



City of Marquette, MI

300 West Baraga Ave
Marquette, Michigan 49855

**Meeting Minutes
City Commission**

SPECIAL MEETING MINUTES

Monday, February 14, 2022

Special Meeting

Call to Order, Pledge of Allegiance and Roll Call

Present: Ayes: Bonsall, Davis, Hanley, Hill, Mayer, Smith, Stonehouse

Approval of the Agenda

Commissioner Fred Stonehouse moved to Approve the agenda, as presented, seconded by Commissioner Sally Davis and Carried Unanimously.

Announcements

Mayor Smith had no announcements.

Public Comments - Comments may not exceed three minutes per person. Please state your name and physical address when making public comments.

Margaret Brumm suggested that any development on the hospital site include some sort of recognition to honor the former St. Luke's School of Nursing.

1. Consent Agenda

Commissioner Evan Bonsall moved to Approve the Consent Agenda, seconded by Mayor Pro Tem Cody Mayer and Carried Unanimously.

1.a. Approve the minutes of the January 31, 2022 regular Commission meeting

1.b. Approve the minutes of the January 31, 2022 Commission work session

Presentation(s)

2. Northern Michigan University Foundation - Update regarding due diligence findings and opportunities for redevelopment at the former UP Health System - Marquette Hospital Site

Brad Canale, the CEO of the Northern Michigan University Foundation; and Dave Nyberg, the Foundation's Executive Director of Business Engagement and Economic Development, provided an overview of the proposed scope of work on the existing hospital site.

They said the plan includes \$166 million investment over several years and should be a diverse project serving the interests of the community. One main goal would be to present smooth transitions between this site, the university campus and other surrounding neighborhoods.

The critical barrier to any project is the demolition of existing structures, which has been estimate to cost \$15 million. The Foundation representatives said they are hoping to start a conversation about how to partner with the state and the City to make the project happen.

Assistant City Manager Sean Hobbins talks through a quick estimate of TIF payback on this project, as well as a detail of eligible activities.

Mayor Smith said the future of the former hospital property is one of the most critical decisions that the CC has faced since she's been a member and that it is imperative that site doesn't become a blighted property. It is critical for the City, the residents and the university.

Discussion ensued about funding mechanisms, possible future uses of the property and how to best ensure the interests of both sides are protected. NMU Foundation representatives said some of the points, including definitions of possible housing cost, will be best answered once a developer is on-board. This should follow a Foundation-led RFQ process which will begin in the coming weeks.

Commissioners spoke of the importance of integrating affordable housing and senior housing components into the project, discussed possible short-term revenue implications of moving ahead, thanked NMU and the Foundation for the leadership and said this has the chance to be a transformational project for the City.

Staff said the next steps would be to work toward some form of memorandum of understanding with the Foundation.

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Jane Harris said this project needs to be high-quality and sustainable, and discussed the definitions of affordability.

Tony Boyle shared concerns related to housing affordability and about finding an equilibrium between citizens and companies.

Priscilla Drury asked questions about the plans for retail in the project area and said 23 acres won't go very far.

Comments from the Commission

Commissioner Hill thanked those involved and asked that the project data be made available by the NMU Foundation. she talked about the importance of providing clean and healthy energy sources and she said she hopes to hear from the community throughout this process.

Commissioner Bonsall said he agrees with others that the Commission should have commitments related to affordable housing prior to moving forward.

Mayor Pro Tem Mayer echoed those sentiments.

Comments from the City Manager

City Manager Karen Kovacs said there will be opportunities to address the priorities mentioned tonight, and she believes all parties can find a way to make this work. She said this was a truly unique and exciting opportunity that could provide very real benefit for the community.

Adjournment

Mayor Smith adjourned the meeting at 5:54 p.m.

Jennifer A. Smith, Mayor

Kyle Whitney, City Clerk

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