

**CITY OF MUSKEGON
CITY COMMISSION WORKSESSION**

Monday, March 8, 2021

5:30 p.m.

REMOTE MEETING

MINUTES

Present: Mayor Gawron (Muskegon, MI), Vice Mayor Hood (Muskegon, MI), Commissioners Rinsema-Sybenga (Muskegon, MI), Emory (Muskegon, MI), Johnson (Muskegon, MI), Ramsey (Muskegon, MI), and German (Muskegon, MI).

Special Event Policy Update – City Clerk

Special event applications have transitioned to the City Clerk's Office. Staff reviewed current policies and is suggesting some updates/changes. Along with a review of the current policy, staff reviewed fees and made several recommendations as well as the adoption of a policy that allows any event requesting a waiver of fees to fill out a form to be presented to City Commission for consideration.

Over many years, Parties in the Park has had all fees waived for use of the park and use of city equipment. Parties in the Park did raise funds and added a new stage built at Hackley Park. This has been an ongoing practice for many years. We are looking for acknowledgment from City Commissioners to continue this practice and/or make any necessary changes.

Staff held several meetings to discuss proposed fees and changes to the policy. Many of the proposed changes provide further clarification for staff and applicants. Some of the major changes include paid parking at the beach, the elimination of deposits, uniformity for insurance requirements, and increasing the fee for the use of Hackley Park.

Discussion took place regarding the Special Event Policy updates and this item will be placed on the March 9, 2021 Regular Commission meeting agenda for consideration.

Downtown Muskegon Social District Full Launch – Economic Development
Staff is requesting authorization to have the Muskegon City Clerk's Office sell biodegradable Social District cups and have the city cover the 2021 social district expenses.

The Muskegon City Commission approved the Downtown Muskegon Social District in August. It has been operating 11 a.m. to 11 p.m., seven days a week in a limited area since mid-September. The DMSD needs to be expanded to its full area and open to all 22 potential establishments. Please see an accompanying memo outlining the full launch of the DMSD slated for mid-April.

Discussion took place regarding the full launch of the Downtown Muskegon Social District and this item will be placed on the March 9, 2021 Regular Commission meeting agenda for consideration.

Small Retailer Assistance Program – Economic Development
Staff is seeking approval of modifications to the City's Small Retailer Assistance Program. The Small Retailer Assistance Program was established to aid in the creation of more small retail businesses and to aid existing small retail businesses negatively impacted by COVID-19. Current grant incentives include: Rental Assistance Grant, Retail Renovation Grant, CV Rental Assistance Grant, and CV Capital Grant.

Rental Assistance Grant (new business) – intended to help small retailers open new storefronts in traditional brick and mortar buildings. Grantees reimbursed 50% of monthly rent, up to \$5,000. Changes include: Existing micro-retailers with under 300 sf of space will be eligible for assistance when they move to their own space with their own street frontage.

Retail Renovation Grant (new or existing business) – intended to assist in creation of more rentable retail spaces. Grantees reimbursed 50% (up to \$5,000) of renovation costs associated with upgrading defunct space into usable retail suite. No changes.

CV Rental Assistance Grant (existing business) – intended to help existing small retailers continue operations in storefronts located in traditional brick and mortar buildings. Grantees reimbursed 75% of their monthly rent, up to \$5,000. Changes include: Change to “CV Assistance Grant” / grantees to be reimbursed 75% of their *business operating losses*, rather than *monthly rent*, up to \$5,000/remove eligibility requirement that applicant “*employ no more than five people*”/permit “*retailers or restaurants who are independent and locally-owned*” to now be eligible applicants/remove requirement to offer retail goods for sale/remove requirement to possess an executed rental agreement/revise location requirement that applicant be in a traditional brick and mortar building, rather than a “retail suite”, which is visible from the street/allow applicant to demonstrate “*significant*” business loss rather proving “*greater than 50%*” business loss & remove reference to comparable “*prior months/years*” / permit business to be reimbursed 75% of *business operating losses* upon providing evidence of business operating losses.

CV Capital Grant (existing business) – intended to help existing small retailers continue operations in storefronts located in traditional brick and mortar buildings. Grantees reimbursed 75% of their expenses up to a total of \$5,000 for renovations associated with modifying storefront in response to COVID-19 distancing guidelines and reduced capacity requirements. No changes.

Discussion took place regarding the Small Retailer Assistance Program and this item will be placed on the March 9, 2021 Regular Commission meeting agenda for consideration.

Inclusive Zoning – Development Services

Staff is requesting further consideration and direction on expansion of inclusive zoning to additional neighborhoods beyond Lakeside and Nelson.

In an effort to support development that is inclusive and offers options to build wealth, staff is again putting the urban residential zoning expansion before the commission. The benefits of providing housing options are numerous:

- Housing at every price point is more inclusive
- Housing that allow people to stay in one neighborhood for a lifetime as their housing needs change
- Lease options for those who cannot or prefer not to own

- Ensures proper space for parking
- Options for people to build generational wealth by supplementing their mortgage with rental income from the second unit
- Allowing multi-generational families to live at one address
- Limits gentrification often seen in exclusive single-family zoning
- Honors existing neighborhoods and residents living in them by providing options that are currently allowed there
- Creates opportunities for local developers to build incrementally
- Developments can provide affordability without significant subsidy, saving the city money and ultimately adding to our property and income tax base

Staff continues to turn away developers who want to build these housing options. Since our last communication with commissioner on January 28, another developer has contacted us to inquire about constructing duplexes, and a developer from Lansing is interested to build mixed use and multi-family. We have built good momentum in the city, and the current zoning is limiting our ability to continue.

LeighAnn Mikesell, Director of Development Services, provided a slide-show presentation and there was discussion regarding inclusive zoning. The Department is looking for direction from the City Commission on this topic.

Creation of a Citizen's Commission on Economic Equity – Economic Development

For several months we have been researching allowable methods to increase the focus on economic development in the community through an equity lens. The proposed commission would function as an advisory board to the City Commission in a similar capacity to the Planning Commission, but with a specific focus on social equity related to projects of growth and development in the city.

Over approximately the last year, the Economic Development Department has been researching public sector methods to improve focus on equity in building, development, housing, and industry. What we discovered is that there are lots of internal, organizational, nonprofit, academic, and human resource related groups or policies pertaining to equity that all accomplish worthwhile progress. We would like to take an innovative approach and

empower minority and marginalized members of our community by creating a structural conduit to every major development project the city reviews. The board will have the opportunity to hear from developers and staff, and work with them to ensure Muskegon is on the forefront of creating an equitable investment environment. This board will review large scale housing, commercial, and industrial proposals, and have the ability to make recommendations to the developer and City Commission concerning matters of social equity related to each project. Additionally, this commission will eventually be encouraged to foster community conversations and education in the city to raise awareness on equity issues surrounding economics, such as disparities in wealth, opportunity for home ownership, wages, etc. This way, the City doubly benefits from their service by using the members' position in their cohort and the wider community. The slide deck and resolution attached go into further detail on the creation and structure of this new Citizen's Commission on Economic Equity.

Jake Eckholm, Director of Economic Development, provided a slide-show presentation and there was discussion regarding the creation of a Citizen's Commission on Economic Equity. The Department is looking for direction from the City Commission on this topic.

Public Comment: No public comments were received.

Adjournment: The Worksession Meeting adjourned at 9:16 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC – City Clerk