

PROCEEDINGS OF THE CITY COMMISSION  
CITY OF EAST GRAND RAPIDS

**Regular Meeting Held November 19, 2018**

Mayor Seibold called the meeting to order at 6:01 p.m. in the City Commission Chambers at the East Grand Rapids Community Center and led the audience in the Pledge of Allegiance.

Present: Commissioners Duncan, Favale, Hamrick, Miller, Walters, Zigel and Mayor Seibold

Absent: None

Also Present: City Attorney Huff; City Manager Donovan; Assistant City Manager LaFave; Public Safety Director Herald; Finance Director Mushong; City Clerk Brower; Zoning Administrator Mizikar

2018-175. No public comment was received.

2018-176. Commissioner Zigel announced the holiday Sip & Shop event would be held on Thursday, December 13 in Gaslight Village and urged everyone to support local businesses.

Commissioner Hamrick thanked Public Works for repainting the crosswalk at Lake Drive and Woodcliff.

Mayor Seibold reported the Tree Lighting event on November 23 was very well attended, including a visit from Santa and Mrs. Claus who love to shop in Gaslight Village.

2018-177. Request to approve the division of land at 710 Cardinal.

Zoning Administrator Mizikar explained the request to transfer approximately 16,500 square feet from 710 Cardinal to 709 Cardinal. He noted that both resulting lots will meet all ordinance requirements and that all standards for a land division are already met.

Rob Collier, 710 Cardinal, explained they are selling a portion of their property to their next door neighbor.

Glenn Karpf, 709 Cardinal, stated they are buying the property for privacy and enjoyment behind their home and have no plans to build on the land they are purchasing from the Colliers.

Mayor Seibold opened a public hearing. No other public comment was received. Mayor Seibold closed the public hearing.

2018-177-A. Zigel-Miller. That the request of Rob & Diane Collier of 710 Cardinal Drive to transfer approximately 16,500 square feet from 710 Cardinal to 709 Cardinal be approved, with the following conditions:

1. The split complies with the surveys and legal descriptions presented in the land division application; and
2. The relevant deed(s) or land contract(s) be recorded with the Kent County Registrar of Deeds within 90 days of approval.

Commissioner Walters agreed that all ordinance standards are met with this proposal and thanked the neighbors for working together on this issue.

Mayor Seibold felt the lot split made sense for both property owners and will more closely match the shape of other properties in the neighborhood after the split.

Yeas: Duncan, Favale, Hamrick, Miller, Walters, Zigel and Seibold – 7

Nays: -0-

- 2018-178. Final Reading of an ordinance amendment to add Chapter 79C to Title VII of the City Code to prohibit marihuana establishments and facilities in the City of East Grand Rapids.

City Attorney Huff explained the legal framework surrounding the passage of Proposal 1 in November will take the State of Michigan several months—if not a year or more—to complete. At this time there are no procedures or regulations for licensing facilities for commercial sales, including how to measure any required distance from a school. Mr. Huff stated the proposed ordinance will not impact people’s rights to possess and use marihuana as outlined in Proposal 1, but will prohibit the commercial sales in the City of East Grand Rapids. The ordinance would remain in effect until the state is able to offer rules and regulations, at which time the City can repeal, amend or extend the ordinance. Mr. Huff recommended the city commission adopt the ordinance with an immediate effective date so it is in place when Proposal 1 becomes effective on December 6. Mr. Huff advised that adopting the ordinance would ensure there were no unintended consequences between the time the proposal goes into effect and the issuance of licensing and sale regulations.

Mayor Seibold asked if the city could ban these types of businesses later and what type of revenue sharing would be available if the city opted to allow marihuana sales in the city. City Attorney Huff stated the city could enact an ordinance at a later time, but license applications may have already been submitted to the state by the time that happens. He also explained the 10% excise tax to be collected whenever marihuana sales eventually begin would be first used to reimburse the state for all of their expenses in licensing, inspecting and overseeing the marihuana related businesses. After the state’s expenses are paid, 70% of the remaining funds would be used for roads and schools and 30% would be shared among the local governments, but no formula is in place yet for that distribution.

Mayor Seibold questioned whether EGR has regulations prohibiting any other types of businesses. Mr. Huff stated that certain adult-oriented businesses, taverns with more than 50% of revenue from alcohol sales and drive-through windows are all prohibited by current ordinances for various reasons.

Mr. Huff reiterated that citizens would still be able to possess and use marihuana as provided in Proposal 1. He noted that Proposal 1 did prohibit the use of marihuana on public property such as sidewalks and parks unless specifically allowed by local ordinances. Mr. Huff further noted that local ordinances would likely be able to control things such as the number and location of establishments as well.

Commissioner Hamrick questioned whether the state would inform the city if applications were received or before licenses were issued. Mr. Huff stated these are some of the questions that have yet to be answered.

Mayor Seibold opened a public hearing. The following people were present to express their opinions:

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|---------------------------------|---|
| - Jessica Bloom, 1240 Breton    | Felt the ordinance was being pushed through without input. Stated residents of Wards 2 and 3 want an end date to the ordinance so they can trust the commission to revisit the issue. |
| - Donald Condit, 2555 Frederick | Concerned about crime, accidents, accidental ingestion and other unintended consequences of the new law. Supported banning marihuana sales in East GR.                                |
| - Nick McVey, 2025 Wilshire     | Did not support the ban. Felt the commission was too aggressive.  |

The following communications were received at City Hall concerning the new ordinance:

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| - Donald Condit, 2555 Frederick         | In Favor. |
| - Gaslight Village Business Association | In Favor. |
| - Diana Klein, 128 El Centro            | In Favor. |

No other public comment was received. Mayor Seibold closed the public hearing.

- 2018-178-A. Walters-Favale. That an ordinance amendment to add Chapter 79C to Title VII of the City Code to prohibit marihuana establishments and facilities in the City of East Grand Rapids be adopted with an expiration date of June 6, 2020 as attached in Exhibit "A."

Mayor Seibold noted she was not in favor of a specific expiration date and would prefer language requiring the City Commission to review the ordinance when the new state laws are released

Commissioner Walters felt adding an expiration date to the ordinance would ensure that the ordinance is revisited after the state has had time to enact rules and policies for licensing and enforcement and would provide assurance to residents that their thoughts on the ordinance and on marihuana sales would be heard. He stated that individual's rights to possess and use marihuana will not be impacted by the ban on retail sales in East Grand Rapids, so he was comfortable enacting the ordinance to allow the city time to study any state regulations and engage citizens before deciding whether to allow sales in the future.

Commissioner Miller thanked the residents who took the survey over the last week, but felt the election results spoke clearer than the survey. While a majority of voters are in favor of the legalization of marihuana, he did agree it was important to pause and see what regulations the state enacts before deciding on retail sales in East. He supported the ordinance with the expiration date and supported future discussions on this issue.

Commissioner Zigel noted the Proposal 1 language specifically allowed local governments to enact ordinances such as this one and he appreciated the opportunity to ban sales for now until all of the effects and consequences and new state regulations could be considered to make an informed decision. Mr. Zigel also stated that the city may need to allocate funds or staffing resources in the future and taking the time to review everything will be needed. He preferred to do this without the sunset provision.

Commissioner Duncan felt certain there would be enough information to make a decision by June 2020 so she was very comfortable with expiration provision. Commissioners Favale and Hamrick agreed.

Commissioner Hamrick questioned the survey results as she felt it did not match the election results. She wanted additional dialogue with citizens before the ordinance ends in 2020.

Mayor Seibold stated there is a lot of research to be done in the next eighteen months on how Colorado and other states have dealt with the many issues relating to recreational marihuana. She also noted that a lot more information is needed on state rules and how the tax revenue will be allocated in the future.

Yeas: Duncan, Favale, Hamrick, Miller, Walters, Zigel and Seibold – 7  
Nays: -0-

- 2018-179. Resolution approving an application for Community Development Block grant funding for sidewalk improvements on Lake Drive.

Zoning Administrator Mizikar explained that handicap ramps are the only thing East Grand Rapids qualifies for from the CDBG program and the city has been working with other cities in the area to systematically upgrade these intersection ramps to current standards.

Mayor Seibold opened a public hearing. No public comment was received. Mayor Seibold closed the public hearing.

- 2018-179-A. Zigel-Favale. That a resolution approving an application for Community Development Block grant funding for sidewalk for sidewalk and curb improvements on Lake Drive be adopted as attached in Exhibit "B."

Yeas: Duncan, Favale, Hamrick, Miller, Walters, Zigel and Seibold – 7  
Nays: -0-

2018-180. Miller-Duncan. To approve the consent agenda as follows:

2018-180-A. Minutes of the regular meeting held November 19, 2018.

2018-180-B. Payroll disbursements of \$233,350.79; county and school disbursements of \$28,473.15, and total remaining disbursements of \$1,068,805.38.

2018-180-C. The reappointment of David Bilardello to the Interurban Transit Partnership Board of Directors for a two-year term ending December 31, 2020.

2018-180-D. The selection of Fifth Third Bank to provide banking services to the City of East Grand Rapids.

2018-180-E. A resolution designating certain employee expenditures as a public purpose as attached in Exhibit "C."

2018-180-F. The purchase of three crosswalk beacons and required accessories from Carrier and Gable, Inc of Farmington Hills, Michigan in the amount of \$10,719.00.

2018-180-G. A resolution approving the fourth extension to the water and sanitary sewer services agreement with the City of Grand Rapids as attached in Exhibit "D."

Yeas: Duncan, Favale, Hamrick, Miller, Walters, Zagel and Seibold – 7

Nays: -0-

The meeting adjourned at 7:17 p.m., subject to the call of the Mayor until December 17, 2018.

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Karen K. Brower, City Clerk

Attachments: A – Ordinance amendment to add Chapter 79C regarding recreational marihuana facilities  
B – Resolution for CDBG funding  
C – Resolution approving employee expenditures  
D – Resolution approving extension of water and sewer agreement with Grand Rapids.

Attachments listed above are available for inspection at the office of the City Clerk.