CITY OF MUSKEGON

CITY COMMISSION MEETING

FEBRUARY 11, 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 at City Hall, 933 Terrace Street, Muskegon, MI at 5:30 p.m., Tuesday, February 11, 2020, Pastor Wally Reames, Central Assembly, opened the meeting with a 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, Dan Rinsema-Sybenga, Willie German, Jr., Teresa Emory, and Michael Ramsey, City Manager Frank Peterson, City Attorney John Schrier, and City Clerk Ann Meisch.

HONORS AND AWARDS:

A. Success Story – Marquette Neighborhood-Enhanced Neighborhood Grant

Lashaun Turner, Community and Neighborhood Services staff, presented certificates to two women that painted over 100 fire hydrants in their neighborhood as part of the Marquette Neighborhood Enhancement Grant Program.

PUBLIC COMMENT ON AGENDA ITEMS: Public Comments were received.

2020-09 CONSENT AGENDA:

A. Approval of Minutes City Clerk

SUMMARY OF REQUEST: To approve the minutes of the January 28, 2020 regular meeting.

STAFF RECOMMENDATION: Approval of the minutes.

B. Nelson Neighborhood Market Donation Proposal City Clerk

SUMMARY OF REQUEST: The Muskegon Farmers Market received a donation proposal from the Nelson Neighborhood Association. The Association is proposing five annual donations of $1,000 beginning April 1, 2020. They will install and maintain a sign promoting the efforts of the Association at their own expense. This would be treated as a Branch Level Friend of the Market

Sponsorship for the fiver years of the commitment.

STAFF RECOMMENDATION: To accept the proposed Friend of the Market annual sponsorship of $1,000 each year, for five years, from the Nelson Neighborhood Association.

C. Mobile Food Vending Ordinance Updates City Clerk

SUMMARY OF REQUEST: There is interest to add the Lakeside Business District and the commercial areas of the 1600 block of Glade to permit food trucks under the current food truck ordinance.

STAFF RECOMMENDATION: To amend the resolution to add the commercial areas of the 1600 block of Glade and the Lakeside Business District to the areas currently permitted to host food trucks.

D. Rescue Mission Property Transfer Development Services

SUMMARY OF REQUEST: Staff is seeking approval of a quit claim deed to transfer property at 1747 7th Street to the Muskegon Rescue Mission.

The Muskegon Rescue Mission would like to acquire remaining vacant land behind the men's shelter for expansion of the services they offer in our community. The concept includes a community resource center, a job training facility, and family housing. The rescue mission will be responsible to record the deed and obtain title insurance, a property survey, environmental review, and soils investigation. Closing costs will be split between the parties. Staff has prepared a quit claim deed to transfer the property to the MRM and request your approval of the property transfer. The Planning Department will continue to work the MRM on the development of the site plan.

STAFF RECOMMENDATION: Approve the transfer of property at 1747 7th Street to the Muskegon Rescue Mission and authorize the mayor and clerk to sign the quit claim deed.

I. Arena Wall Padding City Manager

SUMMARY OF REQUEST: Staff is seeking authorization to purchase 72 dasher board pads at a cost of $29,284.00 from Sportsfield Specialties, and eight storage carts at a cost of $2,497.14 from Uline. The total cost of the combined purchase, including shipping is $31,781.14.

2020 will mark the 5th season that Mercy Health Arena has hosted professional indoor football. When the team was initially created, the city acquired used turf and used dasher board padding as we worked to determine if indoor football would be sustainable in Muskegon. A new field turf was purchased three years ago. Staff is now requesting permission to purchase new dasher board padding. The new padding will better meet safety standards, and will also use significantly less storage space at the arena. Storage capacity continues to be an issue since the arena lost its storage garage during a storm four years ago. As part of the negotiation process of the Mercy Health naming rights agreement, staff committed to ensuring that all of the arena's teams benefitted from the investment. The West Michigan Ironmen identified this as their top need. This investment represents approximately 1.98% of the $1.6 Million sponsorship. The ownership group accepts this as the only direct investment from those funds into the team's needs. The city will own the equipment and make it available to the team at no cost.

STAFF RECOMMENDATION: Authorize the purchase at an amount not to exceed $37,781.14.

K. <u>Amendment to Wireless Communication Support Facilities Ordinance</u>
SECOND READING Planning

SUMMARY OF REQUEST: Request to amend Section 2321 of the Zoning Ordinance to allow Wireless Communication Support Facilities as a special use permitted in the overlay district at 770 Terrace Street.

The current ordinance only allows for these types of facilities in six locations around the City. The Commission recently amended the ordinance last year to allow for them at Marsh Field and the Filtration Plant. This new location would be behind the Central Fire Station and would only include a monopole for emergency communications. The Planning Commission unanimously recommended approval at their January 16 meeting. They also voted in favor of the special use permit for the monopole, contingent upon approval of this amendment by the City Commission.

STAFF RECOMMENDATION: To approve the amendment to Section 2321 of the Zoning Ordinance.

L. <u>Rezoning of 372 Morris Avenue</u> - SECOND READING Planning

SUMMARY OF REQUEST: Staff initiated request to rezone the property at 372 Morris Avenue from Form Based Code, Downtown to Form Based Code, Mainstreet.

The Planning Commission unanimously recommended approval at their January 16 meeting.

STAFF RECOMMENDATION: To approve the rezoning request for 372 Morris Avenue.

M. <u>4th of July Fireworks</u> City Clerk

SUMMARY OF REQUEST: Melrose Pyrotechnics is requesting approval of a fireworks display permit for July 4, 2020 in downtown Muskegon. The fire marshall will inspect the fireworks on the day of the event. Staff will be working with the Lakeshore Chamber of Commerce to solicit sponsorships as well as to organize a food truck rally. We expect this to be cost neutral to the city.

STAFF RECOMMENDATION: To approve the fireworks contingent upon inspection and approval of insurance.

N. <u>Community Relations Committee Recommendations</u> City Clerk

SUMMARY OF REQUEST: To accept the resignation of Jackie Hilt from the Historic District Commission. To accept the appointments of Steve Radtke and Timothy Painter to the Historic District Commission and Bonnie Lipan to the Community Development Block Grant/Citizen's District Council.

STAFF RECOMMENDATION: To concur with the recommendations of the Community Relations Committee and approve the resignation and appointments.

Motion by Commissioner Johnson, second by Commissioner Rinsema-Sybenga, to accept the consent agenda as presented, except items E, F, G, H, and J.

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

Nays: None

MOTION PASSES

2020-10 ITEMS REMOVED FROM CONSENT AGENDA:

E. <u>1601 Beach Lease Amendment</u> Development Services

SUMMARY OF REQUEST: Staff is requesting approval of an amendment to the existing lease and option agreements with 1601 Beach LLC to extend the boundary of the land being leased for The Deck at Pere Marquette Park and to modify the area to which 1601 Beach, LLC has an option and first right of refusal to develop, lease, or purchase.

The owners of 1601 Beach LLC are planning an expansion to their restaurant, The Deck. The expansion is south of the existing building and will include a patio and additional bar space to accommodate more patrons. In order to proceed with the expansion, the lease agreement needs to be modified to account for the additional land associated with the expansion. The city took the opportunity to clarify the option area with the owners and make requested adjustments.

STAFF RECOMMENDATION: Approve the amendment to the lease and option agreement with 1601 Beach, LLC at Pere Marquette Park and authorize the mayor and clerk to sign.

Motion by Commissioner Johnson, second by Commissioner German, to approve the amendment to the lease and option agreement with 1601 Beach LLC at Pere Marquette Park and authorize the mayor and clerk to sign.

> **Motion by Commissioner Johnson, second by Commissioner German, to amend the motion to remove the option agreement.**
>
> **ROLL VOTE: Ayes: Johnson**

Nays: Ramsey, German, Rinsema-Sybenga, Emory, Gawron, and Hood

MOTION FAILS

Vote on Original Motion

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

Nays: Johnson

MOTION PASSES

F. Paid Beach Parking Planning

SUMMARY OF REQUEST: Staff is requesting approval to move forward with paid parking at the beach. The request is to purchase 20 kiosks from Flowbird and to allow staff to draft the appropriate ordinances to initiate paid parking requirements.

STAFF RECOMMENDATION: To approve staff to execute the purchase order for the 20 kiosks from Flowbird as proposed and to direct staff to draft the appropriate ordinances to initiate paid parking requirements at the beach.

Motion by Commissioner German, second by Commissioner Rinsema-Sybenga, to approve staff to execute the purchase order for the 20 kiosks from Flowbird as proposed and to direct staff to draft the appropriate ordinances to initiate paid parking requirements at the beach.

Motion by Vice Mayor Hood, second by Commissioner Rinsema-Sybenga, to call the question.

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

Nays: Johnson and German

MOTION PASSES

Vote on Original Motion

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

Nays: Johnson and German

MOTION PASSES

G. Unruly Brewing Revolving Fund Application Economic Development

SUMMARY OF REQUEST: A recommendation to the City Commission to approve an economic development loan for Unruly Brewing.

Unruly Brewing has finished their mass production system and started brewing for large scale kegging distribution. However, their distributors and their cash flow projections indicate that they should also build out and begin production on a canning system so that they can enter the retail space to avoid some of the negative market forces that have recently been impacting micro-breweries across the state. They have exhausted their ability to privately finance this portion of the project and are requesting a loan from the City's Economic Development Revolving Fund.

STAFF RECOMMENDATION: To approve the terms and documents of the loan to Unruly Brewing in the amount of $80,000 as presented.

Motion by Commissioner German, second by Commissioner Johnson, to approve the terms and documents of the loan to Unruly Brewing in the amount of $80,000 as presented.

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

Nays: None

Abstain: Rinsema-Sybenga

MOTION PASSES

H. <u>Arena Change Order</u> City Manager

SUMMARY OF REQUEST: Staff is seeking approval of Changer Order 1 to the contract with the Platinum Contracting for work being completed under Phase 2 of the arena restroom renovation project.

On December 10 2019, the City Commission approved a contract with Platinum Contracting to remodel the existing restrooms at the Mercy Health Arena. The original contract amount was $266,173.69. A number of issues/changes have arisen since the project commenced. Some of the major issues include the presence of asbestos, an immediate need for increased restroom fixtures, and deterioration of a number of windows that now require replacement. The additional work will raise the contract cost by $177,981.38, however, the additional work will result in six additional women's toilets, two additional men's urinals, and 14 additional "flex" toilets that can be used as either men's or women's water closets, depending on event type/attendance. The previous plan left the arena slightly short on both men's and women's facility counts, but the new plan exceeds both.

STAFF RECOMMENDATION: To approve the Agreement and authorize the city manager to sign.

Motion by Commissioner Johnson, second by Commissioner German, to approve the Agreement and authorize the City Manager to sign.

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

Nays: None

MOTION PASSES

J. **MDEGLE Grant Agreement** City Manager

SUMMARY OF REQUEST: The City was previously awarded a grant from MDEGLE to address PFAS contamination at the convention center construction site. The original $500,000 grant is being increased to $700,000 to address additional environmental cleanup associated with a recently uncovered abandoned oil well.

In addition to the $700,000 in grant proceeds, MDEGLE will also directly incur the costs associated with filling and capping the oil well. The construction project should have little-to-no out-of-pocket costs associated with these environmental issues.

STAFF RECOMMENDATION: Authorize the City Manager to sign the grant agreement and incur the costs associated with the environmental cleanup as part of the convention center construction project.

Motion by Commissioner German, second by Commissioner Rinsema-Sybenga, to authorize the City Manager to sign the grant agreement and incur the costs associated with the environmental cleanup as part of the convention center construction project.

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

Nays: None

MOTION PASSES

2020-11 NEW BUSINESS:

A. **Arena Related Agreements** City Manager

SUMMARY OF REQUEST: Staff is seeking simultaneous approval of the First Amendment to the Naming Rights and Sponsorship Agreement between the City of Muskegon, Mercy Health Partners, and WC Hockey, and Third Amendment to the Shared Use Agreement between the City of Muskegon and WC Hockey.

WC Hockey and Mercy Health Partners have agreed to modify the Naming Rights and Sponsorship Agreement to allow for more opportunities for healthcare-related sponsorships within the arena and with various tenants of the facility. As part of these execution of the original naming Rights and Sponsorship Agreement, a number of changes to the Shared Use Agreement became necessary. The amendment will accomplish the following:

1. Formally update Exhibit A
2. Finalize the capital investments of WC Hockey and set the repayment schedule.
3. Update the City's marketing participation with WC Hockey to account for

required gameday-related deliverables owed to Mercy Health as part of the Naming Rights and Sponsorship Agreement.

4. Allow for the accommodation of WZZM at the arena.

STAFF RECOMMENDATION: Approve the agreements and authorize the Mayor and Staff to execute the agreements.

Motion by Commissioner Rinsema-Sybenga, second by Vice Mayor Hood, to approve the agreements and authorize the Mayor and Staff to execute the agreements.

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

Nays: German, Emory, and Johnson

Abstain: Ramsey

MOTION FAILS

PUBLIC COMMENT ON NON-AGENDA ITEMS: No public comments were received.

ADJOURNMENT: The City Commission meeting adjourned at 8:17 p.m.

Respectfully Submitted,

Ann Marie Meisch – MMC, City Clerk