

City of Muskegon  
City Commission Worksession  
March 10, 2014  
City Commission Chambers  
5:30 PM

MINUTES

2014-15

Present: Commissioners Gawron, Johnson, German, Hood, Turnquist, Rinsema-Sybenga, and Spataro.

Absent: None.

**LC Walker Arena Utility Costs.**

Staff has been in discussions with LC Walker Arena's Management Company. There is concern the building has high operating costs outside of those associated with the hockey team. The management company has made a number of capital investments, but is still in need of some sort of change in the management fee structure to free up capital to operate the arena and keep up on needed maintenance.

The City Manager is requesting the Commission to consider reimbursing the management company up to \$15,000 per month for utility costs beginning in March 2014, and continuing until we have a satisfactory (but not more than 12 months) to ensure the success of the arena.

The City Manager will draw up an agreement to take to the City Commission for consideration.

**SAPPI Smoke Stack(s) Presentation & Discussion.**

Representatives of Melching and Trinity Explosives gave an update on the planned implosion of the smokestacks.

**Sidewalk Snow Removal Ordinance Amendment.**

Staff has updated the proposed ordinance to address the concerns of the Commissioners.

This item has been placed on the March 11, 2014 City Commission meeting for consideration by the Commission.

**Pilot Request (Nelson Place) – Ordinance Amendment, First Reading**

Joe Hollander of Hollander Development Corporation (a partner in Nelson Place Limited Dividend Housing Association Limited Partnership), is seeking new financing for Nelson Place. There is currently a Payment in Lieu of Taxes (PILOT) for Nelson Place which was executed on March 26, 1996. Mr. Hollander intends to refinance the existing high interest loan from MSHDA with a lower interest rate loan from another lender. However, the existing PILOT Ordinance for Nelson Place terminates the exemption upon refinancing. Therefore, an amendment to the current Ordinance is being requested to allow for the continuation of the

PILOT after refinancing. Mr. Hollander intends to continue with the present rent restrictions and income limits. There will be no significant change to the existing PILOT (length of Contract, PILOT payment). In addition, Nelson Neighborhood Improvement Association will be paid back for a portion of their initial investment in the property. The Commission is requested to review and vote on the Ordinance Amendment at the March 10, 2014 Work Session. It is likely that a second reading will be necessary on March 11, 2014.

Staff Recommendation: If the City Commission agrees that the continuation of the PILOT is necessary for this property, staff recommends the ordinance amendment be approved and the Clerk be authorized to sign the necessary documents.

**Motion by Commissioner Hood, seconded by Commissioner German to approve the ordinance amendment as presented and authorize the Clerk to sign the necessary documents.**

***ROLL CALL:***

**Ayes: Turnquist, Johnson, Gawron, Hood, and German.**

**Nays: None.**

**Abstained: Rinsema-Sybenga and Spataro.**

***MOTION PASSES***

A second reading will be required.

**Resolution to Place an Emergency Moratorium on the Establishment of Medical Marijuana Facilities.**

In light of a number of changes in case law since the implementation of our current ordinance regulating medical marijuana, our recommendation is to implement a 120 day moratorium while staff works to update our ordinance.

This item has been placed on the March 11, 2014 City Commission Meeting for consideration by the City Commission.

**Adjournment.**

**Motion by Commissioner Hood, seconded by Commissioner Johnson to adjourn at 6:50 p.m.**

***MOTION PASSES***

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**Ann Marie Cummings, MMC  
City Clerk**