

# City of Muskegon

Lighthouse Acquisition

Update





## Recap Since Last Update

- Presentation to gain support of project was given at March 2023 Work Session. Support was given with request of further detail.
- We've done further research and can now provide a larger scope of taking on the project

# Current status of Muskegon's Lighthouses

Both the South Break Wall and South Pierhead Lighthouses are owned and maintained by the Michigan Lighthouse Conservancy (MLC) of Fenton, MI

The MLC has a lease through 2035 with the U.S. Army Corps of Engineers for use of the break wall and pierhead.

The MLC is not in a position to continue its ownership and stewardship of the Muskegon Lighthouses and has asked the City of Muskegon to take ownership and maintenance.



## Process of transferring the Muskegon Lighthouses to the City

- The City of Muskegon would need to update the 2010 MLC application to the National Parks Service under the National Lighthouse Preservation Act.
- The application process could take up to a year to complete.
- Lighthouse deed transfers from the MLC to the city would then necessitate a new U.S. Army Corps of Engineers 25-year lease for the break wall and pierhead.

# South Break Wall Lighthouse Renovation

- The MLC and the city would need to partner to launch a phased renovation of the South Break Wall Lighthouse as the transfer process continues
- The MLC is exploring with city assistance the first phase of the renovation, the restoration of the base and plans for complete restoration in future phases.
- The city has fiduciary responsibility for an \$800,000 state appropriations through a Michigan Economic Development Corp. grant for the South Break Wall Lighthouse restoration.
- \$400,000 of the grant has been deposited with the city and the grant agreement provides a 10 percent administrative fee (\$80,000) for the city.





## Future city maintenance and liability

- Other municipalities along the Lake Michigan shoreline indicate that cost for upkeep of their lighthouses vary from year to year but a consensus is that the costs are on average \$10,000 annually. The Lighthouses could become part of the Parks and Recreation Department supported by the Department of Public Works.
- The city could fund such future expenses through potential donation options from the Pere Marquette parking kiosks, a dedicated fund at the Community Foundation for Muskegon County and/or revenues generated from tours and a gift shop.
- The entire South Break Wall restoration could be as much as double amount of the state funding. Completing all phases of restoration would take a private, philanthropic campaign through a potential project development fund at the community foundation.



## Need for a Friends of the Muskegon Lighthouses group

- The city would need to encourage and support the formation of a local friends of the lighthouses non-profit, with or without the support of the MLC.
- Such a group would provide tours, historical interpretation, a gift shop and support for fundraising activities. Past efforts have raised about \$10,000 a year.
- The Lakeshore Museum Center is willing to offer technical support from its staff for tours and historical and educational activities of a friend's group.

## What's Next?

Motion to formally endorse the South Breakwater Lighthouse Acquisition Project due diligence process, and to direct staff to return to the City Commission for final approval of purchase