johnson, second by Commissioner Rinsema-Sybenga, to approve the resolution to set a public hearing and authorize the Mayor and Clerk to sign the resolution.

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

Nays: None

MOTION PASSES

K. <u>Pere Marquette Park Chalet Request</u> Department of Public Works

SUMMARY OF REQUEST: 3rd Coast Rentals provided staff with a proposal to construct and operate a chalet at Pere Marquette Park for a three-year period to begin in 2019.

FINANCIAL IMPACT: Loss of revenue estimated at $1,500/Year for three years.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Authorize staff to finalize an agreement with 3rd Coast Rentals to construct to construct and operate a chalet at Pere Marquette Park.

Motion by Commissioner Turnquist, second by Commissioner Rinsema-Sybenga, authorize staff to finalize an agreement with 3rd Coast Rentals to construct and operate a chalet at Pere Marquette Park.

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

Nays: Turnquist

MOTION PASSES

2019-34 PUBLIC HEARINGS:

A. <u>Public Hearing for the 2019 Action Plan</u> Community & Neighborhood Services

SUMMARY OF REQUEST: To conduct a public hearing on April 23, 2019 to receive comments from the public concerning the 2019 Action Plan developed and proposed by the Community and Neighborhood Services department.

After the public hearing, all comments received during the 30-day comment period (April 15-May 14) will be documented and included in the plan as required.

FINANCIAL IMPACT: The City is required to submit the Annual Action Plan to receive 2019 allocations of CDBG and HOME Investment Partnership Programs

BUDGET ACTION REQUIRED: Approve a 2019 Budget at the May 14

Commission meeting at the conclusion of the comment period.

STAFF RECOMMENDATION: To direct staff to gather comments from the public for the 2019 Action Plan until May 13, 2019 – end of comment period.

PUBLIC HEARING COMMENCED: No public comments were received.

Motion by Commissioner Rinsema-Sybenga, second by Commissioner Warren, to close the public hearing and direct staff to gather comments from the public for the 2019 Action Plan until May 13, 2109 – the end of the comment period.

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

Nays: None

MOTION PASSES

B. <u>Public Hearing for DWRF Project Plan</u> Department of Public Works

SUMMARY OF REQUEST: Conduct a public hearing related to the DWRF Project Plan that was posted for public comment on March 23, 2019 and approve the Resolution to adopt the plan.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Conduct public hearing and approve the resolution.

PUBLIC HEARING COMMENCED: No public comments were received.

Motion by Commissioner Rinsema-Sybenga, second by Commissioner Johnson, to close the public hearing and approve the resolution to adopt the plan.

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

Nays: None

MOTION PASSES

2019-35 NEW BUSINESS:

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

1874 Jarman Street (Escrow Funds)

1079 Holt Street (Escrow Funds)

190 Wood Street (General Funds)

1873 Franklin Street (CDBG Funds)

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 thirty (30) days or infraction tickets may be issued. 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 contracts for demolition with the lowest responsible bidder or staff may issue infraction tickets to the owners, agents, or responsible parties if they do not demolish the structure.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

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

Motion by Commissioner Warren, second by Commissioner Johnson, to concur with the Housing Board of Appeals decision to demolish 1873 Franklin Street, 190 Wood Street, and 1079 Holt Street.

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

Nays: None

MOTION PASSES

Motion by Commissioner Warren, second by Commissioner Rinsema-Sybenga, to concur with the Housing Board of Appeals decision to demolish 1874 Jarman.

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

Nays: Hood and Warren

MOTION PASSES

B. <u>Revised Notice of Intent to Issue Capital Improvement Bonds</u> City Manager

SUMMARY OF REQUEST: The City Commission previously issued a notice of intent to issue capital improvement bonds for the purpose of constructing a convention center. The original intent provided for the borrowing of up to $20 Million for a period of up to 25 years. Upon further review, staff is recommending that the notice be re-issued to allow for the term to be extended up to 30 years.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To approve the Notice of Intent to Issue Capital Improvement Bonds up to $20 Million for a repayment term not to exceed 30 years for the purpose of constructing a convention center.

Motion by Commissioner Warren, second by Commissioner Rinsema-Sybenga,

to approve the Notice of Intent to Issue Capital Improvement Bonds up to $20 Million for a repayment term not to exceed 30 years for the purposes of constructing a convention center.

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

Nays: None

MOTION PASSES

C. <u>LC Walker Arena Restaurant Proposals</u> City Manager

SUMMARY OF REQUEST: Economic Development Staff has reviewed the proposals and made a written recommendation. Staff is requesting permission to implement the action steps of that recommendation. Staff would return to a subsequent City Commission meeting to present lease terms for the accepted proposal(s).

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To accept the staff recommendation and authorize staff to implement the action steps.

Motion by Commissioner Rinsema-Sybenga, second by Commissioner Johnson, to accept the staff recommendation and authorize staff to implement the action steps.

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

Nays: None

MOTION PASSES

D. <u>Purchase Agreement Extension – 1490 Lakeshore Drive</u> REMOVED PER STAFF REQUEST

E. <u>Arena Management – ARC Arena Management</u> REMOVED PER STAFF REQUEST

PUBLIC PARTICIPATION: Public comments were received.

ADJOURNMENT: The City Commission meeting adjourned at 8:20 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC – City Clerk