

CITY OF MUSKEGON
CITY COMMISSION WORKSESSION

Monday, November 8, 2021
5:30 p.m.
City Commission Chambers

AGENDA

1. Solid Waste Ordinance Amendment
2. Utility Connection Fee Proposal
3. Inclusive Zoning
4. Public Comment
5. Adjournment

WATCH MUSKEGON

Agenda Item Review Form Muskegon City Commission

Commission Meeting Date: 11/9/2021	Title: Solid Waste Ordinance Amendment
Submitted By: LeighAnn Mikesell	Department: City Manager's Office
Brief Summary: Staff is seeking approval of an amendment to Chapter 70, Article II of the Code of Ordinances in coordination with the revised Sanitation Policy.	
Detailed Summary: The newly adopted Sanitation Policy includes revised times when refuse collection carts can be placed at the curb and restricts where the carts can be stored. Staff is seeking a change to the Solid Waste ordinance to match the new standards. A summary of requirements for storage of refuse collection carts in neighboring cities is included for reference. Staff will continue to seek compliance through issuance of warnings when the ordinance is not followed and will assist neighbors who have individual hardship related to this ordinance.	
Amount Requested: None	Amount Budgeted: N/A
Fund(s) or Account(s): N/A	Fund(s) or Account(s): N/A
Recommended Motion: To amend and adopt Chapter 70, Article II, Section 31(a) of the Code of Ordinances for Solid Waste.	
Check if the following Departments need to approve the item first: Police Dept. <input type="checkbox"/> Fire Dept. <input type="checkbox"/> IT Dept. <input type="checkbox"/> For City Clerk Use Only: Commission Action:	

Sanitation Ordinance

Location of Collection Cart

Grand Rapids

Rigid carts for storage of Solid Waste shall be placed at the rear or side of buildings at a place which is reasonably inconspicuous and away from streets and places occupied by other persons.

Lansing

Containers not enclosed in an accessory structure or primary structure shall be stored and placed to the rear or side of the primary structure or an accessory garage or shed structure as close to the structure as possible. Side placement shall be at least one-half the distance of the length of the structure.

North Muskegon

All portable garbage containers shall be stored in a location shielded from public view.

Whitehall

Containers shall be stored in a garage or a side or rear yard of a lot.

Norton Shores

Silent

Roosevelt Park

Only covers placement for collection

Muskegon Heights

After tote is emptied, it is to be stored out of public view.

CITY OF MUSKEGON
MUSKEGON COUNTY, MICHIGAN
ORDINANCE NO. ____

THE CITY COMMISSION OF THE CITY OF MUSKEGON HEREBY ORDAINS:

1. Chapter 70 Article II of the Code of Ordinances of the City of Muskegon, Michigan, Section 70-31(a) is amended to read as follows:

Sec. 70-31. City refuse collection.

(a) *Placement of refuse.* Unless authorized by section 70-4(b), every owner and occupant of a residential unit for which city refuse collection service is afforded under this chapter shall place all accumulated and acceptable refuse for collection in a mixed refuse collection cart supplied by the city or its contractor which cart shall be tightly sealed, with excess mixed refuse in additional mixed refuse bags with authorized stickers attached. Mixed refuse collection carts and additional refuse bags intended for collection with stickers attached shall be placed by the owner and occupant of the residential unit at the curb in front of the residence not earlier than 4:00 p.m. of the day preceding the collection day and not later than 6:00 a.m. of the day of collection. Mixed refuse collection carts shall be removed by the owner and occupant of the residential unit not later than 7:00 a.m. of the day after the collection day and stored in a discrete location ~~10 feet~~ behind the front face of the residence or in a screened location. Additional refuse bags intended for collection shall not be broken nor weigh more than 30 pounds when filled. The owner and occupant shall not place or cause to be placed by unacceptable items in any additional refuse bag or mixed refuse collection cart intended for collection. No person shall place refuse materials of any kind of the premises of or in front of a residence for city collection service, except refuse originating in that residence.

2. This Ordinance is to become effective ten (10) days after adoption.

Ayes:

Nays:

First Reading:

Second Reading:

CERTIFICATE

The undersigned, being the duly qualified Clerk of the City of Muskegon, Muskegon County, Michigan, does hereby certify that the foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Muskegon, at a regular meeting of the City Commission on the ____ day of _____, 2021, at which meeting a quorum was present and remained throughout, and that the meeting was conducted and public notice was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan of 1976, as amended, and that minutes were kept and will be or have been made available as required thereby.

Date: _____, 2021

Ann Marie Meisch, MMC
City Clerk

Publish: Notice of Adoption to be published once within ten (10) days of final adoption.

CITY OF MUSKEGON
NOTICE OF ADOPTION

TO: ALL PERSONS INTERESTED

Please take notice that on _____, 2021, the City Commission of the City of Muskegon amended subsection (a) of Chapter 70, Article II, Section 70-31 of the Muskegon City Code, summarized as follows:

1. Section 70-31(a) is amended to require removal of mixed use refusal carts by 7:00 a.m. on the day after the collection day and specify locations for storage of the carts.

Copies of the ordinance may be viewed and purchased at a reasonable cost at the Office of the City Clerk in the City Hall, 933 Terrace Street, Muskegon, Michigan, during regular business hours.

This ordinance amendment is effective ten (10) days from the date of this publication.

Published: _____, 2021

CITY OF MUSKEGON

By _____
Ann Marie Meisch, MMC
City Clerk

PUBLISH ONCE WITHIN TEN (10) DAYS OF FINAL PASSAGE

WATCH MUSKEGON

Agenda Item Review Form Muskegon City Commission

Commission Meeting Date: 11/8/2021	Title: Utility Connection Fee Proposal
Submitted By: LeighAnn Mikesell	Department: City Manager's Office
Brief Summary: Staff is seeking input on a new policy to standardize utility connection fee waivers for developments within the city.	
Detailed Summary: At the request of the City Manager, the Tax Incentive Committee has continued to review and make recommendations for standardizing our tax incentive policies in the City of Muskegon. Our most recent effort is specifically dedicated to utility connection fees. As with the previous revisions shared with the commission, the attached document outlines a more standardized method for determining fee waivers where lower fees are charged to developments that meet more of the city's goals. Also in line with the previous revision, the proposal is for these developments to be reviewed by the tax incentive committee with a recommendation provided to the City Commission.	
Amount Requested: None	Amount Budgeted: N/A
Fund(s) or Account(s): N/A	Fund(s) or Account(s): N/A
Recommended Motion: None – work session only	
Check if the following Departments need to approve the item first: Police Dept. <input type="checkbox"/> Fire Dept. <input type="checkbox"/> IT Dept. <input type="checkbox"/> For City Clerk Use Only: Commission Action:	

**CITY OF MUSKEGON
TAX INCENTIVE POLICY UTILITY FEE WAIVER
OPTIONAL PROPOSAL
NOVEMBER 2021**



COMMITTEE CHAIR: LeighAnn Mikesell

MEMBERS: Jessica Rabe, Mike Franzak, Sarah Petersen
Peter Wills, Jake Eckholm

PURPOSE

The Tax Incentive Committee continues to review policies and make recommendations to standardize incentives. The following document lays out the committee's proposal for scoring and setting fees for utility connections.

ANALYSIS

The City has used water and sewer connection fees as an economic development tool in negotiating agreements with developers. There is no current policy or guideline for reducing or waiving these fees. Instead, staff have used these connection fees as one of many tools to negotiate development agreements that meet city goals.

The committee determined that a standardized process with guidelines for reducing fees could help us drive goals that have been expressed by the City Commission and the community regarding economic development. Specifically, we can create a system by which the utility connection fees are determined by the developer's ability to meet certain city goals. City staff will monitor the developer's continued ability to meet the goals that earned the reduction in fee.

WATER, FIRE SUPPRESSION, AND SEWER CONNECTION FEES

The committee recommends reducing connection fees on a case by case basis in order to preserve the ability to use this type of incentive to negotiate with developers. The utility connection fees will be considered within an overall set of terms for each individual development. As with all other tax incentive programs, the committee will consider the merits of each proposal, discern the project's ability to align with city goals, and make a recommendation to the City Commission.

The committee recommends setting the following cognates and developing an agreement that features them:

Cognates

- Industrial or Commercial Business requiring Extremely High Water/Sewer Usage
- Expansion of Existing Commercial or Industrial Business
- Commercial Development Serving surrounding Neighborhood
- Commercial, Residential, or Mixed Use Development Located in Neighborhoods with Large Numbers of Vacant Lots
- Residential Development of 5 or more Units
- Residential or Mixed Use Development serving Income Levels from 80-120% of AMI
- Residential Development Adding Missing Middle Housing Types and/or Accessory Commercial Units
- Projects where the Prime Developer is a City Resident
- Residential Projects Creating Significant Taxable Value

Cognate	Points
Extremely High Water/Sewer Usage	10
Expansion of Existing Commercial or Industrial Business	0-2
Commercial Development Serving surrounding Neighborhood	2-4
Development Located in Neighborhoods with Large Numbers of Vacant Lots	4-6
Residential Development of 5 or more Units	4-6
Residential or Mixed Use Development serving Income Levels from 80-120% of AMI	4-6
Residential Development Adding Missing Middle Housing Types and/or Accessory Commercial Units	4-6
Projects where the Prime Developer is a City Resident or is in response to a city RFP	5
Residential Projects Creating Significant Taxable Value	6-8

The cognates, described in more detail below, require developers to demonstrate effort to reflect the goals and values of the community:

INDUSTRIAL OR COMMERCIAL BUSINESS REQUIRING EXTREMELY HIGH WATER/SEWER

USAGE: This cognate addresses the city's goal to better utilize the capacity within our water and sewer systems which spreads costs over a larger number of users. Points will be awarded to developments that require 50,000 units of water per day.

EXPANSION OF EXISTING COMMERCIAL OR INDUSTRIAL BUSINESS: This cognate addresses the city's goal to retain businesses within the city while supporting increased development that has potential to provide more job opportunities for its residents. 1 point will be awarded for an increase of \$500,000 - \$749,000 in taxable value or 10 additional jobs. 2 points will be awarded for more than \$750,000 in taxable value or 15 additional jobs.

COMMERCIAL DEVELOPMENT SERVING SURROUNDING NEIGHBORHOOD: This cognate addresses the city's goal to revitalize our neighborhoods and support commercial development that fits into the fabric of neighborhood life, providing needed services for residents. 2 points will be awarded to commercial offerings that adhere to the master plan, and 2 additional points will be awarded to those that can demonstrate how their services fit the needs of the neighborhood's residents.

COMMERCIAL, RESIDENTIAL, OR MIXED USE DEVELOPMENT LOCATED IN NEIGHBORHOODS WITH MANY VACANT LOTS: This cognate addresses the city's goal to provide infill housing and activate all neighborhoods within the city. 4 points will be awarded to developments in neighborhoods with 30 vacant lots, 5 points will be awarded for neighborhoods with 31-50 vacant lots, and 6 points will be awarded for neighborhoods with greater than 50 vacant lots.

RESIDENTIAL DEVELOPMENT WITH 5 UNITS OR MORE: This cognate addresses the city's goal to quickly increase the number of available housing units, activating vacant properties within the city limits and addressing the significant housing demand. 4 points will be awarded to developments creating 5-10 housing units, 5 points will be awarded for creation of 10-20 housing units, and 6 points will be awarded for creation of more than 20 housing units. State and federally funded projects are exempt from this cognate.

RESIDENTIAL OR MIXED USE DEVELOPMENT SERVING INCOME LEVELS FROM 80 - 120% AMI: This cognate addresses the city's goal to provide workforce housing within the city. 4 points will be awarded to developments that achieve an average of 120% AMI among their occupants, 5 points will be awarded when an average of 100% AMI is achieved, and 6 points will be awarded for developments that achieve an average of 80% AMI among their occupants.

RESIDENTIAL DEVELOPMENT ADDING MISSING MIDDLE HOUSING TYPES AND/OR ACCESSORY

COMMERCIAL UNITS: This cognate addresses the city’s goal to provide a mix of housing options at various rates of affordability. 4 points will be awarded to developments that include 2 unit options (residential accessory dwelling units included). 5 points will be awarded to developments that include 3-4 unit options. 6 points will be awarded to developments that include 5-6 unit and/or commercial accessory units.

PROJECTS WHERE THE PRIME DEVELOPER IS A CITY RESIDENT: This cognate addresses the city’s goal to improve generational wealth for current residents. 5 points will be awarded to developments undertaken by a current city resident.

RESIDENTIAL PROJECTS CREATING SIGNIFICANT TAXABLE VALUE: This cognate addresses the city’s goal to increase taxable value to stabilize the budget and fund essential city services. 6 point will be awarded for an increase of \$500,000 - \$749,000 in taxable value. 7 points will be awarded for an increase of \$750,000 - \$999,000 in taxable value. 8 points will be awarded for \$1,000,000 or more in taxable value. The City will consider the estimated additional tax base that the development will generate based on plan review, assessor's analysis, and permit fees.

Utility Fee Waiver Scoring Guide

- 1 Point: 10% of Fee Waived
- 2 points: 20% of Fee Waived
- 3 points: 30% of Fee Waived
- 4 points: 40% of Fee Waived
- 5 points: 50% of Fee Waived
- 6 points: 60% of Fee Waived
- 7 points: 70% of Fee Waived
- 8 points: 80% of Fee Waived
- 9 points: 90% of Fee Waived
- 10 points: 100% of Fee Waived

RECOMMENDATIONS

The committee continues to work carefully to develop incentive policies that will keep us competitive with other communities and afford developers opportunities to achieve the maximum benefit of incentives, while also prioritizing stated goals of the community and City Commission. This system would standardize connection fee waivers and provide an application process for this type of incentive in the City of Muskegon. It provides staff a tool to equitably compare all developers and applicants. Staff will use the cognates above to recommend utility connection fee waivers as part of an overall incentive package to the City Commission for each proposed development.

WATCH MUSKEGON

Agenda Item Review Form Muskegon City Commission

Commission Meeting Date: November 8, 2021	Title: Inclusive Zoning
Submitted By: LeighAnn Mikesell	Department: City Manager's Office
Brief Summary: Staff is requesting further consideration and direction on expansion of inclusive zoning to the Angell, Jackson Hill, McLaughlin, and Nims neighborhoods.	
Detailed Summary: Staff was given direction to offer more education to our neighbors on this topic. In response, staff has done the following. <ul style="list-style-type: none">• Developed and recorded a presentation https://www.youtube.com/watch?v=rHLVQS6IF24• Shared the presentation on the city's website, on social media, and with the affected neighborhood associations (The original Facebook post has been shared 28 times, and the website has been accessed 237 times.)• Held a public meeting for neighbors in the four affected neighborhoods on October 18• Provided an email address and phone number for comments• Heard comments and deliberation at the October Planning Commission meeting• Heard comments during a public hearing at the October 26 City Commission meeting A summary of the comments received has been shared with commissioners, and staff now seeks guidance on how to proceed with a recommendation for expanding the Urban Residential zoning.	
Amount Requested: N/A	Amount Budgeted: N/A
Fund(s) or Account(s): N/A	Fund(s) or Account(s): N/A
Recommended Motion: work session item	
Check if the following Departments need to approve the item first: Police Dept. <input type="checkbox"/> Fire Dept. <input type="checkbox"/> IT Dept. <input type="checkbox"/> For City Clerk Use Only: Commission Action:	