

CITY OF MUSKEGON

CITY COMMISSION MEETING

OCTOBER 27, 2020 @ 5:30 P.M.

MUSKEGON CITY COMMISSION CHAMBERS
933 TERRACE STREET, MUSKEGON, MI 49440

AGENDA

- CALL TO ORDER:
- PRAYER:
- PLEDGE OF ALLEGIANCE:
- ROLL CALL:
- HONORS, AWARDS, AND PRESENTATIONS:
 - A. Jake Eckholm 2020 MEDA Emerging Star Award Planning & Economic Development
- PUBLIC COMMENT ON AGENDA ITEMS:
- CONSENT AGENDA:
 - A. Approval of Minutes City Clerk
 - B. Marina T-Dock Removal DPW/Marina
- PUBLIC HEARINGS:
 - A. Lakeside BID Special Assessment Public Hearing and Resolution Economic Development
 - B. Lakeside Corridor Improvement Authority Pre-Ratification Public Hearing Economic Development
- UNFINISHED BUSINESS:
- NEW BUSINESS:
 - A. Corona Virus Aid, Relief, and Economic Security Act (CARES Act) – CDBG COVID 19 Funding Budget CNS
- ANY OTHER BUSINESS:
- 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.)

CLOSED SESSION:

ADJOURNMENT:

ADA POLICY: THE CITY OF MUSKEGON WILL PROVIDE NECESSARY AUXILIARY AIDS AND SERVICES TO INDIVIDUALS WHO WANT TO ATTEND THE MEETING UPON TWENTY-FOUR HOUR NOTICE TO THE CITY OF MUSKEGON. PLEASE CONTACT ANN MARIE MEISCH, CITY CLERK, 933 TERRACE STREET, MUSKEGON, MI 49440 OR BY CALLING (231) 724-6705 OR TTY/TDD DIAL 7-1-1-22 TO REQUEST A REPRESENTATIVE TO DIAL (231) 724-6705.

WATCH MUSKEGON

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: October 27, 2020	Title: Approval of Minutes
Submitted By: Ann Marie Meisch, MMC	Department: City Clerk
Brief Summary: To approve the minutes of the October 12, 2020 Worksession Meeting and the October 13, 2020 Regular City Commission meeting.	
Detailed Summary: N/A	
Amount Requested: N/A	Amount Budgeted: N/A
Fund(s) or Account(s): N/A	Fund(s) or Account(s): N/A
Recommended Motion: To approve the minutes.	
For City Clerk Use Only: Commission Action:	

CITY OF MUSKEGON
CITY COMMISSION WORKSESSION
COMMISSION CHAMBERS
933 TERRACE STREET
MUSKEGON, MI 49440

Monday, October 12, 2020
5:30 p.m.

MINUTES

2020-74

Present: Mayor Gawron, Vice Mayor Hood, Commissioners Rinsema-Sybenga, Emory, Johnson, Ramsey (arrived at 5:50 p.m.), and German (arrived at 5:58 p.m.)

Progress Presentation for 880 First Street Redevelopment – Economic Development

Representatives from Ferguson Development have joined us to give a progress report now that engineering and rental market studies are completed on their vision for the redevelopment at 880 First Street.

The City has been working with Ferguson Development and Brianna Scott for nearly a year now to finalize plans to redevelop the former AmeriBank building at 880 First Street. Economic Development staff have worked closely with project management for the developer to coordinate extensive testing on the structure, foundation, and design of the existing building. Tonight, the developer's consultant will be here to present findings and ambitions for the development and to take questions, with the hope that the Commission will vote in favor of a purchase and development agreement at the meeting on October 27, 2020.

Discussion took place.

Community EnCompass Infill Housing Partnership Presentation – Economic Development

An informational presentation on a proposed low-to-moderate income new home construction program.

In an attempt to further our Economic Equity efforts and to create diversity of housing price points as we build infill, we have been working for quite some time with Community EnCompass to try and construct a deal within the Brownfield TIF and their institutional capacity to construct homes that would be specifically for buyers at or below 80% AMI. The presentation tonight is meant to inform the Commission of the proposed development scope and take questions/feedback, with hopes to present a development agreement for Commission consideration at the regular City Commission meeting on October 27, 2020.

Discussion took place.

Update to the Lot Sale Policy – Planning

Staff has prepared an updated lot sale policy that outlines procedures and incentives to direct the use and sale of vacant, city-owned residential properties.

Discussion took place regarding the proposed updates to the lot sale policy and the matter is being referred back to staff for further updates before presentation to the commission.

Marihuana Social Equity – Planning

Staff wishes to discuss ways to empower local entrepreneurs to become participants in the marihuana industry and to discuss the implementation of the Muskegon Social Equity Program.

In recent City Commission meetings, some Commission members have stated that they would like staff to research ways for local caregivers to have an opportunity to get into the recreational industry. A total of 18 caregivers currently operate in several different businesses and industrial corridors throughout the City. Caregivers are allowed to collocate so some buildings host up to a few hundred plants. Sometimes these buildings can cause odor nuisance issues when located near residential areas. This, along with other concerns from citizens, makes it difficult to allow for many marihuana license types outside of the current overlay zones. However, microbusinesses allow for the cultivation (only up to 150 plants), processing and sales of marihuana out of a single building. This license type is very affordable (\$8,000 compared to \$25,000 for retailer), making it more feasible for smaller-scale, local entrepreneurs to get into the industry. The 150-plant restriction would also reduce the possibility of odor nuisances. It also appears to be the license type that most caregivers are seeking.

There are two local marihuana entrepreneurs petitioning for two different properties to be rezoned to allow for microbusinesses at the October Planning Commission meeting. However, instead just rezoning these two parcels, staff encourages the Commission to consider creating a new microbusiness ordinance that would allow all caregivers the opportunity to participate throughout the City. Staff has also recently received a few other requests to allow for microbusinesses in other business corridors.

A major issue with getting local entrepreneurs into the recreational industry is the fact that many do not currently own a building in an approved overlay district. These overlay districts have led to dramatic increases in property values, essentially pricing out many locals. Staff proposal should eliminate this concern.

Staff proposes to allow microbusinesses in the same zoning districts that we allow caregivers (B-2, B-4, MC, I-1, and 1-2.) as long as they obtain a special land use permit from the Planning Commission. Special use permits are parcel and applicant specific, which should eliminate the land speculation problem. If any applicant is approved at a location, that applicant is the only one approved for the use at that property. Any new applicant at that location would require their own special land use permit. Allowing these permits throughout the City would eliminate the need to be in a certain location, eliminating the land speculation. It would also restrict the building owner from obtaining the necessary zoning approval, then selling the building to the highest bidder rather than the applicant they have been working with from the beginning.

The Muskegon Social Equity Program should have some funding early next year. Staff would like to revisit the spending allocations, listed below.

MSEP REVENUE

Medical and Recreational licensed marihuana businesses in Muskegon may elect to contribute to the City's MSEP. Additionally, 35% of all local excise tax receipts will be allocated to the City's MSEP.

ALLOCATION OF MSEP RESOURCES

1. 30% for business micro-loans/grants for those that have had a low-level marihuana conviction.
2. 35% will be dedicated towards facilitating marihuana related expungement clinics.
3. 35% for education, youth support and community outreach for responsible marihuana consumption related to harm reduction.

Discussion took place.

PILOT Policy

Staff are seeking input on a revised policy to standardize tax incentives for Payment in Lieu Of Taxes (PILOT) developments within the city.

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 PILOT developments. As with the previous revisions shared with the commission, the attached document outlines a more standardized method for determining payments with lower rates given 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.

Discussion took place.

Adjournment

The City Commission Worksession meeting adjourned at 9:00 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC

CITY OF MUSKEGON

CITY COMMISSION MEETING

OCTOBER 13, 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, October 13, 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 (arrived at 5:38 p.m.), Commissioners Ken Johnson, Dan Rinsema-Sybenga, Willie German, Jr., Teresa Emory, and Michael Ramsey, Acting City Manager Beth Lewis, City Attorney John Schrier, and City Clerk Ann Meisch.

HONORS, AWARDS, AND PRESENTATIONS:

- A. New Affordable Housing Project Approved** Planning & Economic Development

The Planning & Economic Development Department presented information about a new affordable housing project that has been approved.

PUBLIC COMMENT ON AGENDA ITEMS: Public comments were received.

2020-75 CONSENT AGENDA:

- B. Approval of Minutes** City Clerk

SUMMARY OF REQUEST: To approve the minutes of the September 22, 2020 Regular Meeting and the September 29, 2020 Special City Commission meeting.

STAFF RECOMMENDATION: To approve the minutes.

- D. Prized Steelhead Sculpture Purchase** City Manager

SUMMARY OF REQUEST: Staff is seeking permission to utilize a portion of the proceeds from the beach parking program to purchase the "Prized Steelhead" sculpture currently displayed in front of the Olthoff Stage for \$4,000.

The Muskegon Lakeshore Chamber of Commerce commissioned a number of

public art pieces as part of the 2020 Lakeshore Art Festival. Although the festival was cancelled due to COVID-19, the art pieces were still installed around the downtown. This piece was completed by Muskegon City resident Sherri Balaskovitz. The original commission price was \$9,500. Thanks to the donors and a reduction from the artist, we are able to purchase the piece from \$4,000. Staff intends to install the art piece along the channel to help welcome boaters into Muskegon Lake. There will likely be other insignificant costs associated with the installation – the Department of Public Works will handle that work internally.

AMOUNT REQUESTED: \$4,000

STAFF RECOMMENDATION: Authorize the purchase of the Prized Steelhead at a cost not to exceed \$4,000.

E. Social District Permit Recommendation Economic Development

SUMMARY OF REQUEST: The City Commission must recommend approval of the Michigan Liquor Control Commission permits of participating licensed establishments in the Downtown Muskegon Social District.

With the establishment of the Downtown Muskegon Social District, participating licensed establishments must receive a Social District permit from the Michigan Liquor Control Commission. The MLCC must first receive a recommendation for approval from the City Commission before granting the permits. You handled the initial eight such requests at your August 25 and September 8 meetings. The resolution is for Topshelf Liquor Bar & Pizza and Dr. Rolf's Barbeque which are also seeking a Social District permit from the state and seeking City Commission recommended approval. The Social District plan identifies 22 potential participating licensees within the district. Other licensed establishments may file a Social District permit application in the future.

STAFF RECOMMENDATION: To approve the resolution recommending Michigan Liquor Control Commission approval of Social District permits in the Downtown Muskegon Social District and to direct the City Clerk to certify the City Commission action with the MLCC.

G. General Fund Transfers for FY 2019-20 Finance

SUMMARY OF REQUEST: During the close out of fiscal year 2019-20 and based on the financial results for the fiscal year ended June 30, 2020, staff transferred from the General Fund \$20,000 to the Engineering Fund, \$10,000 to the State Grants fund, \$7,500 to the Tree Replacement Fund and \$800,000 to the Mercy Health Arena Fund to eliminate fund balance deficits. Staff is requesting formal approval of these general Fund transfers.

At the close of the FY2019-20 three funds were in a fund balance deficit and required a transfer from the General Fund to eliminate the deficit. The Engineering Fund needed a \$20,000 transfer because of lower revenues caused by COVID 19, the State Grants Fund needed a \$10,000 transfer because of a

write off and the Tree Replacement Fund need of a \$7,500 transfer for expenses incurred in anticipation of grant monies. The FY 2019-20 budget called for a General Fund transfer of \$235,000 to the Mercy Health Arena Fund however due to lost revenue from COVID 19 a \$800,000 transfer was needed.

Please note that in the State Grants Fund it does not appear to have needed a transfer however \$63,473 grant reimbursement was received but not paid out until after the end of the fiscal year. The Fund Balance needs to cover the \$63,473 payment.

AMOUNT REQUESTED: \$837,500 AMOUNT BUDGETED: \$235,000

STAFF RECOMMENDATION: To approve the General Fund transfers of \$20,000 to the Engineering Fund, \$10,000 to the State Grants Fund, \$7,500 to the Replacement Fund and \$800,000 to Mercy Health Arena Fund.

I. Update to the Lot Sale Policy Planning

REMOVED PER STAFF REQUEST

J. NEZ Certificate for 318 Terrace Point Planning

SUMMARY OF REQUEST: An application for Neighborhood Enterprise Zone certificate has been received from Chad and Marisa Doane for the new construction of a home at 318 Terrace Point. The applicant has met local and state requirements for the issuance of the NEZ certificate.

STAFF RECOMMENDATION: To approve the NEZ certificate at 318 Terrace Point for 12 years.

K. Risers Indoor Soccer Club Contract Finance

SUMMARY OF REQUEST: City staff is requesting approval of the proposed lease with the Muskegon Risers Indoor Soccer Club. This is a long-term lease with extension opportunities.

The Muskegon Risers are looking to deepen their commitment to the Muskegon community and the downtown with a long-term lease with the Mercy Health Arena. Some of their goals are listed:

- Increase resources dedicated to soccer programming for underprivileged youth.
- Facilitating adult social and competitive soccer leagues through our newly formed city soccer association which is registered with Michigan Soccer Association.
- Investing in their own outdoor practice and game facility inside the City of Muskegon.
- Expanding the women's team into a full-season operation.

With this contract the city will receive 100% of concession revenue, which gives

the arena flexibility with how concessions are managed. The ticket facility fee will be more consistent with the other sports team tenants reaching \$2.00 per ticket by year 5 of the contract. The facility fees go directly toward keeping the arena viable.

STAFF RECOMMENDATION: To approve the contract.

L. Ratification and Confirmation of Commission Actions since April 30, 2020
City Attorney

SUMMARY OF REQUEST: Staff is requesting approval of the resolution to ratify and confirm, *nunc pro tunc*, all of the City Commission's actions, ordinances, and resolutions approved at City Commission meetings held after April 30, 2020, which were conducted remotely via technologic means in compliance with the Executive Orders including, but not limited to the approval of the Bond Resolutions.

STAFF RECOMMENDATION: To approve the resolution confirming and ratifying City Commission actions, ordinances, and resolutions approved at City Commission meetings held after April 30, 2020.

M. Streamlining Brownfield Plan Amendment Public Hearing Process
Economic Development

SUMMARY OF REQUEST: To streamline the process by which the City Commission currently approves a Brownfield Plan Amendment. Permit staff, rather than the City Commission, to set the date of a public hearing to approve a Brownfield Plan Amendment. **The change would apply only to the consideration of Brownfield Plan Amendments.**

Currently, as a matter of practice, the City Commission adopts a resolution to set the date for a public hearing to consider approval of a Brownfield Plan Amendment. The City Commission then conducts the public hearing at their next regularly scheduled meeting. According to state statute, the Brownfield Redevelopment Financing Act, MCL 125.2664 states " ...*the governing body shall hold a public hearing on the brownfield plan. By resolution, the governing body may delegate the **public hearing process** to the authority or to a subcommittee of the governing body subject to final approval by the governing body.*" It goes on to outline the requirements of certain content to be included in the notice for a public hearing. The statute provides discretion to the governing body when developing the public hearing process. Therefore, shifting the practice of setting the public hearing date for a Brownfield Plan Amendment from the City Commission to staff seeks to create an efficiency in this multi-step adoption process.

STAFF RECOMMENDATION: Authorize staff to set the date of public hearings to consider Brownfield Plan Amendments.

O. Filtration Plant Transit Van DPW/Equipment

SUMMARY OF REQUEST: The Equipment Division is requesting permission to purchase one (1) Cargo Utility Van from Gorno Ford the Mi-Deal State contract holder. The purchase price of this vehicle is \$37,300.00.

The City of Muskegon Filtration Plant is requesting this Utility Van to assist them with more space to accommodate off site maintenance activities at booster stations and water tower sites. This will replace a smaller truck that will be handed back to the Equipment Division for placement elsewhere. This purchase was included in the 20/21 Capital Budget.

The small difference between requested amount and budgeted amount will be adjusted in the reforecast.

AMOUNT REQUESTED: \$37,300 AMOUNT BUDGETED: \$35,000

FUND OR ACCOUNT: 661-60932-5720

STAFF RECOMMENDATION: Authorize staff to purchase one (1) Cargo Utility Van in the amount of \$37,300.00 from Gorno Ford.

P. High Service Pump Rebuilt DPW/Filtration

SUMMARY OF REQUEST: Staff is requesting authorization to contract with Wylie Electric Motor Service for the rebuilding one of the high service pumps at the filtration plant.

Staff solicited bids from three firms as follows for rebuilding one of the high service pumps at the filtration plant.

- Wylie Electric Motor Service - \$9,957.00
- HECO - \$22,853.50
- Jones Electric Company - \$11,313.00

Staff is recommending award to the low bidder with the funds to be drawn from the Water Filtration Plant – WMRWA Eligible line item in the 20/21 budget.

AMOUNT REQUESTED: \$9,957.00 AMOUNT BUDGETED: \$500,000

FUND OUR ACCOUNT: 591

STAFF RECOMMENDATION: Authorize staff to contract with Wylie Electric Motor Service in the amount of \$9,957.00 for rebuilding one high service pump at the filtration plant.

Q. Musketawa Trail Connector Resolution Public Works

SUMMARY OF REQUEST: MDOT requires a resolution of support prior to obligation of funding for the 2021 project to finalize the connection between the Laketon Train and the Musketawa Trail in the City of Muskegon.

The City of Muskegon has received grants from both the MDNR and MDOT to

facilitate completion of this project. The obligation of the MDOT funds requires submittal of a resolution of support and commitment to provide future maintenance for the trail.

The total project estimate is \$780,478.50 with Federal TAP funding of \$400,586.00 and MDNR Recreational Trail Program funding of \$315,000. The local match to the construction contract will be subject to the bid results but is estimated in the range of \$65,000 at this time.

The project design is completed and staff is working to finalize the last of the easements required to submit the project for bidding. We expect to have the project out for bids, through MDOT, in February of 2021 with construction to take place in the Spring/Summer of 2021.

There will be a formal agreement brought to the Commission for consideration after the project is bid per standard practice on MDOT administered projects.

FUND OR ACCOUNT: 202-99118

STAFF RECOMMENDATION: Approve the resolution and authorize the Clerk to sign.

S. Traffic Control Orders DPW/Traffic & Engineering

SUMMARY OF REQUEST: To approve Traffic Control Orders #60, #61, #62, #63, #64, and #65 and authorize staff to remove/install various traffic control devices.

STAFF RECOMMENDATION: To approve removal/installation of various Traffic Control Devices as outlined in the submitted Traffic Control Orders.

U. Electronic Upgrades in Commission Chambers City Clerk

SUMMARY OF REQUEST: Staff would like to upgrade the electronics in the Commission Chambers to assist with Election training with funds from the Election Grant.

The Election grant requires that funds are used by December 31st. This will not give staff time to follow our purchasing policy of obtaining bids or requesting approval of the City Commission to make a purchase over the amount of \$15,000. As such, staff is requesting to waive the purchasing policy and authorize staff to purchase the equipment for Election training.

STAFF RECOMMENDATION: To waive the purchasing policy requiring bids and requiring expenditures over \$15,000 to have commission approval and to allow the City Clerk to purchase equipment for the Commission Chambers with grant funds that must be expended by December 31, 2020.

Motion by Commissioner Johnson, second by Commissioner Rinsema-Sybenga, to accept the consent agenda as presented, except items C, F, H, N, R, T and V.

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

Nays: None

MOTION PASSES

2020-76 ITEMS REMOVED FROM CONSENT AGENDA:

C. Election Purchases – Grant Expenditures City Clerk

SUMMARY OF REQUEST: City Commissioners previously authorized the City Clerk to expend all Election Grant Funds in the amount of \$433,580. Staff wanted to bring Commission up-to-date on purchases made thus far in the amount of \$42,784.18 since the last update.

Several other purchases/marketing expenses are in process and we will update the Commission at the next meeting.

At this time, we have purchased the following:

- Effectv – Comcast - \$3,000.50
- Outfront – Geocaching - \$1,000.00
- Lakeshore Creative Services – Online Ads - \$1,000
- WZZM, Fox, Wood TV Commercials - \$10,400.00
- I-heart, Cumulus, WUVS – The Beat - \$7,660.00
- M-Live - \$3,151.00
- Cisco Phones w/ Headsets for office - \$940.80
- Trailer generator \$949.00
- Lights for Precincts 3 & 4 - \$516.00
- Walkie Talkies for Drive Thru Voting - \$492.87
- 6 scanners for precincts - \$466.81
- Election Source - \$2,291.76
- Computer cords & USB's for Precincts - \$347.00
- Overhead Door in Clerk's Office - \$10,425.00
- PPE Supplies - \$143.44

AMOUNT REQUESTED: \$42,784.18 AMOUNT BUDGETED: \$433,580

STAFF RECOMMENDATION: To acknowledge and approve the purchases made in the amount of \$42,784.18 for the November Election as authorized by the Commission on September 22, 2020.

Motion by Commissioner German, second by Commissioner Johnson, to acknowledge and approve the purchases made in the amount of \$42,784.18 for the November Election as authorized by the Commission on September 22, 2020.

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

Nays: None

MOTION PASSES

F. Amendment to Bonding Resolution Finance

SUMMARY OF REQUEST: To approve an amendment to the Resolution Authorizing Issuance of 2020 Capital Improvement Bonds originally approved on September 8, 2020. The amendment authorizes bonds to be issued in more than one series and be either taxable or tax exempt. The total authorization of up to \$8,000,000 is unchanged.

After additional research by our Bond Counsel the refinancing of the roof and heating, ventilation and cooling improvements at the Mercy Health Arena can't be done with tax exempt bonds. The City is the owner of the Arena, however, we lease a substantial amount of space to for profit entities making tax exempt bonds not possible at the Arena. So as not to change the scope of the bonds, two series instead on one will need to be issued. The exact amount of each series will not be known until we get closer to sale date. The amount of the two series will not exceed \$8,000,000

STAFF RECOMMENDATION: To approve the amendment to the Resolution Authorizing Issuance of 2020 Capital Improvement Bonds.

Motion by Commissioner German, second by Commissioner Emory, to approve the amendment to the Resolution Authorizing Issuance of 2020 Capital Improvement Bonds.

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

Nays: None

MOTION PASSES

H. Coronavirus Aid, Relief, and Economic Security Act (CARES Act)-CDBG COVID 19 Finding, Total Allocation Community & Neighborhood Services

SUMMARY OF REQUEST: To review the total allocations for CARES Act – CDBG COVID 19 funding. First round funding allocations were \$585,238, combined with third round allocations for \$209,326 equals \$794,564. \$158,918 will be used for Administrative Costs and \$635,651 will be used for the following eligible activities: Child Care, Utilities, Business, Food Assistance, Parks, and Youth.

AMOUNT BUDGETED: \$794,564

FUND OR ACCOUNT: CARES Act COVID 19, 2020, Total Allocation

STAFF RECOMMENDATION: To approve activities and budget for the CARES Act – CDBG COVID 19 funding at the next City Commission Meeting, October 27th, 2020.

Motion by Commissioner Ramsey, second by Commissioner Rinsema-Sybenga, to approve activities and budget for the CARDS Act – CDBG COVID 19 funding at the next City Commission meeting, October 27, 2020.

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

Nays: None

MOTION PASSES

**N. Addition to the Fee Schedule – Mobile Food Vending Zoning Approval
Planning**

SUMMARY OF REQUEST: To create a fee for the application for a temporary use permit for mobile food vending.

The Commission recently passed an amended Temporary Use ordinance (zoning ordinance) that allows for mobile food vending on private property (whereas the City Code of Ordinances dictates rules for on-street mobile food vendors).

The zoning ordinance allows temporary use permits from 1-89 days to be reviewed by staff. Permits for 90 days-1 year require notice to the surrounding properties and possibly a Planning Commission, if anyone from the public requests a public hearing.

In addition to the fees (in lieu of taxes) required by the Clerk’s Office (see attached), the City should also charge a fee for the zoning ordinance review. These fees should cover the cost of the mailing and the public hearing, if necessary. Staff recommends a \$100 fee to cover the mailing and an additional \$400 if a public hearing is requested. The cost of a regular special use permit is \$500.

Staff would also like to clarify that temporary permits for 90 days – 1 year should only require a mailing/public hearing one time for the same business at the same location. Renewal permits should not require additional notices/hearings.

STAFF RECOMMENDATION: To approve the application fee for a temporary use permit for mobile food vending.

Motion by Commissioner Ramsey, second by Commissioner Rinsema-Sybenga, to approve the application fee for a temporary use permit for mobile food vending.

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

Nays: None

MOTION PASSES

R. Beach Street Utility Special Assessment Public Works

SUMMARY OF REQUEST: To set the date for a public hearing on the proposed special assessment for Beach Street from Wilcox Avenue to Ohio Avenue at the November 24th, 2020 City Commission meeting.

Staff has been petitioned by property owners along Beach Street to have the aerial communication utilities (Frontier Communications and Comcast Cable) buried within the above referenced limits. Staff has reviewed the request and additional documentation/detail is attached along with a preliminary staff summary.

Staff is requesting permission to set the 1st Public Hearing for the creation of the Special Assessment District for November 24, 2020. Upon approval of the Public Hearing date staff will mail notices to all impacted properties via the attached notice and solicit formal responses from all impacted parties via mailers.

Staff will present all the documents at the public hearing along with the results of the survey card for consideration in establishing the district.

It is staff position that the property owners are the sole beneficiaries of this assessment and as such would bear 100% of the assessment cost should this assessment be approved.

STAFF RECOMMENDATION: Set the 1st Public Hearing Date for the purpose of establishing the special assessment district for Beach Street Aerial Utility Burials for November 24th, 2020 and authorize staff to send the notices and survey cards to the impacted property owners.

Motion by Commissioner Johnson, second by Commissioner German, to approve resolution setting the 1st Public Hearing Date for the purpose of establishing the special assessment district for Beach Street Aerial Utility Burials for November 24, 2020 and authorize staff to send the notices and survey cards to the impacted property owners.

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

Nays: None

MOTION PASSES

T. Aamodt Park Improvements Public Works

SUMMARY OF REQUEST: Staff is requesting authorization to construct a new playground and picnic shelter at Aamodt Park.

Staff has worked closely to develop a proposed improvement plan for Aamodt

Park that we feel will greatly benefit the park and improve the usage at the site. The proposed project includes two primary improvements.

- Replacement of the existing playground equipment on the site. The existing equipment was installed in 1995 and has served its useful life. The current equipment is not compliant with current standards nor is it maintainable any longer. The proposed playground would be provided through the Parks Department preferred vendor (Sinclair Recreation) that has most recently done work at the Pere Marquette playground. Sinclair Recreation is offering a one-time grant to the city that covers approximately 1/2 the cost of the equipment for purchases made prior to October 31, 2020. The grant results in a net savings of approximately \$30K to the city on this project. A rendering of the proposed playground is included with the packet.
- Construction of a picnic shelter pavilion within the park. This will mostly be completed by staff. The picnic shelter will be approximately 30 FT x 30 FT with electric.

The funding for the project is largely provided through CDBG dollars. CNS has identified \$100k to support this project. The total estimate cost is \$140K with the difference being allocated to the General Fund. A capital number has been created to track costs and will be shown in the upcoming reforecast.

At this time staff is seeking authorization for the following three items, not to exceed \$130,000 in aggregate without returning to the Commission for further consideration.

- To purchase the playground equipment and installation services from Sinclair Recreation
- Solicit bids for the playground foundation and award to the low bidder.
- Procure materials for the construction of the pavilion.

AMOUNT REQUESTED: \$130,000

FUND OR ACCOUNT: 101-92043-5346

STAFF RECOMMENDATION: Authorize staff to purchase the playground equipment and installation services from Sinclair Recreation in the amount of \$96,385.10, and authorize staff to solicit bids for the playground foundation and pavilion materials and award those contracts provided the aggregate cost for the three items does not exceed \$130,000.

Motion by Commissioner German, second by Commissioner Rinsema-Sybenga, to authorize staff to purchase the playground equipment and installation services from Sinclair Recreation in the amount of \$96,385.10, and authorize staff to solicit bids for the playground foundation and pavilion materials and award those contracts provided the aggregate cost for the three items does not

exceed \$130,000.

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

Nays: None

MOTION PASSES

V. Lakeshore Creative Services Agreement Amendment City Clerk

SUMMARY OF REQUEST: The City Commission has expressed a desire to broadcast our Worksession meetings on Channel 96 and on Facebook. Our current contract with Lakeshore Creative Services only addresses regular Commission meetings. Staff is seeking approval to pay Lakeshore Creative Services \$450 for broadcast/streaming services for Worksession meetings.

STAFF RECOMMENDATION: To amend the Agreement with Lakeshore Creative Service to include the broadcast and streaming of Worksession meetings for \$450 per meeting.

Motion by Commissioner Ramsey, second by Commissioner Johnson, to amend the Agreement with Lakeshore Creative Services to include the broadcast and streaming of Worksession meetings for \$450 per meeting.

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

Nays: None

MOTION PASSES

2020-76 PUBLIC HEARINGS:

A. Business Improvement District Public Hearing Economic Development

SUMMARY OF REQUEST: A public hearing has been scheduled to receive comment on a proposed Downtown Muskegon Business Improvement District special assessment roll for 2021-2023.

The Muskegon City Commission approved a three-year renewal of the downtown BID at its September 8, 2020 meeting, including the district and special assessment rate. The special assessment roll includes 103 parcels and annually would generate \$114,818.66 for the BID. At the September 8, 2020 meeting, there were four property owners with 12 parcels objecting to the BID that represented 5.8 percent of the total assessment and 11.6 percent of the total parcels. The three-year BID budget would focus downtown work on seasonal landscaping, winter sidewalk snow removal and administration. The City Commission created a Board of Assessors that includes Commissioners Ken Johnson and Michael Ramsey, who along with the city assessor will certify the special assessment roll. After hearing public comment, the attached resolution would confirm the BID's special assessment roll for three years.

STAFF RECOMMENDATION: To close the public hearing and approve the resolution to confirm the Downtown Muskegon Business Improvement District special assessment roll for the winter tax bills of 2020, 2021 and 2022 and have the Mayor and Clerk sign.

PUBLIC HEARING COMMENCED: No comments were received.

Motion by Commissioner Rinsema-Sybenga, second by Vice Mayor Hood, to close the public hearing and approve the resolution to confirm the Downtown Muskegon Business Improvement District special assessment roll for the winter tax bills of 2020, 2021, and 2022 and have the Mayor and Clerk sign.

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

Nays: None

MOTION PASSES

B. IFT Transfer at 2420 Remembrance Drive Planning

SUMMARY OF REQUEST: Pursuant to Public Act 198 of 1974, as amended, James Street Capital Holding of America No 4 Inc, 2420 Remembrance Drive has requested the transfer of the Industrial Facilities Tax Exemption Certificate (IFT) from KLO Acquisition, LLC.

The original IFT (#2018-170) was granted to KLO Acquisition and will expire on 12/31/2029.

STAFF RECOMMENDATION: To approve the transfer of IFT#2018-170 to James Street Capital Holdings of America No 4 Inc.

PUBLIC HEARING COMMENCED:

Michael Baun, 2575 Simonelli – addressed the Commission.

Motion by Commissioner Johnson, second by Commissioner Hood, to close the public hearing and approve the transfer of IFT #2018-170 to James Street Capital Holdings of America No 4 Inc.

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

Nays: None

MOTION PASSES

PUBLIC COMMENT ON NON-AGENDA ITEMS: Public comments were received.

ADJOURNMENT: The City Commission meeting adjourned at 6:40 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC – City Clerk

WATCH MUSKEGON

Agenda Item Review Form Muskegon City Commission

Commission Meeting Date: October 27, 2020	Title: Marina T-Dock Removal
Submitted By: Doug Sayles/Leo Evans	Department: DPW/Marina
Brief Summary: Approval of the Contract with T.R. Ghezzi, LLC, to remove and dispose of the center floating dock, (T-Dock) at Hartshorn Marina.	
Detailed Summary: To approve the submitted, lowest bid contract, by T.R.Ghezzi, LLC, to remove and dispose of the existing center floating dock (T-Dock). The dock is currently beyond repair due to the age and current condition of the dock. Staff is recommending removal of the dock to prevent further damage and liability.	
Amount Requested: \$58,612.00	Amount Budgeted:
Fund(s) or Account(s): 594-70756	Fund(s) or Account(s):
Recommended Motion: To approve Contract with T.R. Ghezzi, LLC.	
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:	



September 20, 2020

Mr. Doug Sayles / City of Muskegon / Hartshorn Marina
920 West Western Avenue
Muskegon, MI 49441

This proposal is for the removal and disposal of the entire "T" dock and ramp. This proposal is based upon access to the project from land and water.

Project Site:

T. R. Ghezzi, LLC (T.G. Ghezzi) has reviewed the site, and submits the following proposal.

Scope of Work:

- Disconnect utilities.
- Removal and disposal of existing floating docks and ramp located in the center of the basin.
- City of Muskegon to retain two of the existing electrical pedestals and one fiberglass dock box located on the dock.
- T.R. Ghezzi to have salvage rights for all other components including remaining pedestals, piping, wiring, and dock brackets.
- All non-recyclable materials to be disposed of at Muskegon County Solid Waste facility.

Project Cost:

The cost for this proposal is \$58,612.00

\$8,491.00 will be credited for down payment of previous canceled contract.

Payment:

55% of balance is due 14 days prior to start of work.

45% of balance payment is due upon completion.

Work Schedule:

Weather Permitting

Access to Project Site:

The project cost is based on available access to the project site via land and water. If for any reason the project site is not accessible the project cost is subject to renegotiation.

Contingencies:

This agreement is contingent upon weather delay, accessibility, acts of god, of any other incident beyond the control of T.R. Ghezzi, LLC. Changes to this agreement shall be in writing only. A monthly service charge of 2% shall be applied to all past due accounts.

If you have any questions or concerns, please give me a call at (231) 206-9560.

Thank you.

T.R. Ghezzi, LLC

Travis Ghezzi, Owner
2055 Lakeshore Drive
Muskegon, MI 49441

Doug Sayles / City of Muskegon
920 West Western Avenue
Muskegon, MI 49441

From: [Joseph Bailey](#)
To: [Doug Sayles](#)
Cc: [Mike Vink](#)
Subject: Hartshorn marina Center Float dock section Removal
Date: Tuesday, October 20, 2020 2:22:46 PM

Doug;

Thank you for the opportunity to bid this project.

Here is the scope of work as we understand it;

Remove 20-3'x30' finger Piers

Remove 17-8' main Pier various length totaling 537'

Remove 24 wooden dock boxes

Remove 24 Pedestals

Remove 1 8'x24' Ramp

TOTAL LUMP SUM BID PRICE = \$123,040.00

Thank You,

Joseph G. Bailey

Great Lakes Dock and Materials, L.L.C.

1800 Lakeshore Drive

Muskegon, MI 49441

(231) 755-2225 office

(231) 220-9511 direct

(231) 755-2227 fax

(231) 206-1379 cell

jbailey@greatlakesdock.com

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DO NOT CLICK links if the sender is unknown.

NEVER provide your User ID or Password.

WATCH MUSKEGON

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: 10/27/2020	Title: Lakeside BID Special Assessment Public Hearing and Resolution
Submitted By: Jake Eckholm	Department: Economic Development
Brief Summary: The Lakeside BID Board has voted to petition the City Commission to establish a Special Assessment District inclusive of all commercial parcels in the BID in order to raise funds for public maintenance and improvements. Tonight a duly posted and noticed public hearing will take place to hear comment on the Special Assessment District	
Detailed Summary: The Lakeside Business Improvement District Board has recommended a special assessment amount to fund BID improvements in the Lakeside Corridor for a period of 3 years, with potential to renew the assessment at the end of the term depending on the amount of TIF capture by their desired Corridor Improvement Authority. The attachments to this cover sheet reflect the costs per square foot of every address in the bid, as well as a map outlining the BID district approved by the Commission last year. Also attached is the resolution creating the special assessment district as a tax authority entity. An additional public hearing will be called to establish the assessment and add it to the tax rolls on November 24 th , 2020 at the Regular City Commission meeting. The total anticipated capture of this assessment is \$24,011.03, which will be used by the BID Board to provide for winter maintenance of sidewalks, plowing, landscaping maintenance, and marketing materials for the district.	
Amount Requested: \$0	Amount Budgeted: N/A
Fund(s) or Account(s): N/A	Fund(s) or Account(s): N/A
Recommended Motion: To approve Resolution of Establishment of the Lakeside BID Special Assessment District as presented.	
For City Clerk Use Only: Commission Action:	

LAKESIDE BUSINESS IMPROVEMENT DISTRICT
REGULAR BOARD MEETING
SEPTEMBER 16TH, 2020
MINUTES

Board Members Present: R. Ghezzi, M. Floermon, K. Bearnsly, A. Serio, R. Jenkins, F. Peterson

Board Members Absent: M. Kordecki, T. Wasserman, B. Evans

Others Present: S. Carpenter, L. Hopson, M. Aney, J. Eckholm

Meeting called to order at 8:38am by Chair Peterson

Discussion on Agenda Item 1, "Updated BID Assessment Numbers"

Discussion on Agenda Item 2, "Final BID Assessment Recommendation"

Motion by Floermon, Second by Jenkins to petition the City Commission of the City of Muskegon to establish a Special Assessment District for a period of three years as presented.

Ayes: Floermon, Peterson, Bearnsly, Serio, Jenkins

Nays: Ghezzi

Absent: Kordecki, Wasserman, Evans

MOTION PASSES

Discussion on Agenda Item 3 "Repairs and Improvements to Lakeshore Drive"

Motion by Floermon, Second by Bearnsly to adjourn.

Meeting adjourned by Chair Peterson at 9:42am.

Lakeside Business Improvement District Proposed Program Budget and Detail

INTRODUCTION

The Lakeside BID Board has recommended a special assessment rate and district boundary to the City Commission of the City of Muskegon. In the event that this district is created and revenues are subsequently generated through a special assessment tax, the following is a summary of programming that will be funded and implemented by the BID.

PROGRAMS

Sidewalk Snow Removal

Estimated Annual Cost: \$12,000

The Bid Board plans to conduct a competitive bid process and retain a contractor for a 3-year contract to conduct snow removal on the sidewalk system on Lakeshore Drive. This will include plowing and salting as needed.

Landscaping

Estimated Annual Cost: \$4,500

Working with the City of Muskegon Department Public Works, the BID Board desires to maintain and expand on the new flower beds and landscaping that has been installed in the corridor. The current plans call for a private contractor that would be competitively bid for a 3-year contract.

Promotions/Marketing/Decorations

Estimated Annual Cost: \$4,000

Similar to downtown Muskegon, the BID Board seeks to install seasonal decorations such as holiday lighting, specialized seasonal floral installations, and banner poles. There is also a working strategy to actively market the businesses and attractions in the district in regional markets.

Administration

Estimated Annual Costs: \$3,750

The Director of Economic Development is the city staff member assigned to advise, assist, and prepare documents for the Lakeside BID. This is an estimate of value of annual hours worked that the BID will pay to the City for administrative services.

Contingency \$683

Total \$24,933.00

Proposed DRAFT

Business/Owner	Address	Parcel #	Acreage (sq. ft)	Assessment
Wasserman's Flowers and Gifts	1595	61-24-205-529-0004-00	8402.724	\$ 420.14
T4 Group	1700	61-24-205-609-0002-00	32500.116	\$ 1,625.01
Garrett Law Offices	1732	61-24-205-609-0007-00	9239.076	\$ 461.95
RCP Marketing	1756/1786	61-24-205-609-0010-00/61-24-205-609-0013-00	29233.116	\$ 1,461.66
Richard A Ghezzi Estate	1812	61-24-205-596-0001-00	18251.64	\$ 912.58
Frontier	1831	61-24-205-624-0001-00	12867.624	\$ 321.69
Pastoor James R JR Trust	1836	61-24-205-596-0002-00	8089.092	\$ 404.45
VF Ventures LLC	1845	61-24-205-624-0003-00	22111.056	\$ 1,105.55
Patricia Roy, DO	1864	61-24-205-596-0002-10	12780.504	\$ 639.03
Paul R Korndorfer	1883	61-24-205-625-0001-00	8311.248	\$ 415.56
Paul R Korndorfer	1891	61-24-205-625-0002-00	7853.868	\$ 392.69
SHM Great Lakes	1920	61-24-205-596-0008-00	1213002.252	\$ 2,000.00
The Only Cannoli/ Lake Effect Sport/	1927	61-24-205-627-0001-00	10227.888	\$ 511.39
Lakeside Emporium	1930	61-24-205-596-0004-00	15555.276	\$ 777.76
Richard P Ghezzi	1937	61-24-205-627-0002-00	9265.212	\$ 463.26
Lauren Taylor Eyeware	1945	61-24-205-627-0003-00	5275.116	\$ 263.76
1950 Lakeshore Drve LLC	1950	61-24-205-596-0004-20	12026.916	\$ 601.35
Level 6	1953	61-24-205-627-0004-00	8280.756	\$ 414.04
Lakeside Landing/ Lakeshore Tavern/The Table	1965	61-24-205-627-0005-00	8502.912	\$ 425.15
Marine Tap Room	1983	61-24-205-635-0001-00	8154.432	\$ 407.72
BTBG Investments LLC	1991	61-24-205-635-0002-00	46121.328	\$ 2,000.00
Zaloma's Pizza/Anchor Property Management	2009	61-24-205-635-0006-00	6037.416	\$ 301.87
Ghezzi's Market	2017	61-24-205-635-0007-00	8076.024	\$ 403.80
Gawkowski Properties Lakeshore LLC	2020	61-24-205-596-0007-00	5654.088	\$ 282.70
Apple Knits and Purls	2033	61-24-205-636-0001-00	7531.524	\$ 376.58
Complete Automotive Servies	2034	61-24-205-597-0001-00	9487.368	\$ 237.18
Auto Body Clinic	2054	61-24-205-597-0004-00	7614.288	\$ 190.36
Cannon Service Center/ Shoreline Service Bait	2080	61-24-205-597-0005-00	15071.76	\$ 376.79
Lakeshore Federal Credit Union	2182	61-24-205-597-0017-00	32569.812	\$ 1,628.49
Daniel C. Swarwar D.D.S P.C	2187	61-24-205-641-0005-00	10807.236	\$ 540.36
Lakeshore Environmental Inc.	2341	61-24-205-664-0011-00	7923.564	\$ 396.18
Lotta Lakeshore	2445	61-24-205-677-0005-00	9474.3	\$ 473.72
Waters Edge Fitness	2465	61-24-205-678-0001-02	16552.8	\$ 827.64
Frosty Cove	2565	61-24-205-693-0001-01	39012.336	\$ 1,950.62
		TOTAL	1681864.668	\$ 24,011.03

		Lakeside BID assessment rates
Total # of Parcels	84	
Commercial	32	5 cents a square foot/capped at \$2,000
Automotive and Utility	4	2.5 cents a square foot/capped at \$1,000
Nonprofit	2	no assessment
Governmental	8	no assessment
Residential	38	no assessment

Proposed Lakeside BID budget

Snow removal	\$12,000
Landscaping	\$4,500
Promotions/marketing	\$4,000
Administration	\$3,750
Contingency	\$683
Total	\$24,933.00

**RESOLUTION APPROVING LAKESIDE
BUSINESS IMPROVEMENT DISTRICT**

2021-2023

City of Muskegon

County of Muskegon, Michigan

Resolution At First Hearing Creating Special Assessment District For The Lakeside Business Improvement District (BID) Location and Description of Properties to be assessed:

See Exhibit A attached to this resolution

RECITALS:

1. By resolution of the City Commission, a hearing has been held on October 27th, 2020, at 5:30 p.m. at the City Commission Chambers. Notice was given by mail and publication as required by law.
2. That estimates of costs of the project, a feasibility report and valuation and benefit information are on file with the City and have been reviewed for this hearing.
3. At the hearing held on October 27th, there were _____1_____ objections by the owners of the property in the city registered at the hearing either in writing received before or at the hearing or by owners or agents present at the hearing, and the Commission has considered the advisability of proceeding with the project.

FINDINGS:

1. The City Commission has examined the estimates of cost, including all assessable expenses, and determines them to be reasonable.
2. The City Commission has considered the value of the property to be assessed and the value of the benefit to be received by each property to be assessed in the district for downtown improvements and services. The City Commission determines that the assessments of costs of the City project will enhance the value of the property to be assessed in an amount at least equivalent to the assessment and that the improvement thereby constitutes a benefit and remove a burden from the property associated with the services and improvements to the property.

THEREFORE, BE IT RESOLVED:

1. The City Commission hereby declares a special assessment district to include all of the property included in Exhibit A.
2. The City Commission determines to proceed with the special assessment.
3. The City Commission hereby appoints a Board of Assessors consisting of City Commissioners _____ and _____ and the city Assessor who are hereby directed to prepare an assessment roll. Assessments shall be made upon a benefit basis.
4. It is hereby determined that, based on the estimates of cost for services and improvements downtown, the City will levy a special assessment in the said district on "Class A" Properties, as defined in the BID Bylaws, for an annual assessment of \$0.05/sf with no assessment to exceed \$2,000 and "Class B" Properties, as defined in the BID Bylaws, for an annual assessment of \$0.025/sf with no assessment to exceed \$1,000 commencing with the Winter 2020 tax bill.
5. Upon Submission of the special assessment roll, the City staff is hereby directed to notify all owners and persons interested in properties to be assessed of the hearing at which the City Commission will consider confirmation of the special assessment roll.

This resolution adopted.

Ayes _____

Nays _____

CITY OF MUSKEGON

By _____
Ann Marie Meisch, City Clerk

By _____
Stephen J. Gawron, Mayor

CERTIFICATION

This resolution was adopted at a meeting of the City Commission, held on October 27th, 2020. The meeting was properly held and noticed pursuant to the Open Meetings Act of the State of Michigan, Act 267 of the Public acts of 1976, as amended and modified by the governor's COVID-19 executive order and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

CITY OF MUSKEGON

By _____

Ann Marie Meisch, City Clerk

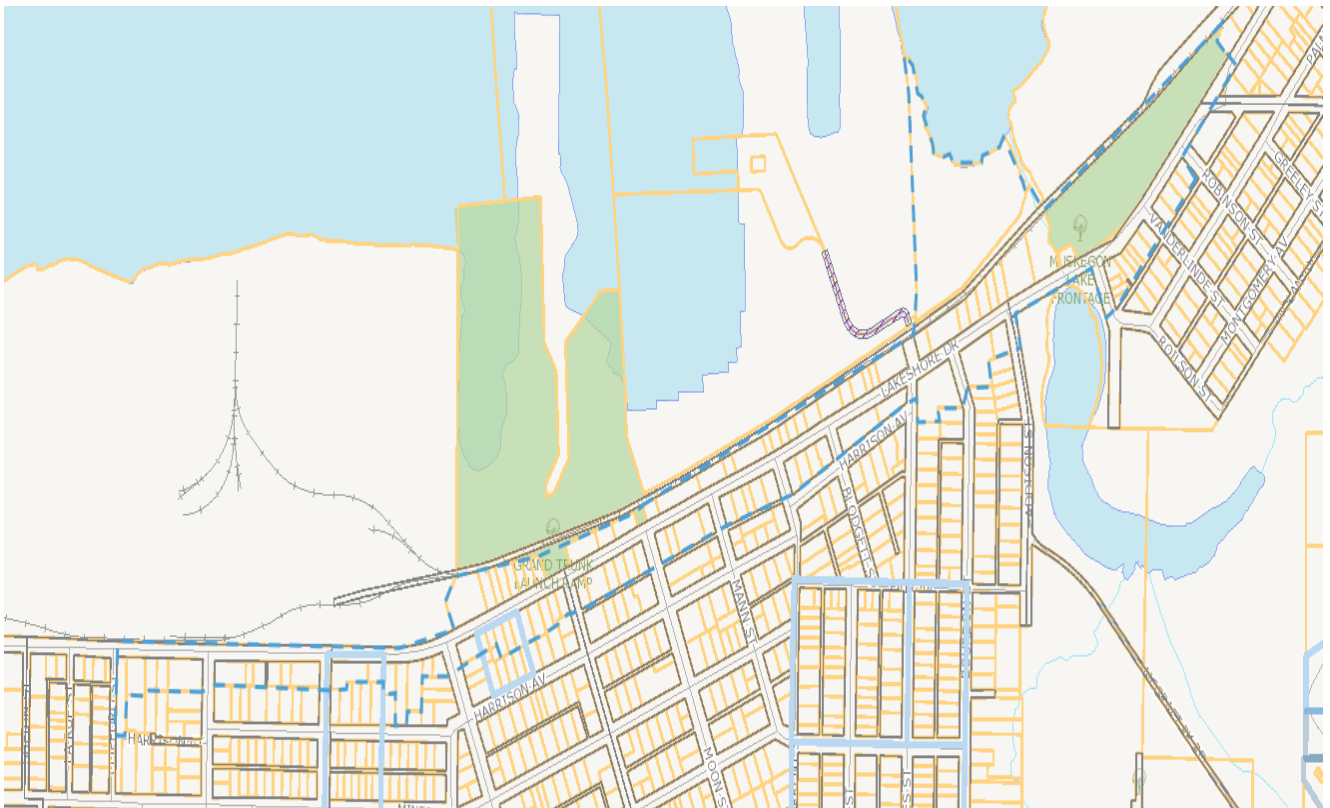
RESOLUTION APPROVING DOWNTOWN MUSKEGON

BUSINESS IMPROVEMENT DISTRICT

2021-2023

Exhibit A

All assessable parcels abutting or accessed by Lakeshore Drive from Clifford Street eastward to Robinson Street.



Business/Owner	Address	Parcel #	Acreage (sq. ft)	Assessment
Wasserman's Flowers and Gifts	1595	61-24-205-529-0004-00	8402.724	\$ 420.14
T4 Group	1700	61-24-205-609-0002-00	32500.116	\$ 1,625.01
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Level 6	1953	61-24-205-627-0004-00	8280.756	\$ 414.04
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Frosty Cove	2565	61-24-205-693-0001-01	39012.336	\$ 1,950.62
		TOTAL	1681864.668	\$ 24,011.03

WATCH MUSKEGON

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: 10/27/2020	Title: Lakeside Corridor Improvement Authority Pre-Ratification Public Hearing
Submitted By: Jake Eckholm	Department: Economic Development
Brief Summary: The Lakeside BID Board has petitioned the City to allow for the creation of a Corridor Improvement Authority and corresponding Tax Increment Financing Plan. A public hearing to take comments concerning the creation of the Authority and its boundaries must take place, and has been duly posted, published, and noticed.	
Detailed Summary: The Lakeside Business Improvement District Board has requested a Corridor Improvement Authority to generate TIF revenues and eventually phase out their Business Improvement District special assessment. This public hearing is required by state statute so that the Commission may take comments on the boundaries and establishment of the Authority. The public within the proposed boundaries and the impacted tax authorities were mailed notice of this hearing, and it was publicly posted in conspicuous locations within the proposed boundary. The notice was also published twice in a newspaper of record, pursuant to state law. Not less than 60 days following this hearing, the City Commission may adopt an ordinance formally establishing the Authority, and may then appoint a board after due filing of that ordinance with the Michigan Department of Treasury.	
Amount Requested: \$0	Amount Budgeted: N/A
Fund(s) or Account(s): N/A	Fund(s) or Account(s): N/A
Recommended Motion: N/A	
For City Clerk Use Only: Commission Action:	

Economic Development Tools—Corridor Improvement Authority

Introduction

A Corridor Improvement Authority (CIA) allows the use of tax increment financing to make capital improvements within an established commercial district. It allows communities that already have Downtown Development Authorities to extend similar benefits to aging commercial corridors outside the DDA district or that extend through more than one municipality.

Authorizing Legislation

PA 57 of 2018, MCL 125.4602-4629, authorizes a city, village, or township to create one or more Corridor Improvement Authorities.

What Is the Purpose of the Act?

The Act is a tax increment financing (TIF) tool to promote economic development. A CIA is designed to assist economic development and redevelopment in established commercial districts. It allows communities to combine tax dollars from a variety of sources to leverage economic development dollars.

How Can this Act Be Used?

Specifically, this Act allows TIF to be used for commercial and economic growth in commercial districts in cities, villages, and townships. Local units can use taxes arising from increased property values through TIF to pay for improvements to commercial areas along arterial or collector streets and roads. Corridor improvements may include improvements to the land, as well as constructing, rehabilitating, preserving, equipping, or maintaining buildings within the development district for public or private use. These improvements may be financed initially through bonding, which may be repaid from the enhanced property tax revenue stream, special assessments, and fees.

This section of the Act provides for transit-oriented development and transit-oriented facilities in CIAs and other economic development tools. “Transit-oriented development” means infrastructure improvements that are located within one-half mile of a transit station or transit-oriented facility that promotes transit ridership or passenger rail use. “Transit-oriented facility” means a facility that houses a transit station in a manner that promotes transit ridership or passenger rail use. In addition, municipalities can now set up transit TIF districts using this Act. These new TIF districts do not allow for other governmental units to opt-out of tax capture (counties, libraries, community colleges, etc.).

How Is this Act Different?

This Act is designed to rehabilitate, renovate, and prevent the deterioration of established commercial business districts not eligible under the DDA Act. The district must be adjacent to a road classified as an arterial or collector road by the Federal Highway Administration, contain at least 10 contiguous parcels or five contiguous acres with more than 1/2 of the existing ground floor square footage classified as commercial property under the General Property Tax Act. In addition, residential commercial or industrial use must have been allowed under the zoning ordinance for the immediately preceding 30 years, the area must be presently served by municipal water and sewer, and the area must be zoned for mixed-use including high density residential. In addition, a municipality may have more than one CIA, and a CIA may be intergovernmental.

What Are the Financing Options?

- Tax increment revenues
- Sale of bonds
- Special assessments

Establishing a Corridor Improvement Authority

Note: The following steps are offered as general guidelines only. A municipality should consult with an attorney prior to initiating the process of creating a CIA.

1. Adopt a resolution declaring intent.
2. Publish (20-40 days before the hearing), post (20 days before the hearing in 20 places) and mail (to the governing body of each taxing jurisdiction 20 days before the hearing) notice of public hearing.
3. Hold public hearing on the establishment of the authority and on the boundaries of the district.
4. Adopt an ordinance not less than 60 days following the public hearing establishing the authority and designating the boundaries of the proposed development area.
5. File and publish the ordinance.
6. Appoint the board.

Reporting Requirements

See p 4-6 (attached to this Fact Sheet) for 2019 reporting and public informational meeting requirements.

Provisions of the Corridor Improvement Authority Act

- Authorizes a city, village or township to create one or more Corridor Improvement Authorities by ordinance after providing notice and holding a public hearing. The local unit shall also designate the development area boundaries by the ordinance.
- Provides for the supervision and control of an authority by a board that includes the city, village or township chief executive officer and five to nine additional members. At least one member of the board shall be a resident of the district or of an area within 1/2 mile of the district and a majority of the board shall have a ownership or business interest in the development area.
- Allows a board to hire a director to serve as chief executive officer of the authority, subject to the approval of the city, village or township governing body and other personnel as it feels necessary.
- Allows an authority to prepare and submit to the city, village or township governing body a tax increment financing plan, which must include a development plan for the authority's development area. TIF plans and development plans are subject to public hearings and affected local taxing jurisdictions must be notified. Except for certain qualified development areas, the governing body of another taxing jurisdiction may, by resolution, exempt its taxes from capture during the plan adoption process. Further, taxes levied for public library purposes, which are approved by voters after December 31, 2016 are exempt from capture unless a library board or commission allows all or a portion of its taxes to be included as tax increment revenues under the terms of a written agreement with an authority.
- Provides for the financing of authority activities, including borrowing money and issuing bonds. With local unit approval, the authority could issue negotiable revenue bonds under the Revenue Bond Act, which are not a debt of the local unit unless the governing body pledges the full faith and credit to support the authority's revenue bonds.
- Allows an authority to authorize, issue, and sell tax increment bonds, or the local unit to authorize, issue, and sell its limited tax general obligation bonds, each to finance a TIF plan's development program.
- Requires a city, village, or township to dissolve an authority after it has completed its purpose, and provides that the authority's property and assets remaining after the satisfaction of its obligations would belong to the local unit.
- Allows the governing body, at the request of the CIA board, from time to time to amend either the development or TIF plans. It may also amend the boundaries of the CIA district. However, caution should be taken amending either the plan or the boundaries as the other taxing units (county, schools, etc.) may opt out.

Corridor Improvement Authority Board Powers:

- Prepare an analysis of economic changes taking place in the development area.
- Study and analyze the impact of metropolitan growth upon the development area.
- Plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility, an existing building, or a multiple-family dwelling unit which may be necessary or appropriate to the execution of a plan which, in the opinion of the board, aids in the economic growth of the development area.
- Plan, propose, and implement an improvement to a public facility within the development area to comply with the barrier free design requirements of the state construction code (1972 PA 230, MCL 125.150).
- Develop long-range plans, in cooperation with the agency that is chiefly responsible for planning in the municipality, designed to halt the deterioration of property values in the development area and to promote the economic growth of the development area, and take steps as may be necessary to persuade property owners to implement the plans to the fullest extent possible.
- Implement any plan of development in the development area necessary to achieve the purposes of this Act in accordance with the powers of the authority granted by this Act.
- Make and enter into contracts necessary or incidental to the exercise of its powers and the performance of its duties.
- On terms and conditions and in a manner and for consideration the authority considers proper or for no consideration, acquire by purchase or otherwise, or own, convey, or otherwise dispose of, or lease as lessor or lessee, land and other property, real or personal, or rights or interests in the property, that the authority determines is reasonably necessary to achieve the purposes of this act, and to grant or acquire licenses, easements, and options.
- Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building, including multiple-family dwellings, and any necessary or desirable appurtenances to those buildings, within the development area for the use, in whole or in part, of any public or private person or corporation, or a combination thereof.
- Fix, charge, and collect fees, rents, and charges for the use of any facility, building, or property under its control or any part of the facility, building, or property, and pledge the fees, rents, and charges for the payment of revenue bonds issued by the authority.
- Lease, in whole or in part, any facility, building, or property under its control.
- Accept grants and donations of property, labor, or other things of value from a public or private source.
- Acquire and construct public facilities.
- Conduct market research and public relations campaigns, develop, coordinate, and conduct retail and institutional promotions, and sponsor special events and related activities.
- Contract for broadband service and wireless technology service in a development area.

This publication was written by the law firm of Miller Canfield.

New DDA/TIF Reporting and Public Informational Meeting Requirements Pursuant to the Recodified Tax Increment Financing Act 2018 PA 57 (Effective January 1, 2019)

Introduction: The Recodified Tax Increment Financing Act, 2018 PA 57 (the “Act”), was signed into law on March 15, 2018 and took effect on January 1, 2019. The Act consolidates the legislative authority to create and operate tax increment authorities (other than brownfield redevelopment authorities) into a single statute.

The Act imposes new, uniform reporting requirements on most authorities¹ and their related municipalities, new public informational meeting requirements, authorizes the Department of Treasury to enforce the Act, and prohibits authorities in breach of these reporting requirements from capturing tax increment revenues in excess of the amounts necessary to pay bonded indebtedness and other obligations of the authority for the period of noncompliance.

The new reporting and public informational meeting requirements are set forth below:

What: **Send a Copy of Current TIF Plan to Treasury**
When: No later than April 1, 2019
Why: MCL 125.4912
How: Authority must send a copy or an electronic mail link of its currently adopted development plan or its currently adopted tax increment finance plan, if separate from the development plan, to the Department of Treasury.

What: **Hold Two Informational Meetings Annually**
When: Biannually beginning January 1, 2019
Why: MCL 125.4910(4)
How: The board of an authority shall hold at least 2 informational meetings (which may be held in conjunction with other public meetings of the authority or municipality). Notice must be published on the municipality's or authority's website not less than 14 days before the date of the informational meeting. Notice must also be mailed not less than 14 days before the informational meeting by the authority to the governing body of each taxing jurisdiction levying taxes that are subject to capture. As an alternative to mailing notice, the authority may notify the clerk of the governing body of each taxing jurisdiction by electronic mail.

¹ These requirements apply to Downtown Development Authorities, Tax Increment Finance Authorities, Local Development Finance Authorities, Corridor Improvement Authorities, Water Resource Improvement Authorities, Neighborhood Improvement Authorities, and municipalities incorporating any one of these authorities.

- What:** **Post TIF Information on Municipal Website**
- When:** 180 days after end of authority's current Fiscal year as of Jan. 1, 2019
- Why:** MCL 125.4910(1)
- How:** The municipality must create a website or utilize the municipality's existing website with access to authority records and documents, including all of the following:
- (a) Minutes of all board meetings.
 - (b) Annual budget, including encumbered and unencumbered fund balances.
 - (c) Annual audits.
 - (d) Currently adopted development plan, if not included in a tax increment financing plan.
 - (e) Currently adopted tax increment finance plan, if currently capturing tax increment revenues.
 - (f) Current authority staff contact information.
 - (g) A listing of current contracts with a description of those contracts and other documents related to management of the authority and services provided to the authority.
 - (h) An updated annual synopsis of activities of the authority. An updated synopsis of the activities of the authority includes all of the following, if any:
 - (i) For any tax increment revenues described in the annual audit that are not expended within 5 years of their receipt, a description that provides the following:
 - (A) The reasons for accumulating those funds and the uses for which those funds will be expended.
 - (B) A time frame when the fund will be expended.
 - (C) If any funds have not been expended within 10 years of their receipt, both of the following:
 - (I) The amount of those funds.
 - (II) A written explanation of why those funds have not been expended.
 - (ii) List of authority accomplishments, including progress made on development plan and tax increment finance plan goals and objectives for the immediately preceding fiscal year.
 - (iii) List of authority projects and investments, including active and completed projects for the immediately preceding fiscal year.
 - (iv) List of authority events and promotional campaigns for the immediately preceding fiscal year.

- What:** **Send Annual Report to Treasury, Municipality and Taxing Units**
- When:** 180 days after the end of an authority's fiscal year
- Why:** MCL 125.4911(1)
- How:** An authority that is capturing tax increment revenues must submit a report, on a form to be provided by Department of Treasury, to the municipality, the governing body of each taxing unit levying taxes which are subject to capture by the authority, and the Department of Treasury. The report shall include all of the following:

- (a) The name of the authority.
- (b) The date the authority was formed, the date the tax increment financing plan is set to expire or terminate, and whether the tax increment financing plan expired during the immediately preceding fiscal year.
- (c) The date the authority began capturing tax increment revenues.
- (d) The current base year taxable value of the tax increment financing district.
- (e) The unencumbered fund balance for the immediately preceding fiscal year.
- (f) The encumbered fund balance for the immediately preceding fiscal year.
- (g) The amount and source of revenue in the account, including the amount of revenue from each taxing jurisdiction.
- (h) The amount in any bond reserve account.
- (i) The amount and purpose of expenditures from the account.
- (j) The amount of principal and interest on any outstanding bonded indebtedness.
- (k) The initial assessed value of the development area or authority district by property tax classification.
- (l) The captured assessed value retained by the authority by property tax classification.
- (m) The tax increment revenues received for the immediately preceding fiscal year.
- (n) Whether the authority amended its development plan or its tax increment financing plan within the immediately preceding fiscal year and if the authority amended either plan, a link to the current development plan or tax increment financing plan that was amended.
- (o) Any additional information the governing body of the municipality or the Department of Treasury considers necessary.

WATCH MUSKEGON

Agenda Item Review Form Muskegon City Commission

Commission Meeting Date:10/27/2020	Title: Coronavirus Aid, Relief, and Economic Security Act (CARES Act) - CDBG COVID19 Funding Budget
Submitted By: Oneata Bailey	Department: CNS
Brief Summary: To approve the budget for CARES Act funding received by the City of Muskegon totaling \$794,564. The eligible activities for the money are: Child Care, Utilities, Businesses, Food Assistance, Parks, and Youth Programs.	
Please see attachments: CARES Act – CDBG COVID19 Budget	
Amount Requested:	Amount Budgeted: \$794,564
Fund(s) or Account(s): CARES Act COVID19 2020, Total Allocation	Fund(s) or Account(s):
Recommended Motion: To approve activities and budget for the CARES Act – CDBG COVID19.	
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:	

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CARES Act - CDBG COVID19 BUDGET

Total Allocation	\$	794,654.00
Child Care	\$	50,000.00
Utilities	\$	350,000.00
Businesses	\$	100,000.00
Food Assistance	\$	50,000.00
Parks	\$	50,000.00
Youth	\$	35,736.00
Admin	\$	158,918.00
TOTAL	\$	794,654.00