



City of Marquette, MI

300 West Baraga Ave
Marquette, Michigan 49855

Meeting Agenda City Commission

Wednesday, June 15, 2022

5:15 PM

Commission Chambers

Special Meeting

Call to Order, Pledge of Allegiance and Roll Call

Approval of the Agenda

Announcements

Presentation(s)

1. City Owned Property Inventory

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

2. **Consent Agenda**

2.a. Approve the minutes of the June 13, 2022 regular Commission meeting

New Business

3. Resolution of Intent to Sell City Property, 600 W. Spring Street - Roll Call Vote
4. Resolution of Intent to Sell City Property, Heartwood Forestland - Roll Call Vote
5. Resolution of Intent to Sell City Property, Founders Landing - Roll Call Vote

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

Comments from the Commission

Comments from the City Manager

Adjournment

Kyle Whitney, City Clerk

If you require assistance to participate in any meeting, program or activity offered by the City of Marquette, please provide advanced notice to City of Marquette ADA Coordinator Eric Stemen at 906-225-8978 or via email at estemen@marquettemi.gov.

City of Marquette, MI

300 West Baraga Avenue
Marquette, MI 49855

Agenda Date: 6/15/2022

Consent Agenda

Approve the minutes of the June 13, 2022 regular Commission meeting

ALTERNATIVES:

As determined by the Commission.

ATTACHMENTS:

Description

- ▣ June 13 minutes



City of Marquette, MI

300 West Baraga Ave
Marquette, Michigan 49855

Meeting Minutes City Commission

Monday, June 13, 2022

6:00 PM

Commission Chambers

Call to Order, Pledge of Allegiance and Roll Call

Present: Bonsall, Davis, Hill, Smith, Stonehouse

Absent: Hanley, Mayer

Commissioner Sally Davis moved to excuse the absences of both Commissioner Hanley and Mayor Pro Tem Mayer from tonight's meeting, seconded by Commissioner Fred Stonehouse and Carried Unanimously.

Approval of the Agenda

Commissioner Evan Bonsall moved to Approve the Agenda as presented, seconded by Commissioner Sally Davis and Carried Unanimously.

Announcements

Mayor Smith had no announcements.

Boards and Committees

1. Reappointment

Jamie Weeder, Arts and Culture Advisory Committee, for a term ending 06-01-25

Commissioner Jenn Hill moved to Approve the reappointment of Jamie Weeder to the Arts and Culture Advisory Committee for a term ending June 1, 2025, seconded by Commissioner Fred Stonehouse and Carried Unanimously.

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 the City double the fines for littering if it is done from a vehicle and said residents should be able to provide evidence of littering. She said litter is worse than it ever has been.

John Taylor said he would like to see the City tighten the fireworks ordinance, and spoke about the need to address housing affordability during the planning process.

Presentation(s)

2. Life Saving Efforts, by Police Chief Ryan Grim

Police Chief Ryan Grim told the story of three local men who worked together to rescue a stranger from a burning car. The Chief then presented the three men - Ross Christensen, Chad Devonshire and Todd Barr - with a life-saving award.

3. Signs of Spring, Salamander Days Exhibit, by Tiina Morin

Arts and Culture Director Tiina Morin talked about the genesis of Salamander Days and about the importance of art to the community. Mayor Smith and staff then presented awards to some of the top artists from the recent City Hall art exhibit.

4. Fiscal Year 2021 Audit by Mike Grentz, Anderson Tackman & Co.

Mike Grentz, from Anderson Tackman, offered an overview of the City's Fiscal Year 2021 audit. He said the City's fund balance is still above the long-term benchmark/goal, but that it is getting tighter.

He provided a brief overview of the last few years of expenditures, and explained what the various categories of expenditures reflect.

He said the City is budgeting very well for what it has, and said it will be a challenge moving forward to maintain the same balance.

Public Hearing(s)

5. Public Hearing - Vacation of a Portion of Center Street - Roll Call Vote

Mayor Smith opened the Public Hearing.

John Taylor says this street vacation doesn't seem like a bad idea.

Margaret Brumm commented on the agenda materials and on the environmental history of both this property and the nearby properties.

With no one else hoping to speak, Mayor Smith closed the Public Hearing.

Commissioner Fred Stonehouse moved to Approve the street vacation request, and authorize the Mayor to sign the Resolution of Street Vacation, seconded by Commissioner Evan Bonsall and Carried Unanimously by Roll Call Vote.

6. Consent Agenda - Roll Call Vote

Commissioner Sally Davis moved to Approve the consent Agenda as presented, seconded by Commissioner Fred Stonehouse and Carried Unanimously by Roll Call Vote.

6.a. Approve the minutes of the May 31, 2022 regular Commission meeting

6.b. Approve the total bills payable in the amount of \$763,864.60

6.c. 2022 Fireworks Display Permit

6.d. Annual Wetland Mitigation Monitoring and Maintenance Services

6.e. Community Services Fee Schedule Addition

6.f. Consolidation Quitclaim Deed for Municipal Service Center

6.g. Contract for Cleaning and Turnover Services

6.h. Resolution of Additions to the Capital Improvement Plan for Years 2027-2029 -
Roll Call Vote

6.i. Vango's, Inc. - Concession Lease Agreement

New Business

7. Appointment of City Assessor

Commissioner Evan Bonsall moved to Confirm the City Manager's appointment of Dulcee Ranta as City Assessor effective May 23, 2022, seconded by Commissioner Sally Davis and Carried Unanimously.

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

Margaret Brumm discussed the history of the recently rezoned properties near the intersection of McClellan Avenue and Wright Street and discussed the commissioner's votes and statements.

John Taylor talked about the impacts of development, and the need for municipal tax base.

Comments from the Commission

Commissioner Hill said she had a couple of questions related to the budget, and that she would follow up with City Manager Karen Kovacs. She thanked the men recognized in the life-saving award presentation earlier tonight and said she wants to gain a comprehensive view of housing and development.

Commissioner Stonehouse said this was a great session, with a detailed audit discussion. He talked about the recent visit from a Great Lakes cruise ship, as well as the art presentation. He also praised the men recognized with tonight's life-saving award.

Commissioner Bonsall spoke about housing, developable property and workforce housing, and he said there is an upcoming special meeting about surplus land. He said that anyone concerned with housing issues in the City should come to that meeting on Wednesday and mentioned that there will likely be another special meeting next week, on budget topics.

Commissioner Davis asked the City Manager to explain where people can find the budget documents.

Mayor Smith thanked Chief Grim for the award presentation tonight. She said she attended Pride Fest last weekend and was very happy to see that event in Lower Harbor.

Comments from the City Manager

Karen Kovacs said the audit shows that the City ended in a small positive, but that the future is something that needs to truly be focused on and addressed. She said

Wednesday's special meeting will begin at 5:15 p.m. and will be broadcast. Next week, there will be a second special meeting, at 5:15 p.m. on Tuesday, June 21, which will also be broadcast.

Adjournment

Mayor Smith adjourned the meeting at 7:21 p.m.

Jennifer A. Smith, Mayor

Kyle Whitney, City Clerk

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City of Marquette, MI

300 West Baraga Avenue
Marquette, MI 49855

Agenda Date: 6/15/2022

New Business

Resolution of Intent to Sell City Property, 600 W. Spring Street - Roll Call Vote

BACKGROUND:

The City Manager received a proposal from the Steve Mariucci Beacon House to acquire surplus City property located directly adjacent to the new Beacon House at 600 W. Spring Street.

The Beacon House has independently obtained an appraisal for the 0.84 acre parcel adjacent to their new facility and has made an offer for the full appraised value of the property, \$128,000. At this time, representatives of the Beacon House have not stated an exact intended use for the parcel but have identified it as a key element of future planning for their facility.

This property was previously held in abeyance for development of a consolidated Fire Hall by action of a previous City Commission. Recently, the Fire Chief has advised that this property no longer meets their size requirements and he has begun actively seeking alternate property. This property was also suggested to Renovare Development after their offer to purchase the McClellan property was denied, however, it did not meet the size needs to support the large financial portfolio they were pursuing.

The future land use map in the Community Master Plan has identified the property as "Civic" due to the previous action to hold for a fire station. As such, it is currently zoned municipal, however, from a planning perspective it is a good location for a higher density workforce housing opportunity if the economics of development were satisfiable for a property developer.

FISCAL EFFECT:

None by this action. The City would receive revenue if a sale is negotiated and approved.

RECOMMENDATION:

Adopt the Resolution of Intent to Sell, and authorize the City Manager to negotiate terms for the potential sale of the property.

ALTERNATIVES:

- A. Deny the purchase request from the Steve Mariucci Beacon House.
- B. Deny the purchase request from Steve Mariucci Beacon House and direct City staff to prepare a request for proposals for development of the property.

ATTACHMENTS:

Description

- ▢ Purchase Request
- ▢ Resolution

Sean Hobbins

From: Mary Tavernini Dowling <mary@upbeaconhouse.org>
Sent: Friday, March 25, 2022 6:33 PM
To: Karen Kovacs
Cc: Manager; Steve Mariucci; suelegalley@gmail.com
Subject: 600 S. Spring St. Property
Attachments: C22-10VL - 600 West Spring Street, MQT (Next to Beacon House).pdf; mary.vcf

Hello Karen!

I hope all is well with you, and that you are enjoying Marquette's version of Spring!

We just received the appraisal of the property on the corner next to Beacon House, which I have attached.

We would like to formally offer to purchase this land from the City of Marquette at the full appraised value of \$128,000.

We view this property as a key element for our future planning of our wonderful Beacon House, and hope that the City will accept this fair and reasonable offer.

Please let us know what the next steps would be to move forward on this process?

Thank you so much, and we are all looking forward to hearing from you soon!

All my best,

Mary

--



Mary Tavernini Dowling, CEO

- Steve Mariucci Family Beacon House
- Operation Overnight
- Gift Well
- Coffee for a Cause
- Wig Salon for Cancer Patients

200 S. Seventh Street
Marquette, MI 49855

(office) 906.225.7100
(cell) 906.360.6000

www.upbeaconhouse.org



Resolution of Intent to Sell

WHEREAS, the Steve Mariucci Beacon House has submitted an offer to purchase real property owned by the City of Marquette (600 W. Spring St, Parcel 0240012 - "Parcel") as outlined in the attached letter of intent received March 25, 2022; and,

WHEREAS, the City of Marquette has adopted an ordinance to provide for the sale of property.

THEREFORE, BE IT RESOLVED, that the City of Marquette hereby authorizes the City Manager to direct the sale of the Parcel, subject to the following:

1. The value of the Parcel shall be determined in writing by a State Certified or Licensed Real Estate Appraiser at the cost of the purchaser;

Adopted this 15th Day of June 2022.

Jennifer A. Smith , Mayor

Kyle Whitney, City Clerk

City of Marquette, MI

300 West Baraga Avenue
Marquette, MI 49855

Agenda Date: 6/15/2022

New Business

Resolution of Intent to Sell City Property, Heartwood Forestland - Roll Call Vote

BACKGROUND:

The City Manager received a proposal from Mark Curran representing Curran and Company to acquire 200 acres of surplus City property located in Sands Township. The properties included in the request are referred to as Parcels 50, 51, 52, 53, 56, and 57.

This property is a component of the Heartwood Forest acquisition and is located just outside of the Southwest corner of the City. The property contains a significant portion of the Carp River, including the convergence of Morgan Creek and the Carp River known as Unnamed Morgan Falls, as well as several portions of NTN bike trails. The developer has stated they would like to only develop 20 acres of the property, with the condition that the City place nearly the entire acreage of their remaining property located in Marquette Township into perpetual Conservation Easement. The offer included in the letter was for \$100,000, however an appraisal will need to be performed if the Commission chooses to proceed. Past City practice has required the potential purchaser to obtain the appraisal from a State Certified or Licensed Real Estate Appraiser at their own cost and the Resolution of Intent to Sell reflects this.

This property is identified as Heartwood Property Within Townships in the City Property Book. It does not have a listed use in the book but is currently being extensively used for recreation.

FISCAL EFFECT:

None by this action. The City would receive revenue if a sale is negotiated and approved.

RECOMMENDATION:

Deny the purchase request from Curran and Company.

ALTERNATIVES:

Adopt the Resolution of Intent to Sell, and authorize the City Manager to negotiate terms for the potential sale of the property.

ATTACHMENTS:

Description

- ▣ Purchase Request
- ▣ Heartwood Map

▢ Resolution



www.curranandcompany.com

1520 Commerce Drive
Marquette, MI 49855

Telephone: 906/228-8604 Fax: 906/228-9674

City land purchase

Goal - to preserve as much land as possible for non-motorized trails

Purchase land south of the Carp River, west of 553. See attached map.

We will only develop a maximum of 20 acres. The rest will be left for conservation. Roads are non-Motorized trails do not count towards our 20 acres of development (see attached map).

We also would like to place potentially two pedestrian bridges over the carp river. This will be at our expense. But we would need permission from the city for the abutments on the other side.

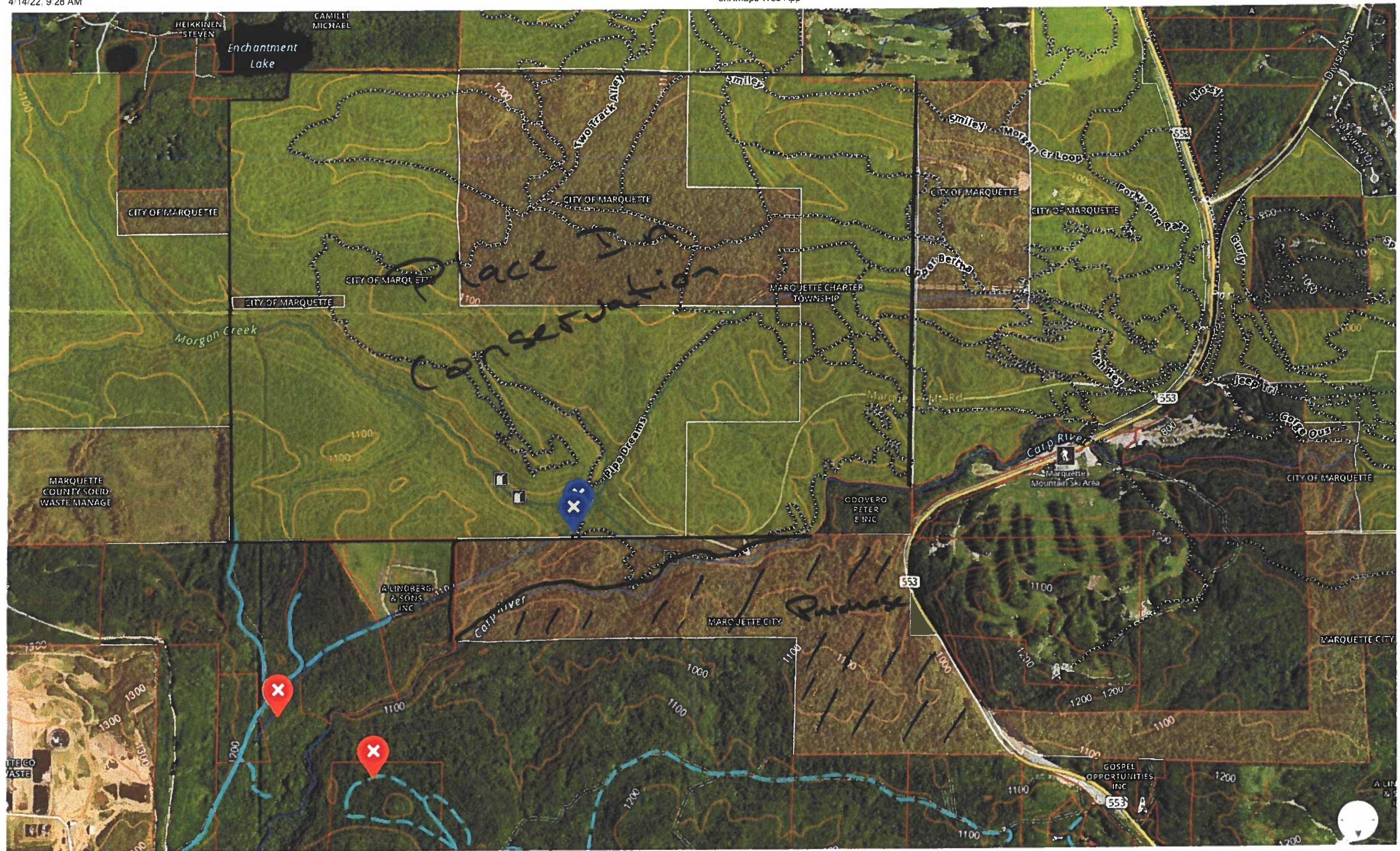
Then we would like all of the trail areas put into permanent conservation plus the carp River Falls area. (See Attached Map) I thought when I purchased parcel 35 from the city carp River Falls was going to be in the conservation area. So that's why I have a little do over here.

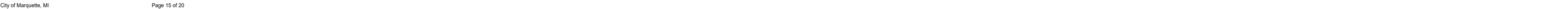
This property would then be put on the tax rolls and generate revenue for the greater Marquette area.

Please see the attached maps

Purchase price will be \$100,000 cash

Mark Curran
(906)360-0759
Mark@curranandcompany.com







Resolution of Intent to Sell

WHEREAS, Curran and Company has submitted an offer to purchase real property owned by the City of Marquette (Parcels 50, 51, 52, 53, 56, and 57 of the Heartwood Forest- "Parcels") as outlined in the attached letter of intent; and,

WHEREAS, the City of Marquette has adopted an ordinance to provide for the sale of property.

THEREFORE, BE IT RESOLVED, that the City of Marquette hereby authorizes the City Manager to direct the sale of the Parcels, subject to the following:

1. The value of the Parcels shall be determined in writing by a State Certified or Licensed Real Estate Appraiser at the cost of the purchaser;

Adopted this 15th Day of June 2022.

Jennifer A. Smith , Mayor

Kyle Whitney, City Clerk

City of Marquette, MI

300 West Baraga Avenue
Marquette, MI 49855

Agenda Date: 6/15/2022

New Business

Resolution of Intent to Sell City Property, Founders Landing - Roll Call Vote

BACKGROUND:

The City Manager received a proposal from Marquette Opportunity, LLC to acquire a portion of surplus property located 601 S. Lakeshore Boulevard in the area known as Founders Landing. Marquette Opportunity, LLC is the same group that developed the Fairfield Inn and Suites located directly across from the proposed purchase site on Lakeshore Boulevard.

This parcel is located on the opposite side of Lakeshore Boulevard from the Fairfield Inn on the West side of the bike path and is part of the former Superior Stop property which covered a significant portion of the area commonly referred to as Founders Landing Parcel 2. The Developer has indicated they are intending on utilizing the property for the construction of an extended stay hotel with a potential investment of \$12,000,000-\$14,000,000.

The developer has indicated that they would be interested in pursuing an as-is appraisal that accounts for contamination in the calculation of value to avoid brownfield financing. Therefore, if this sale moves forward, an appraisal that considers the environmental condition of the site, absent of completed remediation or brownfield TIF availability, will need to be obtained (For comparative purposes, Parcel 2b/c of Founders Landing (Fairfield Inn) was purchased for \$666k in 2019 and received \$200k in environmental costs from the Founders Landing Brownfield TIF).

This property is listed as Inactive City Property in the City Property Book, therefore it is considered to be surplus. The future land use map in the Community Master Plan has identified the property as "Mixed Use" to facilitate economic development. The current zoning of the property is Municipal.

Direction from the City Commission is needed to determine how the City Manager should proceed.

FISCAL EFFECT:

None by this action. The City would receive an agreed upon amount for the sale of the property and as well as increased tax revenue if a sale is negotiated and approved as presented.

RECOMMENDATION:

Adopt the Resolution of Intent to Sell, and authorize the City Manager to negotiate terms for the potential sale of the property.

ALTERNATIVES:

- A. Deny the purchase request from Marquette Opportunity, LLC.
- B. Deny the purchase request from Marquette Opportunity, LLC and direct City staff to prepare a request for proposals for development of the property.

ATTACHMENTS:

Description

- ▣ Resolution
- ▣ Letter



Resolution of Intent to Sell

WHEREAS, Marquette Opportunity has submitted an offer to purchase real property owned by the City of Marquette (a portion of Parcel 0510571- "Parcel") as outlined in the attached letter of intent; and,

WHEREAS, the City of Marquette has adopted an ordinance to provide for the sale of property.

THEREFORE, BE IT RESOLVED, that the City of Marquette hereby authorizes the City Manager to direct the sale of the Parcels, subject to the following:

1. The as-is value of the Parcels shall be determined in writing by a State Certified or Licensed Real Estate Appraiser at the cost of the purchaser;

Adopted this 15th Day of June 2022.

Jennifer A. Smith , Mayor

Kyle Whitney, City Clerk

April 5, 2022

Ms. Karen Kovacs
City Manager, City of Marquette
300 W. Baraga Ave.
Marquette, MI 49855

Re: Interest in Purchase City Property
Corner of US 41 and S Lakeshore Blvd (Parcel No. 52-52-005-105-71)

Dear Ms. Kovacs:

Please accept this letter on behalf of Marquette Opportunity, LLC of its interest in purchasing certain property owned by the City located on the Corner of US 41 and S. Lakeshore Blvd., being part of Parcel No. 52-52-005-105-71 and more specifically identified in the attached map. We have also included a proposed legal description for this Parcel.

Marquette Opportunity completed the construction of the Fairfield Inn & Suites on the property located to the north on the lands known as Founder's Landing Parcel 2. The Fairfield Inn is open and operating providing hospitality services to the community. This development has significantly improved the aesthetics of this area and brought additional economic benefit to the City and the Community, by offering visitors and residents additional hospitality options and an anchor business to spur additional business development. We would anticipate the use of the property located on the corner of US 41, in a manner very similar to our development of the Founder's Landing 2 parcel, with a similar level of investment in the community and this project between \$12-14 million. We envision the development of this parcel to further improve this area which is a gateway to the City for both residents and visitors and would offer direct benefit to the community and surrounding business. The development would also be mindful of the importance of the area and the access that it provides to both residents and visitors to the waterfront.

It is hoped that we will be able to explore with you and the City our potential purchase of this parcel under terms similar to our purchase of the Founder's Landing parcel upon which we have successfully completed and are operating the Marquette Fairfield Inn & Suites. We thank you and the city for consideration of our request and look forward to continuing to pursuing this request. If there are any questions, please do not hesitate to contact us at any time.

Very Truly Yours,

MARQUETTE OPPORTUNITY, LLC



Frederic Heller, Manager