City of Muskegon

City Commission Meeting

Minutes

January 10, 2023, 5:30 pm
Muskegon City Hall
933 Terrace Street, Muskegon, MI 49440

Present:	Mayor Ken Johnson Commissioner Rachel Gorman Commissioner Rebecca St.Clair Vice Mayor Willie German, Jr. Commissioner Michael Ramsey Commissioner Teresa Emory
Absent:	Commissioner Eric Hood
Staff Present:	City Manager Jonathan Seyferth City Clerk Ann Meisch City Attorney John Schrier Deputy City Clerk Kimberly Young

1. Call To Order

The Regular Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., on Tuesday, January 10, 2023.

2. Prayer

Pastor Jeff Helbert from Grace Memorial Baptist Church opened the meeting with a prayer.

3. Pledge of Allegiance

The Commission and public recited the Pledge of Allegiance to the Flag.

4. Roll Call

As recorded above

5. Honors, Awards, and Presentations

5.a Audit Presentation - ACFR

Eric VanDop, Brickley DeLong, presented information to the commission regarding the Annual Comprehensive Financial Report for Fiscal Year 2022.

5.b Muskegon Bicycling Coalition

Raymond McLeod and other members from the Muskegon County Bicycling Coalition presented the Commission with a gift in appreciation of the strides made over the past few years with regard to keeping in mind walkers, bikers, those that use mass transit, etc., in their decision making.

6. Public Comment on Agenda Items

Public comments were received.

7. Consent Agenda

Action No. 2023-05

Motion by: Commissioner Ramsey
Second by: Commissioner St.Clair

To accept the consent agenda as presented, minus item D, F, G, H, I, N, O & P.

Ayes: (6): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

Absent (1): Commissioner Hood

MOTION PASSES (6 to 0)

7.a Approval of Minutes - City Clerk

To approve the minutes of the November 22, 2022 Regular Meeting, December 12, 2022 Worksession, and December 13, 2022 Regular Meeting.

STAFF RECOMMENDATION: To approve the minutes.

7.b Lakeshore Creative Services, LLC - City Clerk

Lakeshore Creative Services, LLC agreement has expired and needs to be renewed. Staff recommends to approve a two-year agreement and increase the payment of televised meetings from $400 to $450 each.

STAFF RECOMMENDATION: To approve the two-year agreement with Lakeshore Creative Services, LLC for $450 per televised meeting.

7.c **Transmittal of 6/30/22 Annual Comprehensive Financial Report - Finance**

The City's June 30, 2022 Annual Comprehensive Financial Report (ACFR) will be distributed to the City Commissioners via email and hard copy. The ACFR will also be available on the City's website. The ACFR includes the annual independent auditor's report as required by state law. At this time the ACFR is being formally transmitted to the City Commission. The ACFR has been prepared in accordance with all current Governmental Accounting Standards Board (GASB) pronouncements and also includes the single audit of federal grants received by the City. CAFR2022.pdf (muskegon-mi.gov)

STAFF RECOMMENDATION: To accept the June 30, 2022 ACFR and authorize staff to transmit the ACFR to appropriate Federal, State and private agencies.

7.e **Leads Online - Public Safety**

Electronic reporting for Pawn Shops, secondhand dealers and precious Metaugem dealers. The purpose of Leads Online is to improve the system of reporting to law enforcement officials all items collected by pawn brokers, secondhand dealers and precious metal/gem dealers for the purpose of aiding law enforcement in locating and retrieving stolen property. Leads Online has nationwide search capabilities, and email notification when suspects are active nationwide for National pawn, scrap, jewelry, firearms, consignment, cell phone re-sale access and online sales such as Ebay and Offerup. Leads Online has the ability to track suspect sales activity across the country, access to over 20,000 businesses reporting and free software, training, and support for local businesses. Currently the city has no means to collect or view reported data.

FUND OR ACCOUNT: 101-301-861

STAFF RECOMMENDATION: To approve the Police Department to acquire this 3-year contract with Leads Online program.

7.j **CLG Grant Application - Public Works**

Staff is seeking Commission approvals for a grant application related to conservation work at Hackley Park.

Staff has prepared a grant application to the State Historic Preservation Office (SHPO) through their Certified Local Government (CLG) program for funds to complete recommended conservation work at the five (5) sculptures within Hackley Park. The grant submittal package requires a commitment of matching funds and a resolution of support. Both are attached along with the conservators report that highlights the proposed work.

Staff is seeking $62,440 in grant funds to cover the cost of identified conservation work at the monuments and proposing to match the grant application with an estimated $15,000 in cash expenses for equipment rental. If awarded for funding the work would be completed during the Fall of 2023. Grant applications are due on February 1st, 2023. Funds would be budgeted in 23/24 budget cycle if the grant is awarded with the proposed cash contribution coming from the General Fund line item for Public Art Maintenance.

As noted in the Conservators Report we plan to also contract for work to be completed on the McKinley Statue and the Kearny Statue as they are of similar age and condition. These two structures are ineligible for grant funding (McKinley is privately owned, and Kearny is outside the designated historic district boundary). The owners of the McKinley statue are aware of this and have agreed to participate in the cost for that piece, the cost for the work at Kearny will be a city responsibility but is ineligible to count towards the match.

AMOUNT REQUESTED: 23/24 - $96,520 ($77,440 Grant Eligible)

AMOUNT BUDGETED: 23/24 - $96,520 ($77,440 Grant Eligible)

FUND OR ACCOUNT: 101-901-801-092120

STAFF RECOMMENDATION: To approve the grant application to the CLG program and authorize the Clerk to sign the Commitment of Matching Funds and Resolution of Support.

7.k **<u>Treasury Office Fire Doors - Public Works</u>**

Staff is seeking Commission approval to award replacement of the fire doors at the Treasury Desk.

The existing fire safety doors at the Treasury Department that automatically deploy in the event of a fire alarm are currently non-functional and in need of replacement. These doors are a building code requirement for compliance and need to be replaced. Staff solicited bids for the project and bids were received as follows and attached:

- Overhead Door - $45,626.00
- Firefighter Sales and Service - $60,000.00
- Garage Door Specialist – Did Not Bid
- Quality Door – Did Not Bid

Staff estimates the need to expend an additional $8,000 to complete the miscellaneous items that are not included in the original bid. These items will be procured at the staff level in accordance with the applicable provisions of the City Purchasing Policy. This item was anticipated in the 22/23 budget cycle and funds will be drawn from the original budget line item 101-801-901-092109

AMOUNT REQUESTED: $45,626.00

AMOUNT BUDGETED: $60,000.00

FUND OR ACCOUNT: 101-801-901-092109

STAFF RECOMMENDATION: To approve the low bid from Overhead Door in the amount of $45,626.00 for the replacement of the Treasury Department Fire Doors.

7.l **Dollar General Utility Easement - Public Works**

Staff is seeking Commission approval for a utility easement within 381 E. Laketon Avenue, where a soon-to-be rebuilt Dollar General store is making site changes. Staff requested and the developer provided a utility easement document for rights across the rear parking lot of 381 Laketon Avenue, which is being rebuilt as a Dollar General store. The easement documents and related sketches are included in the packet. The easement will formalize property and maintenance rights for a long-standing sanitary sewer and storm sewer corridor (in a former alley).

STAFF RECOMMENDATION: To approve the public utility easement agreement at 381 E. Laketon Avenue and authorize the Clerk to sign on the City's behalf.

7.m **Street Vacation - Portion of Viridian Drive, East of Terrace Street - Planning**

Staff initiated request to vacate a portion of Viridian Dr, east of Terrace St.

The portion of the street was vacated in January 2021. However, the legal description of the street vacation was not accurate and we have been advised by our legal counsel to redo the process with a more defined legal description.

The Planning Commission unanimously recommended vacation of the streets at their December meeting.

STAFF RECOMMENDATION: To approve the request to vacate a portion of Viridian Drive, east of Terrace Street as described.

7.d <u>Michigan Homeowner Assistance Fund (MIHAF) Application - City Treasurer</u>

The Homeowner Assistance Fund was established as part of the American Rescue Plan Act of 2021 (ARP). The State of Michigan received more than 242 million dollars, to be used to mitigate hardships associated with the coronavirus pandemic, including utility payments. The State created the Michigan Homeowner Assistance Fund (MIHAF) to provide these funds to eligible homeowners. The City Treasurer is requesting authorization to sign the attached documents to partner with MIHAF so that any eligible city residents can receive utility payment assistance.

The Michigan Homeowner Assistance Fund (MIHAF) is a statewide program that uses federal resources to provide financial assistance to homeowners who have fallen behind on homeownership-related expenses because of the COVID-19 Pandemic. It provides funds to eligible entities for the purpose of preventing homeowner mortgage delinquencies, defaults, foreclosures, loss of utilities or home energy services, and displacements of homeowners through qualified expenses related to mortgages and housing. Eligibility criteria and eligible expenses are detailed on the attached documents.

Participation in the program does not guarantee our residents will receive funding from this program; however, it does make them eligible to apply for funding. If we choose not to partner with MIHAF, our residents cannot apply for these funds to assist in paying their utility bills.

STAFF RECOMMENDATION: To authorize the City Treasurer to sign all necessary documents to partner with the Michigan Homeowner Assistance Fund so that the City will be eligible to receive assistance payments made on behalf of eligible utility customers.

Action No. 2023-06

Motion by: Commissioner Ramsey
Second by: Vice Mayor German

To authorize the City Treasurer to sign all necessary documents to partner with the Michigan Homeowner Assistance Fund so that the City will be eligible to receive assistance payments made on behalf of eligible utility customers.

Ayes: (6): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

Absent (1): Commissioner Hood

MOTION PASSES (6 to 0)

7.f **<u>Towing Agreement - Public Safety</u>**

2023 Towing Contract, Ramos Towing, 2-year contact. Bids were submitted to the Clerks office on December 13, 2022 with several bidders. Towing to facility $80.00, Storage fee per day $30.00.

STAFF RECOMMENDATION: To award the 2023 Towing Contract to Ramos Towing and authorize the Mayor and Clerk to sign.

Action No. 2023-07

Motion by: Commissioner Emory
Second by: Commissioner Gorman

To award the 2023 Towing Contract to Ramos Towing and authorize the Mayor and Clerk to sign.

Ayes: (6): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

Absent (1): Commissioner Hood

MOTION PASSES (6 to 0)

7.g **Janitorial Contract - Arena**

Seeking approval of a Janitorial contract with Goodwill Industries to provide service to Trinity Health Arena. Staff is seeking the approval of the amendment to the current City Janitorial Contract with Goodwill Industries - West Michigan to include Trinity Health Arena. Goodwill Industries - West Michigan was recently approved for a one year extension to their current contract with the City of Muskegon to include DPW and City Hall.

AMOUNT REQUESTED: $1,080 (60 Events)

STAFF RECOMMENDATION: To authorize staff to add Trinity Health Arena to the amended City janitorial contract (Goodwill Industries - West Michigan) which was approved in 2020.

Action No. 2023-08

Motion by: Commissioner Ramsey
Second by: Commissioner Gorman

To authorize staff to add Trinity Health Arena to the amended City janitorial contract (Goodwill Industries - West Michigan) which was approved in 2020.

Ayes: (6): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

Absent (1): Commissioner Hood

MOTION PASSES (6 to 0)

7.h **Boys & Girls Club Agreement - Public Works**

Staff is proposing to extend the staffing agreement with Boys and Girls Club through calendar year 2023. Boys and Girls Club provided staffing to assist with our seasonal staffing needs during the 2022 calendar year, which was viewed positively by both parties. The original agreement was approved at the April 12th, 2022 Commission Meeting and included a clause that allowed for extension if approved by both parties. Staff is seeking commission approval for the extension.

AMOUNT REQUESTED: $40,000

AMOUNT BUDGETED: $40,000

FUND OR ACCOUNT: 101-770-801

STAFF RECOMMENDATION: To approve the extension of the staffing contract with Boys and Girls Club and authorize the Mayor and Clerk to sign.

Action No. 2023-09

Motion by: Commissioner St.Clair
Second by: Commissioner Ramsey

Ayes: (6): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

Absent (1): Commissioner Hood

MOTION PASSES (6 to 0)

7.i <u>Community EnCompass Agreement - Public Works</u>

Staff is seeking Commission approval to extend the staffing agreement with Community EnCompass through calendar year 2023. Staff is proposing to extend the staffing agreement with Community EnCompass through calendar year 2023. Community EnCompass provided staffing to assist with our seasonal staffing needs during the 2022 calendar year, which was viewed positively by both parties. The original agreement was approved at the April 12th, 2022 Commission Meeting and included a clause that allowed for extension if approved by both parties. Staff is seeking commission approval for the extension.

AMOUNT REQUESTED: $21,000

AMOUNT BUDGETED: $21,000

FUND OR ACCOUNT: 101-770-801

STAFF RECOMMENDATION: To approve the extension of the staffing contract with Community EnCompass and authorize the Mayor and Clerk to sign.

Action No. 2023-10

Motion by: Commissioner Ramsey
Second by: Commissioner Emory

To approve the extension of the staffing contract with Community EnCompass and authorize the Mayor and Clerk to sign.

Ayes: (6): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

Absent (1): Commissioner Hood

MOTION PASSES (6 to 0)

7.n **Sale of 1320 Spring Street - City Manager**

Staff is requesting approval of a purchase agreement for 1320 Spring Street.

1320 Spring Street was constructed through the agreement with Dave Dusendang to construct infill housing with ARPA funding. The offer is $2,580 over asking price and is contingent on the sale of the buyer's current home. The earnest money deposit was increased because the offer is contingent. There are no seller concessions.

The home will serve as a model home until mid-March.

STAFF RECOMMENDATION: To approve the purchase agreement for 1320 Spring Street and authorize the City Manager Jonathan Seyferth or Deputy City Manager LeighAnn Mikesell to sign.

Action No. 2023-11

Motion by: Commissioner Emory
Second by: Vice Mayor German

To approve the purchase agreement for 1320 Spring Street and authorize the City Manager Jonathan Seyferth or Deputy City Manager LeighAnn Mikesell to sign.

Ayes: (6): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

Absent (1): Commissioner Hood

MOTION PASSES (6 to 0)

7.o **<u>Sale of 750 Leonard Avenue - City Manager</u>**

Staff is requesting approval of a purchase agreement for 750 Leonard Avenue. 750 Leonard Avenue was constructed through the agreement with Rudy Briggs to construct infill housing with ARPA funding. The offer is for full asking price with no seller concessions.

STAFF RECOMMENDATION: To approve the purchase agreement for 750 Leonard Avenue and authorize the City Manager Jonathan Seyferth or Deputy City Manager LeighAnn Mikesell to sign.

7.p **<u>Sale of 1499 Hoyt Street - City Manager</u>**

Staff is requesting approval of a new purchase agreement for 1499 Hoyt Street.

1499 Hoyt Street was constructed through the agreement with Dave Dusendang to construct infill housing with ARPA funding. With seller concessions, the offer equates to the list price.

An earlier agreement has been rescinded.

STAFF RECOMMENDATION: To approve the purchase agreement for 1499 Hoyt Street and authorize the City Manager Jonathan Seyferth or Deputy City Manager LeighAnn Mikesell to sign.

Action No. 2023-12

Motion by: Commissioner Emory
Second by: Commissioner St.Clair

To approve the purchase agreement for 750 Leonard Avenue **and** 1499 Hoyt Street and authorize the City Manager Jonathan Seyferth or Deputy City Manager LeighAnn Mikesell to sign.

Ayes: (6): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

Absent (1): Commissioner Hood

MOTION PASSES (6 to 0)

8. Public Hearings

8.a **<u>Brownfield Plan Amendment, 1st Amendment, Adelaide Pointe QOZB, LLC</u>**

Approval for Brownfield Plan Amendment,1st Amendment for Adelaide Pointe QOZB, LLC (Adelaide Pointe Project-----) and to consider the attached resolution.

Adelaide Pointe QOZB, LLC is seeking a Brownfield Plan Amendment (1st Amendment) for the Adelaide Pointe Project-----; a 35-acre mixed use waterfront development project including winter boat storage, marina space, In/Out forklift boat storage, commercial/retail, and up to 400 housing units. The initial Brownfield Plan Amendment was approved by the BRA on Oct 12, 2021 and City Commission on Oct 26, 2021.

In Dec. 2020, the developer's environmental consultant (Fishbeck) completed a Phase II Environmental Site Assessment (ESA) and a Baseline Environmental Assessment. This plan includes $12,404,400 in total EGLE and non-environmental local only eligible costs as well as $24,379,064 in total MSF eligible costs. The developer is seeking to add state school tax capture for reimbursement of costs related to Michigan Strategic Fund (MSF) eligible activities during the first three immediate phases of redevelopment.

The City proposed to use a bond proceed of $8,101,388 to pay eligible site preparation and public infrastructure costs that include public roadways, a reconfiguration of West Western Ave, as well as a water main, sanitary sewer and storm sewer utilities. The local-only EGLE eligible costs are $3,250,000 which include due care activities - $500,000 vapor intrusion mitigation, $1,500,000 soil capping, $250,000 dewatering and $1,000,000 for the dredging and removal of soil contaminants. Local-only MSF eligible costs are $5,810,000 which include $500,000 demolition, $250,000 asbestos abatement, $3,160,000 site preparation.

Capture of tax increment revenues for City reimbursement is anticipated to commence in 2023 and end in 2031. Developer reimbursement will follow with an estimated start date of 2023. The anticipated end date for Developer reimbursement is 2046. It is projected that the Plan Amendment will extend 29 years, which assumes five years of additional capture of tax increment revenues for deposit into a Local Brownfield Revolving Fund, if available.

The contingency percentage, interest request, and the annual administrative fee will remain the same as previously stated on Oct. 26, 2021 during the scheduled City Commission meeting approving the initial Brownfield Plan Amendment. The interest is included for all accrued and unreimbursed eligible activities on a yearly basis. The BRA approved the revised BPA on Dec. 13, 2022 and recommends the approval of the BPA by the Muskegon City Commission on Jan. 10, 2022. The Muskegon City Commission and BRA approved the Brownfield Development & Reimbursement Agreement, on Dec. 13, 2022. A signed copy from the Muskegon City Commission was not able to be secured by the submission date for the 1/10 City Commission meeting. Staff will be sure to send the signed DRA to the city clerk once the document is available.

STAFF RECOMMENDATION: To close the public hearing and to approve the resolution for the Brownfield Plan Amendment, 1st Amendment for the Adelaide Pointe Project authorizing the Mayor and City Clerk to sign.

Contessa Hood, Development Analyst, presented information to the Commissioners.

Public Hearing Commenced: Jamie Cross, there will be changes to the development - reducing slips to 215 from 280, acreage reduced as well. Going to planning commission along with several others. Several factors are being reduced.

Planning and Economic Development Director, Jake Eckholm, spoke regarding some of the changes that are being made to the Adelaide Pointe plan.

Action No. 2023-13

Motion by: Commissioner Ramsey
Second by: Commissioner Emory

To close the public hearing and to approve the resolution for the Brownfield Plan Amendment, 1st Amendment for the Adelaide Pointe Project authorizing the Mayor and City Clerk to sign.

Ayes: (6): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

Absent (1): Commissioner Hood

MOTION PASSES (6 to 0)

9. Unfinished Business

10. New Business

11. Any Other Business

Commissioner Gorman spoke about a joint meeting held with Muskegon Public Schools last year, one of the follow up items was to provide city updates to MPS to add to the Muskegon Mirror Publication. Thank you to Deputy Manager LeighAnn Mikesell for following up to make sure that happened.

Commissioner Ramsey asked the Clerk to inform on changes seen with the agenda and packets. The Clerk's Office is in the process of onboarding a new software program for agendas and minutes which will include the ability easily search and watch specific portions of the meeting.

Commissioner Emory previously asked the Clerk to forward MML Code of Ethics and another link from the State, she would like for this commission to adopt a "Code of Ethics". Mayor Johnson indicated that this can be brought to a Legislative Policy Meeting, possibly in February.

12. Public Comment on Non-Agenda items

- Reminder: Individuals who would like to address the City Commission shall do the following:
- Fill out a request to speak form attached to the agenda or located in the back of the room.
- Submit the form to the City Clerk.
- Be recognized by the Chair.
- Step forward to the microphone.
- State name and address.
- Limit of 3 minutes to address the Commission
- (Speaker representing a group may be allowed 10 minutes if previously registered with City Clerk.)

Public comments were received.

13. Closed Session

14. Adjournment

The City Commission meeting adjourned at 7:13 p.m.

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Ann Marie Meisch, MMC – City Clerk