CITY OF MUSKEGON

CITY COMMISSION MEETING

APRIL 14, 2020 @ 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 electronically with the Mayor, Vice Mayor and Commissioners participating via Zoom – a remote conferencing service, Clerk staff present at 933 Terrace Street, Muskegon, MI at 5:30 p.m., Tuesday, April 14, 2020.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

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

2020-19 CONSENT AGENDA:

A. Approval of Minutes City Clerk

SUMMARY OF REQUEST: To approve the minutes of the March 24, 2020 Regular City Commission meeting.

STAFF RECOMMENDATION: To approve the minutes.

B. Televising Commission Meetings City Clerk

SUMMARY OF REQUEST: The agreement with Lakeshore Creative Services expires in April. Staff would like to extend the agreement for one year. Currently the agreement is for $350 per meeting. Because the length of meetings are longer than staff first indicated in the quote, it is requested the fee be increased to $450 per meeting. This includes operating our television station as well as social media platforms

STAFF RECOMMENDATION: To extend the agreement with Lakeshore Creative Services for one year to film Commission Meetings at a rate of $450 per meeting.

C. Fireworks Display Permit for Muskegon Country Club City Clerk

SUMMARY OF REQUEST: Melrose Pyrotechnics, Inc. is requesting approval of a fireworks display permit for July 2, 2020 at the Muskegon Country Club, 2801 Lakeshore Drive. The fire marshall will inspect the fireworks the day of the event.

STAFF RECOMMENDATION: To approve the fireworks display permit for Melrose Pyrotechnics, contingent upon inspection of the fireworks and approval of the insurance.

F. <u>National Fish & Wildlife Fund Grant</u> Public Works

SUMMARY OF REQUEST: Staff is requesting authorization to apply for a grant through the National Fish and Wildlife Fund (NFWF) Coastal Resiliency Program to assist in developing a sustainable and resilient coastline of Lake Michigan along Beach Street.

Staff is seeking to apply for a $250,000 grant through the National Fish and Wildlife Fund Coastal Resiliency Program to complete a detailed site assessment, and 50% design plans for a long term repair of the Lake Michigan Coastline along Beach Street.

The area has been substantially damaged by the high lake levels and erosion on Lake Michigan and a long term sustainable solution is needed to ensure that the recreational uses of the shoreline are preserved, along with the critical road and water main infrastructure. The NFWF Coastal Resiliency Grant that we are proposing to apply for would allow for detailed survey and engineering work to be started that will identify sustainable long term solutions for protecting the shoreline and infrastructure. The grant proposal would utilize a combination of engineered hard surface protections and green infrastructure to restore habitat create long term resiliency. The grant and associated project would lay the groundwork for completing design and constructing a long term sustainable solution in future years.

Staff from Ramboll has volunteered to assist at no cost in the pre-proposal submittal documents which determine our eligibility for the project. A draft of the pre-proposal submittal is attached.

The proposed 1:1 match will be achieved through in-kind services that we are already providing to operate and maintain Pere Marquette Park and the Water Filtration Plant. No cash would be required from any parties during this first stage of the project if selected.

The grant pre-proposal is due on Wednesday, April 8th and will be submitted by staff prior to the Commission Meeting. The grant opportunity became known to staff at a time that did not allow for review and discussion at City Commission prior to submittal. However, given the lack of financial commitment at this stage and the previously discussed need at this site staff determined it was appropriate to apply by the deadline and follow up with discussion at the Commission level.

STAFF RECOMMENDATION: Approve the resolution of support and authorize the Mayor and Clerk to sign and commit to funding the required match and engineering costs in future fiscal years if the project is selected.

G. <u>P & N Lakeshore Drive Amendment #2</u> Public Works

SUMMARY OF REQUEST: Authorize staff to sign an amendment to the professional services agreement with Prien and Newhof relative to the Lakeshore Drive project for $78,650.

The original project schedule anticipated that the work would be completed on September 13, 2019. Work was not completed for the season until December 6, 2019 with approximately 1 additional week of work in the Spring of 2020 to fully complete the project items. This amendment allows for Prien & Newhof to be compensated for the additional engineering and inspection time required to complete the project.

Discussions with the Contractor and MDOT for this project are still ongoing and if there are any liquidated damages assessed against the Contractor for delays in the project those recouped funds will be used to cover this expense in the interim the amount was included in the reforecast of the current budget under the water fund.

AMOUNT REQUESTED: $78,650 FUND OR ACCOUNT: 591-91711-5346

AMOUNT BUDGETED: $78,650 FUND OR ACCOUNT: 591-91711-5346

STAFF RECOMMENDATION: Authorize staff to sign Amendment #2 with Prein and Newhof for the Lakeshore Drive project.

H. <u>E-Bikes</u> Public Safety

SUMMARY OF REQUEST: MUPD requests funds from its capital outlay budget for the purchase of (2) two electric assist bikes and (1) one bike carrier. Cost for this purchase is $4,564.00 per bike and $549.00 for the bike carrier (includes shipping). Total funds needed; $9,677.00.

AMOUNT REQUESTED: $9,677.00 FUND OR ACCOUNT: 101-70301-5720

STAFF RECOMMENDATION: Approve the purchase of (2) two E-Bikes and (1) Bike Carrier from Great Lakes Segway.

I. <u>Site Condo No. 2 Agreement</u> Development Services

SUMMARY OF REQUEST: Staff is requesting authorization to sign an easement and maintenance agreement that outlines responsibilities related to operating and maintaining the common area and providing public access to the same.

As property owners within the downtown area designated as Downtown Development Center No. 2, the city has partial ownership of the common area which includes the splash pad and plaza in front of the downtown post office. The city accepted responsibility to maintain the splash pad in the spring of 2018 when the Community Foundation for Muskegon County divested themselves of it. This agreement outlines rights and responsibilities associated with the common area.

STAFF RECOMMENDATION: Approve the easement and maintenance agreement with Downtown Muskegon Development Center No. 2 Association and authorize the Mayor and Clerk to sign.

J. <u>Tax Incentive Policy and Guidelines</u> Economic Development

REMOVED PER STAFF REQUEST

Motion by Commissioner Johnson, second by Commissioner Rinsema-Sybenga, to approve the consent agenda as presented, except items D and E.

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

Nays: None

MOTION PASSES

2020-20 REMOVED FROM CONSENT AGENDA:

D. <u>Amity Avenue Bridge</u> Public Works

SUMMARY OF REQUEST: Staff is requesting authorization to apply for State of Michigan FY 2023 local bridge funds for a project to remove the Amity Avenue Bridge and rebuild an at-grade road through the area. A resolution of support is required to include with the application.

Staff applied for this same project last year from State of Michigan FY 2022 funding and we were the first project in the region not selected. Staff feels that resubmitting the project for consideration is still our best option within this program.

Costs are estimated at approximately $431,000 for the project, with the city requesting to provide matching funds of $90,000 towards the construction costs (21%) plus engineering costs (estimated at $100,000). The costs for this project would be borne in future fiscal years and of the project is selected the necessary matching funds will be allocated in the future budget cycles.

AMOUNT REQUESTED: $190,000 FUND OR ACCOUNT: 203-TBD-5346/5355

AMOUNT BUDGETED: $190,000 FUND OR ACCOUNT: 2013-TBD-5346/5355

STAFF RECOMMENDATION: Approve the resolution of support and authorize the Mayor and Clerk to sign and commit to funding the required match and engineering costs in future fiscal years if the project is selected.

Motion by Commissioner Rinsema-Sybenga, second by Commissioner German, to approve the resolution of support and authorize the Mayor and Clerk to sign and commit to funding the required match and engineering costs in future fiscal years if the project is selected.

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

Nays: None

MOTION PASSES

E. Concession Agreement – "The Beach Cove" Public Works

SUMMARY OF REQUEST: Staff is asking permission to extend the contractual agreement with "The Beach Cove" concession at Pere Marquette Park.

Staff is asking permission to enter into a contractual Concession Agreement for 2020, 2021, 2022, and 2023 with Morse Michel of Moji, Inc. for operating a concession ("The Beach Cove") at Pere Marquette Park. The agreement also calls for renewal of said contract by staff beyond 2023 for additional years if both parties agree. Concession sells various retail food items, beach novelties and beach rental items. Concession revenue is 10% of gross receipts. Over the last three years the concession stand has generated $14,427.61 in revenue for the City which has been and will continue to be reinvested in the park.

STAFF RECOMMENDATION: Authorize staff to enter into a contractual Concession Agreement with Morse Michael to operate a Concession ("The Beach Cove") at the Pere Marquette Park bath house/restroom building.

Motion by Commissioner Rinsema-Sybenga, second by Vice Mayor Hood, to authorize staff to enter into a contractual Concession Agreement with Morse Michael to operate Concession ("The Beach Cove") at the Pere Marquette Bath House/Restroom Building. The contract will be amended to remove the automatic renewal in 2023 and to require that the business agree to sell parking passes during their business hours.

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

Nays: None

MOTION PASSES

2020-20 PUBLIC HEARINGS:

A. Public Hearing on Foundry Square Brownfield Plan, 372 Morris Avenue Economic Development

SUMMARY OF REQUEST: To hold a public hearing on the request for a Brownfield

Plan Amendment for 372 Morris Avenue submitted by Foundry Square LLC and to consider the resolution.

Foundry Square LLC, Great Lakes Development Group and Rockford Construction are proposing a $34 million mixed-use urban development on seven acres at 372 Morris Avenue. Plans include an 82-room hotel, four-story 240-space parking deck, a 40,000-square foot entertainment center in the first phase and mixed commercial-residential development in a second phase. The developer has proposed a Brownfield Plan Amendment that would capture $13.3 million of local, school and state education property taxes. The plan shows $1.75 million of environmental costs supported by the Michigan Department of Environment Great Lakes & Energy and $10.56 million for redevelopment costs through the Michigan Strategic Fund. The largest eligible cost is $8.4 million for the parking deck. Public right of way infrastructure of roads, water and sewer with the extension of Second Street into the development will be completed by the developer to city specifications. The plan anticipates paying off eligible costs in 2045 with the remaining five years of the 30-year plan's tax increments placed in the city's Local Brownfield Revolving Fund. There is an annual $10,000 administrative fee to the Brownfield Redevelopment Authority and the plan does not request reimbursement on interest for any borrowing to complete eligible costs. The Muskegon Brownfield Development Authority approve the plan March 10. The Michigan Strategic Fund will need to approve the plan.

STAFF RECOMMENDATION: To close the public hearing and approve the Brownfield Plan Amendment at 372 Morris for Foundry Square LLC with the resolution, authorizing the Mayor and City Clerk to sign.

PUBLIC HEARING COMMENCED:

Dave Alexander, Economic Development, gave an overview of the request for a Brownfield Amendment and proposed development project.

Jeff Edwards, Vice President of Development for Rockford Construction – 2209 Paris Avenue NE – Grand Rapids, MI 49505 – Mr. Edwards provided an overview of the project. The proposed concept is for redevelopment of a 7-acre site in downtown Muskegon. The development will consist of a mircro-tel, self-park parking garage, family entertainment center, as well as some as-yet undetermined development in the northern part of the property. The project is estimated to create approximately 140 jobs.

Public Comments:

Michael A. Haueisen, 903 Turner Avenue – likes the sound of the project.

Ron Moseley – commented on Facebook - asked if there would be a casino – there will not.

Motion by Commissioner Johnson, second by Commissioner Rinsema-Sybenga, to close the public hearing and approve the Brownfield Plan Amendment at 372

Morris for Foundry Square LLC with the resolution, authorizing the Mayor and City Clerk to sign.

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

Nays: None

MOTION PASSES

2020-21 NEW BUSINESS:

A. Nelson Neighborhood Rezonings Planning

SUMMARY OF REQUEST: Staff initiated request to rezone multiple properties in the Nelson neighborhood to Form Based Code, Urban Residential.

The Planning Commission unanimously voted to recommend approval to the City Commission.

STAFF RECOMMENDATION: To approve the rezonings in Nelson Neighborhood as presented.

Motion by Commissioner Rinsema-Sybenga, second by Vice Mayor Hood, to approve the rezonings in Nelson Neighborhood as presented.

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

Nays: German and Ramsey

MOTION PASSES

SECOND READING REQUIRED

B. Amendment to the Zoning Ordinance Planning

SUMMARY OF REQUEST: Staff initiated request to amend the Form Based Code, Urban Residential districts to restrict small-multiplexes to four units.

STAFF RECOMMENDATION: To approve the zoning amendment.

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

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

Nays: None

MOTION PASSES

C. Resolution Regarding Muskegon Public Schools 2020 Bond Proposals

SUMMARY OF REQUEST: A resolution regarding the Muskegon Public Schools Bond Proposals.

STAFF RECOMMENDATION: Adopt the resolution.

Motion by Commissioner Johnson, second by Vice Mayor Hood, to adopt the resolution.

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

Nays: German

MOTION PASSES

PUBLIC COMMENT: Public Comments were received.

ADJOURNMENT: The City Commission meeting adjourned at 7:05 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC – City Clerk