

CITY OF MUSKEGON

CITY COMMISSION MEETING

AUGUST 10, 2004

CITY COMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Tuesday, August 10, 2004.

Mayor Warmington opened the meeting with a prayer from Pastor Sarah Johnson from the Word of Truth Outreach after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen Warmington, Vice Mayor Bill Larson, Commissioner Chris Carter, Kevin Davis, Stephen Gawron, Clara Shepherd, and Lawrence Spataro, City Manager Bryon Mazade, City Attorney John Schrier, and City Clerk Gail Kundinger.

2004-72 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve the minutes of the Regular Commission Meeting that was held on Tuesday, July 27, 2004.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. Resolution for Charitable Gaming License. CITY CLERK

SUMMARY OF REQUEST: The Michigan Irish Music Festival of Muskegon is requesting a resolution recognizing them as a non-profit organization operating in the City for the purpose of obtaining a gaming license. They would like to hold a raffle at Heritage Landing during their festival on September 17 – 19.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval.

C. Liquor License Request – Sunny Mart, 2021 Marquette. CITY CLERK

SUMMARY OF REQUEST: The Liquor Control Commission seeks local recommendation on a request from Christine R. Singh to transfer ownership of the 2004 SDM Licensed Business from Indu Gupta.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval.

D. Sale of Buildable Vacant Lot on Lawrence Avenue. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the sale of a vacant buildable lot at 1536 Lawrence Avenue (Parcel #24-610-000-0043-00) to Gloria Fisher of 430 Glen Oaks Drive, Apt. 3B, Muskegon, MI. The lot is 80 x 132 ft. and is being offered to Ms. Fisher for \$6,750. The details of the home are not confirmed as of this date, but she will conform to all standard requirements of the City-owned property policy. The True Cash Value (TCV) for the property listed in the Assessor's Office is \$9,000, so our price is set at \$6,750 which is 75% of that amount.

FINANCIAL IMPACT: The sale of this lot for construction of a new home will generate additional tax revenue for the City and will place the property back on the City's tax rolls, thus relieving the City of continued maintenance costs.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the resolution and to authorize both the Mayor and the Clerk to sign said resolution and deed.

E. 18-Month Extension to Complete Construction of 4 Homes. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve an 18-month extension to allow Mr. Bill Ingalls extra time to complete construction of four single-family homes on Miner Avenue. The original agreement between the City and Mr. Ingalls stipulated that construction of four homes was to be completed within 18 months. The City has customarily granted extensions to persons who have shown that they are dedicated to completing construction and contributing to the beautification of the City's residential areas. Mr. Ingalls has constructed two homes on the site and has a contract to begin the third. Since the 18-month time period typically pertains to people building one single family home, it makes sense that more time can be allowed for several homes to be built.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff recommends approval of the time extension, as well as authorization for both the Mayor and the Clerk to sign the resolution and deed.

F. Clearance of Three Parcels on Walton. COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the awarding of a contract to Andy's Tree Service, 2691 Hall Road, Muskegon, for the low bid of \$12,500. The CNS Department received one other bid for the project from Professional Tree Services, Inc., 1727 Beidler, Muskegon, for \$17,240. The sites that will be cleared are 814 Murphy (66 x 140), 265 Walton (99 x 140), and 243 Walton (297 x 140).

After the sites have been cleared, the CNS Office in partnership with Neighborhood Investment Corp. and Fifth/Third Bank are proposing to build 4 to 6 homes on the site.

FINANCIAL IMPACT: Funding will be disbursed from previously approved HOME funds.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the low bid by Andy's Tree Service and direct the CNS to develop a contract with Andy's Tree Service for \$12,500.

G. Accept Resignation from the Civil Service Commission. CITY CLERK

SUMMARY OF REQUEST: To accept the resignation of Deborah Smith from the Civil Service Commission.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To accept resignation.

COMMITTEE RECOMMENDATION: The Community Relations Committee recommended acceptance of the resignation.

Motion by Commissioner Gawron, second by Commissioner Spataro to approve the Consent Agenda as read.

ROLL VOTE: Ayes: Carter, Davis, Gawron, Larson, Shepherd, Spataro, Warmington

Nays: None

MOTION PASSES

2004-73 UNFINISHED BUSINESS:

A. Approval of Purchase Agreement for City/State Lots on Clay Avenue - City of Muskegon and Brenda Moore. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Brenda Moore has purchased the former Freres Gas Station on Laketon Avenue. She would like to move the building to a lot owned by the City of Muskegon on Clay Avenue and the adjacent lot (now owned by the State, but requested for purchase by the City). The purchase agreement allows the lots to be sold to Ms. Moore, on the condition that the City obtain the deed for the State-owned lot by December 31, 2004. After closing on the property, Ms. Moore will have 18 months to move the building to the site and make improvements. She will provide a \$30,000 performance bond, in the event the improvements are not made within the time allotted. Ms. Moore intends to improve the building for a commercial/retail use.

FINANCIAL IMPACT: The City will receive \$2,500 for the lots. The purchase price takes into consideration that the building is a historic structure being moved into a Heritage District and will be appropriately placed in this location.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the Real Estate Purchase Agreement and authorize the Mayor and Clerk to sign the contract.

Motion by Vice Mayor Larson, second by Commissioner Davis to approve the Real Estate Purchase Agreement.

ROLL VOTE: Ayes: Davis, Gawron, Larson, Shepherd, Spataro, Warmington, Carter

Nays: None

MOTION PASSES

B. SECOND READING: Zoning Ordinance Amendment for Alcohol Sales.

PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request to amend Section 401 of Article IV (R-1, Single Family Residential); Section 601 of Article VI (RT, Two Family Residential); Section 701 of Article VII (RM-1, Low Density Multiple-Family Residential); Section 801 of Article VIII (RM-2, Medium Density Multiple-Family Residential); Section 901 of Article IX (RM-3, High Density Multiple-Family Residential) to amend the Special Land Use language in regards to permit uses serving and selling alcohol.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff recommends amendment of the Zoning Ordinance to amend language regarding alcohol sales.

COMMITTEE RECOMMENDATION: The Planning Commission recommended approval of the request at their 7/15 meeting. T. Harryman, B. Mazade, P. Sartorius, T. Johnson, T. Michalski, and L. Spataro voted in favor of the change. B. Smith voted against. S. Warmington and J. Aslakson were absent.

Motion by Commissioner Spataro, second by Vice Mayor Larson to adopt the amendment of the Zoning Ordinance to amend language regarding alcohol sales.

ROLL VOTE: Ayes: Gawron, Larson, Spataro, Warmington, Carter, Davis

Nays: Shepherd

MOTION PASSES

2004-74 NEW BUSINESS:

A. Consideration of Bids - Nims Street Tank Painting. ENGINEERING

SUMMARY OF REQUEST: Reject all bids on the Nims Street Tank. On July 27, we received four (4) bids from qualified contractors to paint the Nims Street Tank with M.K. Painting, Inc. out of Lincoln Park, MI being the lowest bid of \$359,550.

FINANCIAL IMPACT: The construction cost of \$359,550 plus associated engineering costs.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Reject all bids due to budget constraints.

Motion by Commissioner Davis, second by Vice Mayor Larson to reject all bids.

ROLL VOTE: Ayes: Larson, Shepherd, Carter, Davis, Gawron

Nays: Spataro, Warmington

MOTION PASSES

B. Proposed Charter Amendments to Change City's Fiscal Year. FINANCE

SUMMARY OF REQUEST: As set in the City Charter, the City's fiscal year is currently the same as the calendar year (January 1 – December 31). This is inconsistent with the federal, state and virtually all other Michigan municipal fiscal years. Staff has weighed the pros and cons of changing fiscal years and believes that there are sufficient benefits to make it worthwhile to propose a Charter amendment. Accordingly, the two resolutions have been prepared which, if approved by the Commission, would place the following two questions on November's ballot:

1. Shall the Muskegon City Charter be amended to provide that the fiscal year for the City be established by an ordinance adopted by the City Commission? The Charter now provides that the fiscal year shall begin January 1.
2. Shall the Muskegon City Charter be amended to provide that the date the City Manager submits the budget to the City Commission and the date the City Commission adopts the budget shall be set by ordinance? The Charter now provides that the City Manager must submit the budget by September 1 and the City Commission must adopt it by September 25.

FINANCIAL IMPACT: Placing this item on the November general election ballot avoids the costs of a special election. If approved, the change in fiscal years will provide a onetime boost to the City's general fund and will facilitate other efficiencies in the handling of City finances.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Approval of the resolutions.

Motion by Commissioner Spataro, second by Commissioner Shepherd to approve the resolutions for a proposed Charter Amendment to change the City's fiscal year.

ROLL VOTE: Ayes: Shepherd, Spataro, Warmington, Carter, Davis, Gawron, Larson

Nays: None

MOTION PASSES

C. Zoning Administration Assistance Contract-LSL. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: With the departure of Brian Lazor, Acting Zoning Administrator, there is a need to provide assistance in the zoning administration area, until a new Zoning Administrator is hired. Staff sought proposals from two firms. One (the only local firm that may have been able to assist) did not have the time or staff available at this point. The other, LSL, was able to provide the type of assistance needed. LSL will provide a staff person, Joe Kinney, for two days a week in the office. Joe will also be available for consultation by phone.

FINANCIAL IMPACT: Costs to the City will be \$53/hr. for Joe's services. Additional services (e.g., writing zoning amendments) will be an additional cost.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the contract between the City of Muskegon and LSL Associates, Inc., and authorize the Mayor and Clerk to sign the contract.

Motion by Commissioner Spataro, second by Commissioner Gawron to approve the contract between the City of Muskegon and LSL Associates, Inc.

ROLL VOTE: Ayes: Spataro, Warmington, Carter, Davis, Gawron, Larson, Shepherd

Nays: None

MOTION PASSES

D. Concurrence with the Housing Board of Appeals Notice & Order to Demolish the Following. PUBLIC SAFETY

SUMMARY OF REQUEST: This is to request City Commission concurrence with the

findings of the Housing Board of Appeals that the structures are unsafe, substandard, a public nuisance and that they be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structures and that the Mayor and City Clerk be authorize and directed to execute a contract for demolition with the lowest responsible bidder.

1463 Sixth – Area 10B

1463 Sixth was removed per staff request.

1983 Hoyt

CASE # & PROJECT ADDRESS: #EN030059 – 1983 Hoyt

LOCATION & OWNERSHIP: This structure is located on Hoyt between Holbrook and Keating Ave. It is owned by HUD.

STAFF CORRESPONDENCE: A dangerous building inspection was conducted 2/19/04 and notice and order to repair/remove issued 2/20/04. On 6/3/04 the HBA declared the property substandard and dangerous building with a 60-day delay before forwarding to CC because there was a potential buyer for the property. There has been no further contact from that person.

OWNER CONTACT: The potential buyer was present at the HBA meeting, but has not made any further contact.

FINANCIAL IMPACT: The cost of demolition will be paid with General funds.

BUDGET ACTION REQUIRED: None.

SEV: \$16,100.

STAFF RECOMMENDATION: To concur with the Housing Board of Appeals decision to demolish.

ESTIMATED COST OF REPAIRS: \$15,000, plus the cost of interior repairs.

1530 Hoyt

CASE # & PROJECT ADDRESS: #EN040044 – 1530 Hoyt

LOCATION AND OWNERSHIP: This structure is located on Hoyt between E. Grand and Southern Avenue. It is owned by the Department of Veterans Affairs.

STAFF CORRESPONDENCE: A dangerous building inspection was conducted 4/9/04 and notice and order to repair/remove issued the same day. An interior inspection was conducted with a realtor on 6/1/04. On 6/3/04 the HBA declared the property substandard and dangerous building.

OWNER CONTACT: The realtor for the property was present at the HBA meeting and agreed that the condition of the house is bad enough that his recommendation to the Dept. of Veterans would be to have the house demolished.

FINANCIAL IMPACT: The cost of demolition will be paid with CDBG funds.

BUDGET ACTION REQUIRED: None.

SEV: \$20,000

STAFF RECOMMENDATION: To concur with the Housing Board of Appeals decision to demolish.

ESTIMATED COST OF REPAIRS: \$80,000. This structure does not appear to be salvageable.

Motion by Commissioner Spataro, second by Commissioner Gawron to concur with the Housing Board of Appeals decision to demolish 1983 Hoyt and 1530 Hoyt.

ROLL VOTE: Ayes: Warmington, Carter, Davis, Gawron, Larson, Shepherd, Spataro

Nays: None

MOTION PASSES

523 W. Grand – Area 10B

523 W. Grand was removed from the agenda by staff.

458 Mulder

CASE # & PROJECT ADDRESS: #EN040029 – 458 Mulder.

LOCATION AND OWNERSHIP: This structure is located on Mulder between Wesley and Jackson Avenue. It is owned by Brian Bouman, who lives in Holland.

STAFF CORRESPONDENCE: A dangerous building inspection was conducted 2/6/04 and notice and order to repair/remove issued 2/9/04. An interior inspection was conducted 2/13/04. On 6/3/04 the HBA declared the property substandard and dangerous building.

OWNER CONTACT: The owner scheduled the interior inspection and stated at that time he planned to start repairs in April and be finished in about 90 days. He was present at the HBA meeting with his realtor and then stated he was donating the house to Habitat for Humanity and they planned to demolish the house and rebuild there. Since then it was discovered the lot is not buildable and still owned by Mr. Bouman. There has been no further contact.

FINANCIAL IMPACT: The cost of demolition will be paid with CDBG funds.

BUDGET ACTION REQUIRED: None.

SEV: \$14,300.

STAFF RECOMMENDATION: To concur with the Housing Board of Appeals decision to demolish.

ESTIMATED COST OF REPAIRS: \$23,000.

Motion by Commissioner Spataro, second by Commissioner Shepherd to concur with the Housing Board of Appeals decision to demolish 458 Mulder.

ROLL VOTE: Ayes: Carter, Davis, Gawron, Larson, Shepherd, Spataro, Warmington

Nays: None

MOTION PASSES

637 Amity – Area 11

CASE # & PROJECT ADDRESS: #EN030174 – 637 Amity.

LOCATION AND OWNERSHIP: This structure is located on Amity between Scott and Kenneth and is owned by Gustav Buchholz. The house was damaged by fire in 2002 and the City holds \$6,437 in escrow until the repairs are completed or demolition occurs.

STAFF CORRESPONDENCE: The owner was notified by the Fire Marshal on 6/12/02 of the insurance money being deposited in escrow. A board up notice was issued 3/11/02 and 4/21/03. A dangerous building inspection report was written 11/20/03 and Notice and Order to repair or remove was issued 12/3/03. On 1/8/04 the HBA declared the house substandard and dangerous.

OWNER CONTACT: The owner (at that time Jeanette Casson) was present at the 1/8/04 HBA meeting with a potential buyer (Gustav Buchholz) of the property who stated he intends to repair and live in the house. They were told at that time that even though the house was being declared, they would have 30 days in which the potential owner could bring in proof of ownership, schedule an interior inspection and submit a timetable for repairs. Mr. Buchholz scheduled an interior inspection for 1/29/04, but had to cancel and reschedule for personal reasons. The interior inspection was scheduled for 2/20/04. That inspection was also canceled and rescheduled for 2/24/04. This case has been scheduled to go before the City Commission on 2/24/04, but was removed from the agenda when the interior inspection was conducted. The owner was notified that permits had to be pulled by 3/31/04, 30 day progress inspections, and a completion date of 9/1/04. On 4/5/04 Mr. Buchholz applied for a building permit, but disagreed with the value of \$40,000 for repairs and did not take the permit out. He stated he would be back within a week and bring in estimates from his contractors to show what he believed to be the real value for the building permit. He was told at that time that he was already beyond the deadline date for pulling a permit and we could not promise him that in another week he would still be allowed to pull the permit. He left and came back 4/15/04 and dropped off estimates from a Wyoming building contractor for all of the work to be completed. The estimates given were from a contractor who is not registered with the City who has a "repair service" and his estimates were for

electrical, mechanical and plumbing which he is not licensed to do. Mr. Buchholz applied for the building permit 4/27/04 and was given 90 days due to the fact that he had already used up 2 of the 6 months originally given. He was told at the time of issuance that if significant progress was made the permit could be extended. On 7/22/04 an electrical permit was issued. No plumbing or mechanical permits have been pulled and no inspections called for.

FINANCIAL IMPACT: The cost of demolition will be paid with money that is escrowed from the fire.

BUDGET ACTION REQUIRED: None.

SEV: \$21,200

STAFF RECOMMENDATION: To concur with the Housing Board of Appeals decision to demolish.

ESTIMATED COST OF REPAIRS: \$40,000.

Motion by Commissioner Spataro, second by Vice Mayor Larson to concur with the Housing Board of Appeals decision to demolish 637 Amity but defer bidding contract to October 1, 2004.

ROLL VOTE: Ayes: Gawron, Larson, Shepherd, Spataro, Warmington, Carter

Nays: Davis

MOTION PASSES

PUBLIC PARTICIPATION

Various comments were heard from the public.

ADJOURNMENT:

The City Commission meeting adjourned at 8:00 p.m.

Respectfully submitted,

Gail A. Kunding, MMC
City Clerk