

CITY OF MUSKEGON

CITY COMMISSION MEETING

NOVEMBER 13, 2018 @ 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 AND AWARDS:**
 - A. City of Muskegon Employees – Years of Service Awards**
- ☐ **INTRODUCTIONS/PRESENTATION:**
- ☐ **CITY MANAGER’S REPORT:**
- ☐ **CONSENT AGENDA:**
 - A. Approval of Minutes** City Clerk
 - B. Request for Authorization to Sign** Planning & Economic Development
 - C. Purchase of 567 Leonard Avenue** Community & Neighborhood Services
 - D. Set Public Hearing for Amendment to the Downtown Development Plan and Tax Increment Financing Plan** Planning & Economic Development
 - E. State Revolving Fund – Sewer Project Administration Assistance** Department of Public Works
 - F. Replacement of Storage Area Network (SAN)** Information Technology
- ☐ **PUBLIC HEARINGS:**
- ☐ **COMMUNICATIONS:**
- ☐ **UNFINISHED BUSINESS:**
- ☐ **NEW BUSINESS:**

A. Rezoning Several Properties Planning & Economic Development

B. Parking Restrictions December 1 – April 1 Public Safety

C. Short Term Rental Discussion City Manager

D. Disposition of 1021 Jefferson City Manager

E. Letter of Intent with Mart Dock City Manager

☐ **ANY OTHER BUSINESS:**

☐ **PUBLIC PARTICIPATION:**

- ▶ **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- TO REQUEST A REPRESENTATIVE TO DIAL (231) 724-6705.

Memorandum

To: Mayor and Commissioners

From: Frank Peterson

Re: City Commission Meeting

Date: November 8, 2018

Here is a quick outline of the items on our very full agenda:

1. We will celebrate our many employees' service awards.
2. Under the Consent Agenda, we are asking the Commission to consider the following:
 - a. Approval of meeting minutes from the most-recent City Commission meeting.
 - b. Provide authorization to Mike Franzak, Planning Director, to sign on behalf of the City during land transactions.
 - c. Authorization to purchase 657 Leonard Ave as part of Community and Neighborhood Services' home rehabilitation program. The home will be presented for income qualified buyers.
 - d. Set a public hearing to amend the DDA Tax Increment Financing Plan. The purpose of the amendment is to move a number of properties back into the tax capture calculation. Many of the properties were removed as part of the redevelopment of the former mall property.
 - e. Authorization to extend contract with Prein & Newhof Engineers to administer the recently awarded state-revolving fund sewer project.
 - f. Authorization to purchase a new Storage Area Network (SAN).
3. Under the New Business, we are asking the Commission to consider the following:
 - a. Concurrence in-part with the Planning Commission's recommendation to rezone a number of parcels in the Nelson Neighborhood to Urban Residential (Form Based Code). The change will allow for a number of housing types, including detached and attached single family, duplexes, and small multiplexes. It's Important to note that the rezoning of the properties adjacent to St. Joe Park is being recommended for denial, while the properties along Houston Ave are being recommended for approval.
 - b. First reading of an amendment to our winter on-street parking rules. After three winters with the 2a-6a parking ban, staff is recommending that we move to an even-odd winter parking program. The proposed ordinance works as such:

- i. The effective timeframe would be unchanged (December 1 – Feb 28).
 - ii. Every day, between 5p and 5a, people can park on either/both sides of the street.
 - iii. For streets that have parking on only one side, signage will be used to direct residents.
 - iv. We do not intend apply the even/odd parking to the downtown district.
 - v. Staff recognizes that there will be a learning curve for residents and visitors. As in past years, we would only issue warnings for the month of December. The goal here is to get cars moving every day.
 - vi. This change will have a couple major positive impacts: we'll have a longer designated time to get one side of the street completed (5a-5p daily), and we can avoid parking in front yards and on terraces.
- c. Short-Term Rental Discussion. Staff is proposing an ordinance to govern short-term rentals in the city limits. Over the past 18 months, as Muskegon has gotten more popular among vacationers, we have begun fielding complaints/concerns from residents. Complaints have included concerns about excess vehicles parked on the streets, loud parties, over-occupancy of houses/structures, and over-burdening of public resources (mostly park amenities). Staff will be talking about our plan to register and regulate these businesses in our neighborhoods.
- d. Disposition of 1021 Jefferson Street – City-owned employee parking lot. The city has received multiple purchase offers and development proposals for the city-owned parking lot at the corner of Apple and Jefferson. One proposal has risen to the top as the most beneficial to the community and the City. Staff is seeking permission to execute a Letter of Intent to sell 1021 Jefferson Street to General Capital in anticipation of their construction of 73-unit housing development focused on providing quality workforce housing. Staff has identified this as a current and future need in the community. The project will include commercial on the first floor. This group recently developed the Berkshire downtown. Note the purchase price is \$455,000.
- e. Staff is seeking permission to enter into a Letter of Intent with West Michigan Dock and Market Company (Mart Dock) with the goal of determining the feasibility of swapping their property commonly referred to as The Third Street Dock with our property commonly referred to as Fisherman's Landing. The goal of the swap would be to relocate all of The Mart Dock's shipping operations away from their downtown location to the city property adjacent to the BC Cobb site. The downtown sites would then be redeveloped into a mixture of public space, residential, and commercial uses. This agreement does not commit either party

to the swap, but rather gives both parties time/access to study the feasibility of the complicated transaction.

Date: November 7, 2018
To: Honorable Mayor and City Commissioners
From: Ann Marie Meisch, City Clerk
RE: Approval of Minutes

SUMMARY OF REQUEST: To approve minutes of the October 12, 2018 Goal Setting Meeting and the October 23, 2018 Regular Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

Goal Setting Meeting
October 12, 2018
9:00 a.m.
L.C. Walker Arena, 470 W. Western Avenue

Present: Mayor Gawron, Commissioners Warren, German, Turnquist, Johnson, Rinsema-Sybenga, and Eric Hood. Frank Peterson, City Manager, as well as staff members.

Team Building

The group was given a team building exercise of a scavenger hunt. The group broke down into teams and was given a list of items to find throughout the City. It was a great team building exercise for everyone to enjoy.

Review Previous Goals

The attached document lists previous goals by the City Commission and their current status.

Proposed goals

The City Commission will gather again in the beginning of 2019 to discuss future goals of the City.

Adjourn

Ann Marie Meisch, City Clerk

CITY OF MUSKEGON
SPECIAL CITY COMMISSION MEETING
AGENDA
L.C. WALKER ARENA
470 W. WESTERN AVE.
FRIDAY, OCTOBER 12, 2018
9:00 A.M.

8:45 a.m.	Breakfast
9:00 a.m.	Arena Tour
9:30 a.m.	Welcome – Talk about Agenda
10:00 a.m.	Scavenger Hunt – Team Building
11:45 a.m.	Lunch
1:00 p.m.	Goal Setting Discussion
2:45 p.m.	Go Home

Previous City Commission Goals

2012:

1. Redevelopment of Former Sappi Site **WINDWARD POINTE**
2. Neighborhood Revitalization **ONGOING – MANY NEIGHBORHOODS IMPROVING**
3. Consider Downtown Zoning Changes **FORM-BASED CODE COMPLETED – EXPANDING**
4. Consider Additional Cooperative Agreements **ONGOING**
5. Improve City Employment Diversity (tie) **WAGE DISPARITY ADDRESSED, DIVERSITY IMPROVED**
6. Provide Greater Support for the LC Walker Arena (tie) **SIGNIFICANT INCREASE**
7. Consider Physical Enhancements to Pere Marquette Park (tie) **THE DECK, PLAYGROUND, RESTROOMS, CAMPING(?), TRAFFIC FLOW, WALKABILITY/BIKABILITY**
8. Pursue Casino Development (tie) **ASSESSMENT PAID BY DEVELOPERS/COUNTY, PROPERTY FOR SALE?**

2013:

1. Youth-Friendly Businesses
2. Youth Jobs Program **ONGOING, INTERNSHIPS, PARTNERSHIP WITH AVASURE**
3. Sappi Redevelopment **WINDWARD POINTE**
4. Employment Diversity **SEE ABOVE**
5. Code Enforcement **SAFEUILT, BLIGHT FIGHT, BLIGHT APP, MCI PROGRAM**
6. Relations with other Governments **SIGNIFICANT IMPROVEMENTS MADE**
7. Pere Marquette Park **THE DECK, PLAYGROUND**
8. City Manager Transitional Planning **COMPLETE**
9. Law Enforcement **COMMUNITY RELATIONS**

2014:

(12 Month)

1. Restart stalled/stagnant private developments **HERITAGE SQUARE, HIGHPOINT FLATS, AMERIBANK, DMDC PROPERTIES, WATERMARK DEMOLITION, TERRACE POINT LANDING**
2. Develop plan for more accountability for IFT recipients
3. Develop a plan for the former farmers market site **FOOD HUB AND/OR RAMI**
4. Address neighborhood blight **SAFEUILT, BLIGHT FIGHT, BLIGHT APP, MCI PROGRAM**
5. Identify and implement a beach warning system **REMOVED AS A PRIORITY IN 2015**
6. Develop and implement a road funding plan **TWO BALLOT INITIATIVES FAILED – NEEDS WORK**
7. Connect youth with work/recreation opportunities **YEPS, LUMBERJACKS, LAKEHAWKS, INTERNS, GOYS/GIRLS CLUB, WATCH US GO SKATING/BOATING**
8. Develop a plan to improve the city's image **WATCH MUSKEGON, BLIGHT FIGHT, IMAGE COMMITTEE**
9. Develop a long-term finance plan for the City's General Fund **STRONG FISCAL POSITION**

(36 Month)

1. Invest in critical infrastructure **MUSKEGON, WEBSTER, LAKETON, LAKESHORE, WATER/SEWER**
2. Attract additional market-rate housing options – especially in the downtown **HPF, AMAZON, LAKEVIEW LOFTS, MIDTOWN SQUARE, THE LEONARD, HARTSHOREN MARINA VILLAGE, TERRACE POINT LANDING, TERRACE FLATS**
3. Explore development opportunities at Pere Marquette Park **EXPLORED IN 2015-16. THE DOCKS**
4. Identify redevelopment opportunities for the vacant Brunswick property **WAITING FOR BRUNSWICK – PARK STREET STORAGE DEMOLITION WILL HELP**
5. Develop and maintain balanced General Fund budgets for the 13-14, 14-15, and 15-16 FYs **EASY ☺**
6. Create new public lake access in the downtown
7. Be a leader in intergovernmental cooperation **LC WALKER ARENA, IT, ZONING, MH FIRE DISCUSSION**

2015:

1. Grow the Tax Base HERITAGE SQUARE, HIGHPOINT FLATS, FORMER FM SITE, KL INDUSTRIES,
2. Address neighborhood blight SAFEUILT, BLIGHT FIGHT, BLIGHT APP, MCI PROGRAM, DEMOLITIONS. NEIGHBORHOODS LOOK MUCH BETTER
3. Develop and implement a road funding plan TWO FAILED MILLAGES (SORRY)
4. Connect youth with work/recreation opportunities YEPS, LUMBERJACKS, LAKEHAWKS, INTERNS, BOATING, SKATING
5. Develop a plan to improve the city's image WATCH MUSKEGON, BLIGHT FIGHT, IMAGE COMMITTEE
6. Develop a Stabilized Long-Term Budget STRONG FISCAL POSITION

2016:

1. Housing
 - a. Midtown Square Construction COMPLETE
 - b. Proposed Projects WATERMARK, TERRACE LOFTS, BERKSHIRE, LAKEVIEW LOFTS
 - c. Sappi Coordination we've come a long way. NEED TO FIGURE OUT RR AND INFRASTRUCTURE COSTS
 - d. Midtown Square Sales SOLD
 - e. Highpoint Flats COMPLETE
 - f. Ameribank DEVELOPER IN DUE DILLIGENCE PHASE
 - g. MPS Action Plan Coordination DIFFICULT WITH THEIR TURMOIL. MAYBE POST ELECTION?
2. Image
 - a. Highlight Individuals and Businesses VARIOUS AWARD PROGRAMS IN PLACE
 - b. Watch Us Go WORKING ON A NEW 3-YEAR COMMITMENT
 - c. Promote Public Safety Community Engagement COFFEE WITH A COP, ENPACT, SHOP WITH A COP, NATIONAL NIGHT OUT
 - d. Clean Up Old Farmers Market DEMOLITION DONE, DEVELOPMENT PENDING
 - e. Restart Welcome Committee MUSKEGON STAR PROGRAM REPLACED THIS
 - f. Walkable Community DOWNTOWN SNOW REMOVAL, ART, FORM BASED CODE
 - g. Community Meetings TYPICALLY DONE TWO MEETINGS IN COMMUNITY ANNUALLY
3. Quality of Life
 - a. Address Public Safety NOT THERE YET
 - b. Engage/Support Neighborhood Associations NEIGHBORHOOD EMPOWERMENT PROGRAM
 - c. Walkable Community DOWNTOWN SNOW REMOVAL, ART, FORM BASED CODE
 - d. Entertainment and Pop Ups WESTERN MARKET, FIRST FRIDAYS, TASTE OF MKG, FOOD TRUCK RALLEYS, CRUISE SHIPS
 - e. Dog Park and Skate Park DOG PARK IS OPEN, SKATE PARK IN PLANNING
 - f. Blight App COULD BE USED MORE
4. Revenue Revitalization
 - a. Strategy to Preserve Fund Balance LEGACY COSTS, FEE BASED SERVICES
 - b. Explore Special Assessments STREET LIGHTS, MUST BE DISCUSSED RE STREETS

2017

Identified Seven Tenants of Quality of Life:

- **Education** (attainment levels, quality of education available, etc.)
- **Living Conditions** (housing costs/condition, income levels, disposable income, etc.)
- **Productive Activities** (quality/availability of jobs, volunteer opportunities, etc.)
- **Environment** (economic diversity, public safety, air/water/noise, wellbeing, etc.)
- **Health** (physical health, mental health, access to health care, etc.)
- **Leisure Activities** (clubs, special/sporting/cultural events, parks/recreation, etc.)
- **Governance** (citizen participation, equality, satisfaction with services, etc.)

One Year Plan:

1. Leisure Activities

- a. Support Quality of Life Bond Proposal **COUNTY REFUSED TO ADD TO BALLOT**
- b. Implement PM Park Improvements (2017 MDNR Grant) **DNR/DEQ ISSUES HAVE STALLED THE DEVELOPMENT UNTIL SPRING 2019**
- c. Plan for improved parking and improved economic opportunities at PM Park **CAMPING PROPOSAL – WILL DISCUSS WITH NEIGHBORS AS STEP 1. WAITING ON NEW PARKING UNTIL DOCKS DEVELOPMENT IMPACTS ARE BETTER KNOWN.**
- d. Promote pop-up activities **MORE CHALETS, MORE EVENTS ☺**
- e. Continue walkability improvements **NEW SIDEWALK ADDED TO TERRACE POINT EXTENSION.**
- f. ID and host at least one new city-sponsored event in 2017. **COLES ANIVERSARY EVENT, FOOD TRUCK RALLYS. LOOKING AT POSSIBLE REBOOT OF SUMMER CELL AND HALLOWEEN FIREWORKS IN 2019.**

2. Living Conditions

- a. Completion of residential projects in 2017. **ALL COMPLETE EXCEPT LAKEVIEW LOFTS AND WATERMARK**
- b. Ameribank renovations underway by 12/31/17 **UNDERWAY**
- c. Work to create urban design for Windward Pointe **AMAZING DESIGN**
- d. Adopt International Property Maintenance Code **DONE**
- e. Streamline property demolition to 90 days. 50-75 houses demolished over 2017-2019. **SUCCESSFUL. DEMOLISHED __ HOUSES IN 2017 AND 2018, AS WELL AS PARK STREET STORAGE BUILDING**
- f. Amend leaf pickup ordinance to allow for more enforcement, and provide some pick up opportunities in winter months **NOT DONE YET**
- g. Work on plan to address vacant school buildings **CRAIG SCHOOL SOLD. FROEBEL SCHOOL IS PRIVATELY OWNED BUT GOING THROUGH FORECLOSURE PROCESS. HACKLEY ADMIN HAS A PROPSD BUYER**

- h. Implement small lot zoning overlay **DONE – LOOKING TO EXPAND URBAN RESIDENTIAL ZONING**
3. Education
 - a. Collaborate on an action plan with MPS **NO ACTIVITY**
 - b. Assist ISD to further reach/impact of The Promise **NO ACTIVITY**
 4. Governance
 - a. Hold two meetings outside of city hall in 2017 **DID WE?**
 - b. Create a parks commission **NO ACTIVITY**
 - c. Engage the community on a street funding plan **NO ACTIVITY**
 - d. Work toward a long-range road improvement and funding plan **NO ACTIVITY**
 - e. Complete FM cleanup and engage the community on future end uses **REZONING COMPLETE. TWO POTENTIAL END USERS ENGAGED**
 - f. Workforce diversity – incentivize Muskegon natives to pursue careers in police/fire. **PRE-SERVICE PROGRAM HAS PRODUCED FIVE CANDIDATES.**
 5. Productive Activities
 - a. Identify area for industrial park expansion **CEMETERY, KL, PRISON SITE, FORMER FARMERS MARKET**
 - b. Create plan to begin reusing former industrial corridors **MEDICAL MARIHUANA DISTRICT**
 - c. Identify long term vision for job creation centers **FOCUS ON INDUSTRIAL EXPANSION IN OUR CURRENT INDUSTRIAL PARKS**
 - d. Create program to incentivize neighborhood groups to get involved with the condition of their neighborhoods **NEIGHBORHOOD EMPOWERMENT PROGRAM**
 6. Environment
 - a. Develop community safety plan **NO ACTION**
 - b. Assist with delisting of Muskegon Lake as an Area of Concern **AMOCO PURCHASE AGREEMENT AND CLEAN UP**
 - c. Be a leader in the Watch Muskegon program – improving the community’s image to our residents. **STAFF RENEWED ITS COMMITMENT. INVESTING IN MARKETING AND BEAUTUFUCATION PROJECTS WITH WATCH MUSKEGON, CHAMBER, and CVB.**

Initial Staff thoughts/discussion points for 2019-2020

1. Continue focusing on Quality of Life Tenants
2. Devote staff time to the areas that we did not in 2017 – particularly: community safety plan, education activities, street funding plan, PM Park, Area of Concern, and parks commission.
3. Develop new programs/policies that continue improving livability in our neighborhoods. Ideas:
 - a. Front Porch Reclamation
 - b. Infill Housing (affordable, semi-affordable, market-rate; attached, detached, etc.)
 - c. Park Improvements (deferred maintenance, capital improvements, etc.)
4. Continue to make downtown a top priority, as it must be considered the epicenter for activity for all of Muskegon County. Long-term ideas:
 - a. Connectivity to lakeshore
 - b. Designated parking (structure)
 - c. Mix of housing affordability levels
 - d. Events/walkability

CITY OF MUSKEGON

CITY COMMISSION MEETING

OCTOBER 23, 2018 @ 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 23, 2018. Pastor Darrin Longmire, Forest Park Covenant Church opened the meeting with 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, Commissioners Ken Johnson, Byron Turnquist, Debra Warren, and Dan Rinsema-Sybenga, City Manager Franklin Peterson, City Attorney John Schrier, and City Clerk Ann Meisch.

Absent: Vice Mayor Eric Hood and Commissioner Willie German, Jr.

2018-77 CONSENT AGENDA:

A. Approval of Minutes City Clerk

SUMMARY OF REQUEST: To approve minutes of the October 8, 2018 Worksession and October 9, 2018 Regular Meeting Minutes.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the minutes.

B. MDEQ Scrap Tire Grant DPW

SUMMARY OF REQUEST: Authorize staff to partner with Michigan Technological University to apply for a grant from MDEQ to utilize salvaged materials from scrap tire rubber. If awarded the proposed grant would provide funding from MDEQ to utilize scrap tire rubber materials in a 2019 capital construction project.

FINANCIAL IMPACT: The proposed grant application will be as follows:

\$150,000 Match from City of Muskegon

\$78,949 Match from Michigan Tech

\$228,949 Grant from Michigan DEQ

The selected project would then receive \$300,000 in funding and Michigan Tech would receive the remainder for research and development and to provide technical assistance during the design and construction of the project.

BUDGET ACTION REQUIRED: None. If awarded the match money required on behalf of the City will be taken from a yet to be budgeted FY19-20 capital project.

STAFF RECOMMENDATION: Authorize staff to partner with the Michigan Technological University and pursue a scrap tire grant from the Michigan Department of Environmental Quality.

C. State Revolving Fund – Sewer Project Implementation DPW

SUMMARY OF REQUEST: Authorize staff to enter into engineering service agreements with three (3) firms to provide comprehensive engineering services for implementation of the FY2019 State Revolving Fund (SRF) projects.

The Michigan Department of Environmental Quality (MDEQ) has issued a preliminary announcement awarding the City of Muskegon \$7.7 Million in loans from the SRF to complete a variety of sanitary sewer projects. The loans also provide for an estimated 75% principal forgiveness by the MDEQ.

Requests for Qualifications to provide comprehensive engineering services were solicited with eight (8) engineering firms submitting proposals. Proposals were scored, and the top three (3) scoring firms were contracted to provide pricing and detailed proposals for selected portions of the FY2019 projects. These proposals were reviewed and are supported by DPW staff.

FINANCIAL IMPACT:

Prein & Newhoff – Not to Exceed \$612,600

ENG Engineering & Surveying – Not to Exceed \$204,825

Fleis & VandenBrink Engineering – Not to Exceed \$203,520

BUDGET ACTION REQUIRED: None. Contract will be funded out of sewer budget, with full engineering costs to be repaid through the SRF loans.

STAFF RECOMMENDATION: Authorize staff to enter into engineering service agreements with Prein & Newhof; ENG Engineering & Surveying; and Fleis and VandenBrink Engineering.

Motion by Commissioner Warren, second by Commissioner Johnson, to approve the consent agenda as presented.

ROLL VOTE: Ayes: Warren, Rinsema-Sybenga, Turnquist, Johnson, and Gawron

Nays: None

MOTION PASSES

2018-78 PUBLIC HEARINGS:

**A. Request to Establish an Obsolete Property District – 825 W Western Ave
Planning & Economic Development**

SUMMARY OF REQUEST: Pursuant to Public Act 146 of the Michigan Public Acts of 2000, Chart House Energy, LLC has requested the establishment of an Obsolete Property District for their property at 825 W Western Avenue. The establishment of the Obsolete Property District would allow them to apply for an Obsolete Property Rehabilitation Exemption Certificate.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends approval of the creation of the district.

PUBLIC HEARING COMMENCED:

Robert Rathsmann, 200 Viridian Drive, Owner – addressed the commission

Motion by Commissioner Rinsema-Sybenga, second by Commissioner Johnson, to close the public hearing and approve the creation of the district at 825 W. Western Avenue.

**ROLL VOTE: Ayes: Rinsema-Sybenga, Turnquist, Johnson, Gawron, and Warren
Nays: None**

MOTION PASSES

B. Request to Issue an Obsolete Property Certificate – Chart House Energy, LLC – 825 W Western Ave Planning & Economic Development

SUMMARY OF REQUEST: Pursuant to Public Act 146 of the Michigan Public Acts of 2000, Chart House Energy, LLC has requested the issuance of an Obsolete Property Certificate for their property located at 825 W Western Avenue. Total capital investment for this project is estimated to be \$300,000. The applicant is eligible for a 10-year abatement because of the amount of investment.

FINANCIAL IMPACT: If an Obsolete Property Certificate is issued, the property taxes would be frozen at the pre-rehabilitated rate for the duration of the certificate.

BUDGET ACTION RECOMMENDED: None

STAFF RECOMMENDATION: Staff recommends approval of the Obsolete Property Rehabilitation Exemption Certificate.

PUBLIC HEARING COMMENCED:

Motion by Commissioner Rinsema-Sybenga, second by Commissioner Johnson,

to close the public hearing and approve the Obsolete Property Rehabilitation Exemption Certificate.

ROLL VOTE: Ayes: Rinsema-Sybenga, Turnquist, Johnson, Gawron, and Warren

Nays: None

MOTION PASSES

2018-79 NEW BUSINESS:

A. Concurrence with the Housing Board of Appeals Notice and Order to Demolish Public Safety

556 E. Dale Ave – (in-ground pool only) - REMOVED PER STAFF REQUEST -

1984 Reynolds Street

559 McLaughlin Avenue

SUMMARY OF REQUEST: This is to request that the City Commission concur with the findings of the Housing Board of Appeals that the structures are unsafe, substandard, a public nuisance and that they be demolished within thirty (30) days or infraction tickets may be issued. It is further requested that administration be directed to obtain bids for the demolition of the structures and that the Mayor and City Clerk be authorized and directed to execute contracts for demolition with the lowest responsible bidder or staff may issue infraction tickets to the owner, agent or responsible party if they do not demolish the structure.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To concur with the Housing Board of Appeals decision to demolish.

Motion by Commissioner Johnson, second by Commissioner Rinsema-Sybenga, to concur with the Housing Board of Appeals to demolish 559 McLaughlin Avenue.

ROLL VOTE: Ayes: Turnquist, Johnson, Gawron, Warren, and Rinsema-Sybenga

Nays: None

MOTION PASSES

Motion by Commissioner Warren, second by Commissioner Johnson, to concur with the Housing Board of Appeals to demolish 1984 Reynolds Street.

ROLL VOTE: Ayes: Turnquist, Johnson, Gawron, Warren, and Rinsema-Sybenga

Nays: None

MOTION PASSES

B. Rezoning Several Properties Planning & Economic Development

REMOVED PER STAFF REQUEST

C. Temporary Pension Benefit – Fire Finance

SUMMARY OF REQUEST: As part of the pending negotiated Fire Union Contract the City has agreed to open a window for a temporary benefit beginning November 1, 2018 for two months to allow any member 49 years old or older with 22 years of service the opportunity to retire early. There are 5 members who are eligible for this benefit. This benefits the City by replacing personnel who are at the top of the pay scale and have expensive benefits with entry level personnel. To open the window the actuarial accrued liability of \$427,225 must be paid. If not all 5 take advantage of the opportunity, the amount paid will lower our unfunded liability for that union.

FINANCIAL IMPACT: In September the Commission approved a supplemental payment to MERS for 2017-18 accrued expenses in excess of billed in the amount of \$111,258 that amount will be used towards the \$427,225 payment. The total amount due will be \$315,967. This amount will be taken from the General Fund budget.

BUDGET ACTION REQUIRED: Adjustment with the 1st Quarter Reforecast.

STAFF RECOMMENDATION: Authorize staff to sign the temporary benefit agreement and pay MERS \$427,225 for the Fire Union benefit.

Motion by Commissioner Johnson, second by Commissioner Warren, to authorize staff to sign the temporary benefit agreement and pay MERS \$427,225 for the Fire Union Benefit.

ROLL VOTE: Ayes: Gawron, Warren, Rinsema-Sybenga, Turnquist, and Johnson

Nays: None

MOTION PASSES

PUBLIC PARTICIPATION: Public comments were received.

ADJOURNMENT: The City Commission meeting adjourned at 6:20 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC – City Clerk

Commission Meeting Date: November 13, 2018

Date: November 8, 2018
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
RE: Request for Authorization to Sign

SUMMARY OF REQUEST:

Request to authorize Mike Franzak from the Planning Department to sign purchase agreements and closing documents for property transactions on behalf of the City.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Staff recommends approval to authorize

COMMITTEE RECOMMENDATION:

None

Resolution _____

RESOLUTION AUTHORIZING MIKE FRANZAK TO SIGN OFF ON ALL PURCHASE AGREEMENTS AND CLOSING DOCUMENTS FOR PROPERTY TRANSACTIONS ON BEHALF OF THE CITY OF MUSKEGON.

Adopted this 13th Day of November, 2018.

By: _____

Stephen J. Gawron, Mayor

ATTEST: _____

Ann Meisch, City Clerk

Certification

This resolution was adopted at a meeting of the City Commission, held on November 13, 2018. 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.

CITY OF MUSKEGON

By _____

Ann Meisch, City Clerk

Commission Meeting Date: November 13, 2018

Date: November 6, 2018

To: Honorable Mayor and City Commission

From: Community and Neighborhood Services Dept.

RE: Purchase of 567 Leonard Avenue

SUMMARY OF REQUEST: To approve the purchase of home located at 567 Leonard Avenue in Jackson Hill Neighborhood for the price of \$35,000 (*Thirty Five Thousand Dollars*).

After the sale, CNS will rehabilitate the single family dwelling as part of the HOME funded Homebuyers Program.

FINANCIAL IMPACT: The funding used for the purchase and rehabilitation will come from 2018 HOME funds.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the request to purchase the property.

COMMITTEE RECOMMENDATION: None needed

MUSKEGON CITY COMMISSION

RESOLUTION TO APPROVE THE PURCHASE OF
THE HOME LOCATED AT: 567 LEONARD AVENUE

WHEREAS, the City of Muskegon is dedicated to the redevelopment of its neighborhoods and;

WHEREAS, the City of Muskegon is dedicated to promoting high quality affordable single-family housing in the community and;

WHEREAS, the City of Muskegon is dedicated to promoting homeownership throughout its neighborhoods;

NOW THEREFORE, BE IT RESOLVED that the City Commission hereby approves the purchase of the property at 567 Leonard Avenue by the City of Muskegon. The Community and Neighborhood Services Department will rehabilitate a single-family home to sell to a qualified buyer through the Homebuyers Program.

Adopted this 13th of November, 2018.

Ayes:

Nays:

By _____
Stephen J. Gawron, Mayor

By _____
Ann Marie Meisch, MMC City Clerk

Commission Meeting Date: November 13, 2018

Date: November 8, 2018
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
RE: Set Public Hearing for Amendment to the Downtown
Development Plan and Tax Increment Financing Plan

SUMMARY OF REQUEST:

To approve the attached resolution setting a public hearing for an amendment to the Downtown Development (DDA) Plan and Tax Increment Financing (TIF) Plan, and notifying the taxing jurisdictions of the plan amendment including the opportunity to express their views and recommendations regarding the proposed amendment at the public hearing. The proposed amendment is to add certain properties to the tax capture.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

To approve the attached resolution and authorize the Mayor and Clerk to sign the resolution.

COMMITTEE RECOMMENDATION:

The Brownfield Redevelopment Authority unanimously approved the proposed amendment at their October 30 meeting.

City of Muskegon
County of Muskegon, Michigan

RESOLUTION CALLING PUBLIC HEARING
REGARDING AMENDMENT TO DOWNTOWN DEVELOPMENT PLAN
AND TAX INCREMENT FINANCING PLAN OF THE
MUSKEGON DOWNTOWN DEVELOPMENT AUTHORITY

Recitals

WHEREAS, the City of Muskegon (the "City") is authorized by the provisions of Act 197, Public Acts of Michigan, 1975, as amended ("Act 197"), to create a downtown development authority and to designate its boundaries; and,

WHEREAS, pursuant to Act 197, the City Commission of the City duly established the Muskegon Downtown Development Authority (the "Authority") which exercises its powers within the Downtown District designated by the City Commission (the "District"); and,

WHEREAS, the City Commission approved the Authority's Downtown Development Plan and Tax Increment Finance Plan (the "Plan"), for the Development Area described in the Plan on July 12, 1988, pursuant to Ordinance No. 969; and,

WHEREAS, the City Commission approved amendments to the Plan on March 31, 1989, (the "1989 Amendment") pursuant to Ordinance No. 982, a further amendment to the Plan on August 28, 2001, pursuant to Ordinance No. 2050; and, a further amendment to the Plan on November 13, 2001, pursuant to Ordinance No. 2060; and, a further amendment to the Plan on September 12, 2017 pursuant to Ordinance No. 2375; and

WHEREAS, the Authority approved a resolution amending the development plan (the "Plan Amendment") for the purpose of adding certain parcels to the development area to further encourage economic growth and to correct and prevent deterioration in the business portions of the District; and,

WHEREAS, it is necessary to conduct a public hearing in connection with the consideration of such Plan Amendment as required by Act 197.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Commission determines that it is necessary for the best interests of the public to amend the development plan of the Authority pursuant to Act 197 in order to correct and prevent deterioration of property value in the business district in the City and to promote economic growth. The City Commission hereby declares its intention to adopt the Plan Amendment.

2. There shall be a public hearing on Tuesday, the 11th day of December, 2018, at 5:30 o'clock, p.m., prevailing Eastern Time, in the Muskegon City Hall to consider adoption by the City Commission of an ordinance amending the Authority boundaries.

3. The City Clerk shall cause notice of said public hearing to be published in the Muskegon Chronicle, a newspaper of general circulation in the City, twice before the public hearing, the first of which shall not be less than 20 days nor more than 40 days before the date set for the hearing. The notice shall be published as a display advertisement, prominent in size. The Clerk shall cause the notice to be mailed by first class mail not less than 20 days prior to the hearing to all property taxpayers of record in the District, as shown by the most recent tax roll of the City. Further, the Clerk, shall cause the notice to be mailed by certified mail to the governing body of each taxing jurisdiction levying taxes subject to capture by the Authority, and shall cause the notice to be posted in 20 prominent places in the proposed amended district not less than 20 days prior to the date of hearing.

4. The notice of the hearing shall be in substantially the following form:

NOTICE OF PUBLIC HEARING

CITY OF MUSKEGON
COUNTY OF MUSKEGON, MICHIGAN

AN AMENDMENT TO THE DOWNTOWN DEVELOPMENT PLAN
AND TAX INCREMENT FINANCING PLAN OF
THE MUSKEGON DOWNTOWN DEVELOPMENT AUTHORITY

TO ALL INTERESTED PERSONS IN THE CITY OF MUSKEGON:

PLEASE TAKE NOTICE that the City Commission of the City of Muskegon, Michigan, will hold a public hearing on Tuesday, the 11th day of December, 2018, at 5:30 o'clock, p.m., prevailing Eastern Time in the City Commission Chambers, 933 Terrace Street, Muskegon, Michigan, to consider the adoption of an ordinance amending the development plan of the Downtown Development Plan and Tax Increment Finance Plan of the Muskegon Downtown Development Authority pursuant to Act 197 of the Public Acts of Michigan of 1975.

The boundaries of the development area to which the Plan applies are as follows:

All of those properties lying SEly of Muskegon Lake and NWly of the following Streets in the City of Muskegon: Beg at Muskegon Lake and extension of Southern Avenue SEly to Lakeshore Drive NEly to Michigan Avenue, Ely a distance of three blocks to Hudson Street, Sly one block to Washington Avenue, Ely on Washington three blocks to Beidler St., Nly to Webster Avenue, NEly along Webster to Ninth Street, SEly on Ninth to Muskegon Avenue, NEly on Muskegon Avenue a distance of four blocks to Fifth Street, SEly on Fifth to Houston Avenue, NEly on Houston to Fourth Street, SEly on Fourth to Strong Avenue, NEly on Strong one block to Jefferson Street, Nly on Jefferson to Houston Avenue, Ely on Houston to Peck Street, Nly on Peck to Apple Avenue, Ely on Apple to Fork Street, Nly on Fork to Myrtle, NEly to Emerald Avenue, NWly on Emerald to Eastern Avenue, Wly on Eastern to EB Seaway Drive, NEly on EB Seaway to Bayou, NWly on Bayou to WB Seaway Drive, NEly to S branch of Muskegon River, NWly to Ottawa Street, SWly on Ottawa to River Street, Wly to Muskegon Lake EXCEPT the property commonly known as the former Teledyne Continental Motors site.

The proposed ordinance to amend the Downtown Development Plan and the Tax Increment Financing Plan of the Muskegon Downtown Development Authority (the "Plan") will add to the Plan the property generally described in Exhibit A.

The proposed ordinance to amend the Downtown Development Plan and Tax Increment Financing Plan of the Muskegon Downtown Development Authority (the "Plan") will be revised to read as follows:

Copies of the proposed amendments to the Development and Tax Increment Finance Plan, maps, etc., are on file at the office of the City Clerk for inspection.

At the public hearing, all citizens, taxpayers, and property owners of the City of Muskegon desiring to address the City Commission shall be afforded an opportunity to be heard in regard to the approval of the amendments to the Development and Tax Increment Finance Plan for the Muskegon Downtown Development Authority.

FURTHER INFORMATION may be obtained from the City Clerk at (231) 724-6705.

This notice is given by order of the City Commission of the City of Muskegon, Michigan.

CITY OF MUSKEGON

By _____
Ann Marie Meisch
City Clerk

5. The City administration shall provide reasonable opportunities to the taxing jurisdictions levying taxes subject to capture to meet with the City Commission.

6. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members _____

NAYS: Members _____

RESOLUTION DECLARED ADOPTED.

CITY OF MUSKEGON

By _____
Ann Marie Meisch
City Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, State of Michigan, at a regular meeting held on November 13, 2018, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Ann Marie Meisch
City Clerk

EXHIBIT A
PROPERTY TO BE ADDED TO THE PLAN

PIN	ADDRESS NUMBER	STREET NAME
61-24-205-310-0012-00	880	1ST ST
61-24-233-000-0021-00	889	1ST ST
61-24-433-000-0003-00	926	2ND ST
61-24-433-000-0007-00	928	2ND ST
61-24-433-000-0002-00	930	2ND ST
61-24-433-000-0006-00	932	2ND ST
61-24-433-000-0001-00	934	2ND ST
61-24-433-000-0005-00	936	2ND ST
61-24-433-000-0008-00	940	2ND ST
61-24-433-000-0000-00		2ND ST
61-24-205-340-0001-00	1251	8TH ST
61-24-205-355-0001-00	1021	JEFFERSON ST
61-24-233-000-0001-00	387	MORRIS AVE
61-24-233-000-0002-00	401	MORRIS AVE
61-24-607-000-0000-00	600	SHORELINE DR
61-24-607-000-0008-00	601	TERRACE ST
61-24-607-000-0011-00	630	TERRACE ST
61-24-607-000-0010-00	633	TERRACE ST
61-24-607-000-0013-00	650	TERRACE ST
61-24-607-000-0012-00	655	TERRACE ST
61-24-607-000-0016-00	40	VIRIDIAN DR
61-24-607-000-0015-00	60	VIRIDIAN DR
61-24-607-000-0014-00	100	VIRIDIAN DR
61-24-607-000-0009-00	120	VIRIDIAN DR
61-24-817-000-0001-00	140	VIRIDIAN DR
61-24-817-000-0002-00	142	VIRIDIAN DR
61-24-817-000-0003-00	144	VIRIDIAN DR
61-24-817-000-0004-00	146	VIRIDIAN DR
61-24-607-000-0001-00	150	VIRIDIAN DR
61-24-817-000-0000-00	160	VIRIDIAN DR
61-24-607-000-0004-00	170	VIRIDIAN DR
61-24-607-000-0005-00	180	VIRIDIAN DR
61-24-607-000-0007-00	181	VIRIDIAN DR
61-24-607-000-0003-00	200	VIRIDIAN DR
61-24-607-000-0006-00	201	VIRIDIAN DR
61-24-431-000-0004-00	264	W CLAY AVE
61-24-431-000-0003-00	268	W CLAY AVE
61-24-431-000-0001-00	272	W CLAY AVE
61-24-431-000-0002-00	276	W CLAY AVE
61-24-431-000-0005-00	280	W CLAY AVE
61-24-431-000-0006-00	284	W CLAY AVE
61-24-431-000-0007-00	288	W CLAY AVE
61-24-431-000-0000-00	296	W CLAY AVE
61-24-433-000-0004-00	296	W CLAY AVE
61-24-233-000-0010-00	312	W CLAY AVE
61-24-233-000-0009-00	336	W CLAY AVE
61-24-234-000-0003-00	241	W WESTERN AVE
61-24-234-000-0002-00	255	W WESTERN AVE
61-24-234-000-0001-00	285	W WESTERN AVE
61-24-233-000-0024-00	292	W WESTERN AVE
61-24-233-000-0015-00	295	W WESTERN AVE
61-24-233-000-0014-00	299	W WESTERN AVE
61-24-233-000-0013-00	307	W WESTERN AVE
61-24-233-000-0012-00	325	W WESTERN AVE
61-24-204-000-0000-00	333	W WESTERN AVE
61-24-204-000-0001-00	333	W WESTERN AVE UNIT 1
61-24-204-000-0002-00	333	W WESTERN AVE UNIT 2

61-24-204-000-0003-00	333 W WESTERN AVE UNIT 3
61-24-204-000-0004-00	333 W WESTERN AVE UNIT 4
61-24-204-000-0005-00	333 W WESTERN AVE UNIT 5
61-24-204-000-0006-00	333 W WESTERN AVE UNIT 6
61-24-204-000-0007-00	333 W WESTERN AVE UNIT 7
61-24-233-000-0006-00	350 W WESTERN AVE
61-24-233-000-0007-01	351 W WESTERN AVE
61-24-233-000-0007-02	351 W WESTERN AVE
61-24-233-000-0007-03	351 W WESTERN AVE
61-24-233-000-0005-00	356 W WESTERN AVE
61-24-233-000-0004-00	360 W WESTERN AVE
61-24-233-000-0025-00	376 W WESTERN AVE
61-24-233-000-0008-00	379 W WESTERN AVE
61-24-432-000-0000-00	380 W WESTERN AVE
61-24-432-000-0001-00	380 W WESTERN AVE
61-24-205-566-0009-00	428 W WESTERN AVE
61-24-205-566-0013-00	442 W WESTERN AVE
61-24-205-566-0014-00	446 W WESTERN AVE
61-24-205-567-0001-10	450 W WESTERN AVE

Date: November 13th, 2018

To: Honorable Mayor and City Commissioners

From: Department of Public Works

RE: State Revolving Fund – Sewer Project Administration Assistance

SUMMARY OF REQUEST:

Authorize staff to extend the existing engineering services agreement with Prein & Newhof to provide administrative assistance during the implementation of the State Revolving Fund (SRF) sewer projects in 2019 and 2020.

Prein & Newhof completed the preliminary plan for sewer upgrades that resulted in funding through the MDEQ for approximately \$7.7M in sewer upgrade projects for 2019 and 2020. Staff would like to retain Prein & Newhof's services to assist in the administration and oversight of these projects to ensure compliance with MDEQ requirements and successful implementation of the projects.

FINANCIAL IMPACT:

\$10,000

BUDGET ACTION REQUIRED:

Allocate an additional \$10,000 to the already existing engineering services agreement. This will be addressed in the 1st Quarter Reforecast.

STAFF RECOMMENDATION:

Authorize staff to extend the existing engineering service agreement with Prein & Newhof.

Professional Services Agreement Amendment

Amendment Number : 1

Project Name: SRF Project Plan Preparation and Administration Assistance

P&N Representative: Barbara E. Marczak, P.E.

Client: City of Muskegon

Client Representative: LeighAnn Mikesell

AGREEMENT: The Agreement Amendment modifies the original agreement for professional services dated:
March 14, 2018

Client hereby requests and authorizes a change in services in accordance with the following:

SCOPE OF SERVICES MODIFICATION:

Assist the City of Muskegon with coordination of wastewater projects being performed under the 2019 SRF loan program including items such as preparation of application forms, review for consistency between projects and with design intent, responding to Project Plan review questions/comments, complying with SRF program requirements, and coordination with City's financial advisor/bond counsel.

SCHEDULE OF SERVICES MODIFICATION:

As needed October 25, 2018 through August 31, 2019

BUDGET MODIFICATION:

Increase maximum budget from \$55,000 to \$65,500.

METHOD OF COMPENSATION:

- ☐ Lump Sum for Defined Scope of Services
☒ Hourly Billing Rates plus Reimbursable Expenses
☐ Other:

ADDITIONAL PROVISIONS (IF ANY):

Click here to enter text.

Prepared by:

Prein&Newhof, Inc.

By:

Print Name:

Title:

Date:

Accepted for:

Client

By:

Print Name:

Title:

Date:

Date: November 7, 2018
To: Honorable Mayor and City Commissioners
From: Jim Maurer, IT Director
RE: Replacement of Storage Area Network (SAN)

SUMMARY OF REQUEST: Currently, we have a Storage Area Network (SAN) array that holds 50 virtualized servers covering all City functions. The industry standard is to replace such critical SAN units every five years; currently, we are approaching year seven.

We have spent months meeting with multiple vendors reviewing products and associated quotes. We are recommending the Tegile array proposal for the City of Muskegon. Of the three submitted, Tegile came in at the lowest price and provides the best long-term value in features and performance.

Tegile units are also used in the Muskegon Central Dispatch datacenter and having the same technology is beneficial to both.

FINANCIAL IMPACT: \$49,766.02

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approve the Tegile quote for \$49,766.02



Exceed Consulting
 2488 - 84th Street SW
 Byron Center MI 49315
 1 (616) 878-0000
timlocatis@exceed-corp.com

QUOTE

Quote #	EXCQ4582
Date	09/20/18
Sales Rep.	TimLocatis

Quote To:

City Of Muskegon
 Jason Boes
 933 Terrace St

Muskegon MI 49440

(231) 724-3345

Here is the quote you requested.

Ship To:

City Of Muskegon
 Jason Boes
 933 Terrace St

Muskegon MI 49440

Ln #	Qty	Description	Unit Price	Ext. Price
1	1	Tegile T4200 SAN/NAS Server - 4 x Intel Xeon - 52 TB Installed HDD Capacity - 5.80 TB Total Installed SSD Capacity - 464 GB RAM DRAM - 10 Gigabit Ethernet - Network (RJ-45) - IntelliFlash - iSCSI, FCP, NFS, CIFS, SMB 3.0 - 3U - Rack-mountable	\$34,576.27	\$34,576.27
2	2	Tegile 10Gigabit Ethernet Card - 2 Port(s) - Optical Fiber	\$1,322.27	\$2,644.54
3		SubTotal		\$37,220.81
4	1	3YR 24X7 4HR ONSITE PREMIER SUP FOR T4200 PARTS	\$9,220.34	\$9,220.34
5	1	Tegile Introduction & Administration - Academic Training Course - 2 Day Duration	\$0.01	\$0.01
6	1	STANDARD ONSITE PROFESSIONAL SVC	\$2,824.86	\$2,824.86
7		SubTotal		\$12,045.21
			SubTotal	\$49,266.02
			Sales Tax	\$0.00
			Shipping	\$500.00
			Total	\$49,766.02

Please contact me if I can be of further assistance.

PRICES SUBJECT TO CHANGE - PRICES BASED UPON TOTAL PURCHASE - ALL DELIVERY, TRAINING OR CONSULTING SERVICES TO BE BILLED AT PUBLISHED RATES FOR EACH ACTIVITY INVOLVED - GENERALLY ALL HARDWARE COMPUTER COMPONENTS PROPOSED ABOVE ARE COVERED BY A LIMITED ONE YEAR WARRANTY, COVERING PARTS AND LABOR ON A DEPOT BASIS - WE SPECIFICALLY DISCLAIM ANY AND ALL WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR WITH REGARD TO ANY LICENSED PRODUCTS. WE SHALL NOT BE LIABLE FOR ANY LOSS OF PROFITS, BUSINESS, GOODWILL, DATA, INTERRUPTION OF BUSINESS, NOR FOR INCIDENTAL OR CONSEQUENTIAL MERCHANTABILITY OR FITNESS OF PURPOSE, DAMAGES RELATED TO THIS AGREEMENT. MINIMUM 15% RESTOCKING FEE WITH ORIGINAL PACKAGING. 2% (APR 24%) LATE FEE AFTER 30 DAYS

Commission Meeting Date: November 13, 2018

Date: November 8, 2018
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
RE: Rezoning Several Properties

SUMMARY OF REQUEST:

Staff initiated request to rezone 372, 380, 388, 394, 398, 406, 414 Houston Ave; and 1148 6th St from R-3, High-Density Single-Family Residential to Form Based Code, Urban Residential to allow for more housing options.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Staff recommends approval of the rezonings.

COMMITTEE RECOMMENDATION:

The Planning Commission recommended approval of the rezonings (plus the rezonings of 1246, 1252 and 1258 5th St) by a 7-1 vote, with one member absent, at the October 4 Special Planning Commission meeting. Staff has recently recommended to remove 1246, 1252 and 1258 5th St from the request due to comments from the public.

SUMMARY

1. Staff is proposing the following rezonings from dense single-family residential to Form Based Code, Urban Residential. This would allow for more building types; including rowhouses, duplexes and small multi-plexes (3-6) units.
2. Community EnCompass would like to build a new four-unit home on the vacant lot at 380 Houston Ave. This lot previously held a four-unit home before it was destroyed in a fire. Half of this block is already zoned FBC, UR and hosts several large homes. This block could adequately support larger homes with the large alley and lots that could support multiple cars parking in the rear.
3. Community EnCompass also has developed plans to build attached homes on the three lots at 1246-1258 5th St, which are owned by the City and County.
4. Please see the enclosed sections of the Form Based Code, including the Urban Residential Context Area and the associated housing types that are allowed.
5. Please see the enclosed letter of support (for the 1246,1252 and 1258 5th St properties) from the Nelson Neighborhood Improvement Association.
6. This request was tabled at the August 16 Planning Commission meeting. Staff delivered a presentation at the September 19 Nelson Neighborhood Improvement Association meeting. Many in attendance were not supportive of additional attached units in the neighborhood.

NELSON NEIGHBORHOOD HOUSING STATS

Below is an overview of the housing types in Nelson Neighborhood, according to the 2015 Target Marker Analysis. These are measured by units, not individual buildings. Example: 350 duplex units would indicate there are 150 duplex structures.

Rent/Own

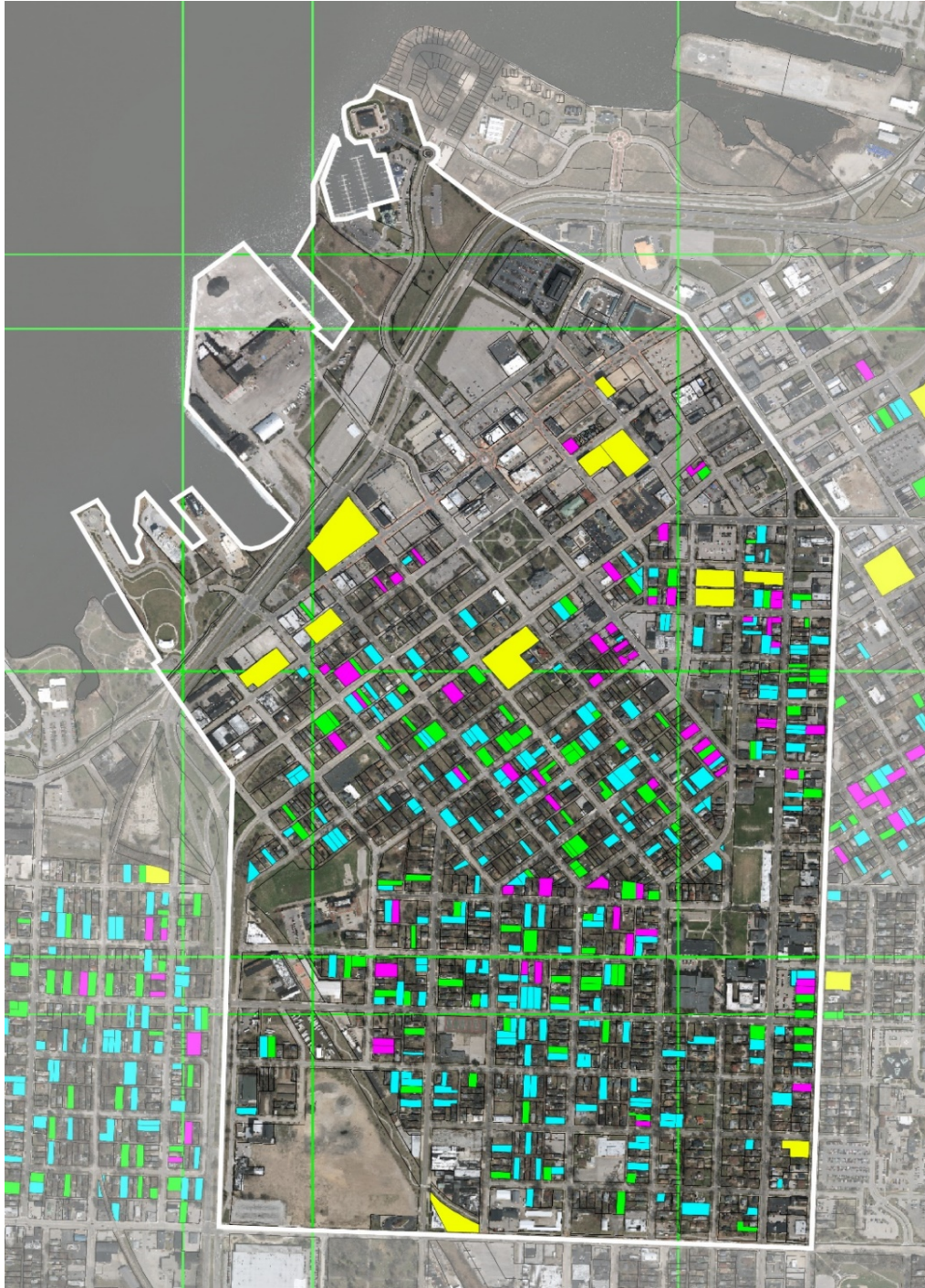
- Renter Occupied: 2,058 (53%)
- Owner Occupied: 1,792 (46.5%)

Housing Units by Total Units in the Structure

- Single Family, detached: 947 (46.7%)
- Duplex: 350 (17.3%)
- 3-4 Units: 204 (10%)
- 5-9 Units: 67 (3.3%)
- 10-19 Units: 18 (0.9%)
- 20-49 Units: 74 (3.6%)
- 50 or more: 314 (15.5%)

HOUSING STATS MAP

Green = Single-Family Rental Blue = Duplex Purple = Small Multi-Plex Yellow = Large Multi-Plex



This map was prepared in 2017 with statistics gathered by staff from analyzing assessment records in BS&A

1246, 1252, 1258 5th St



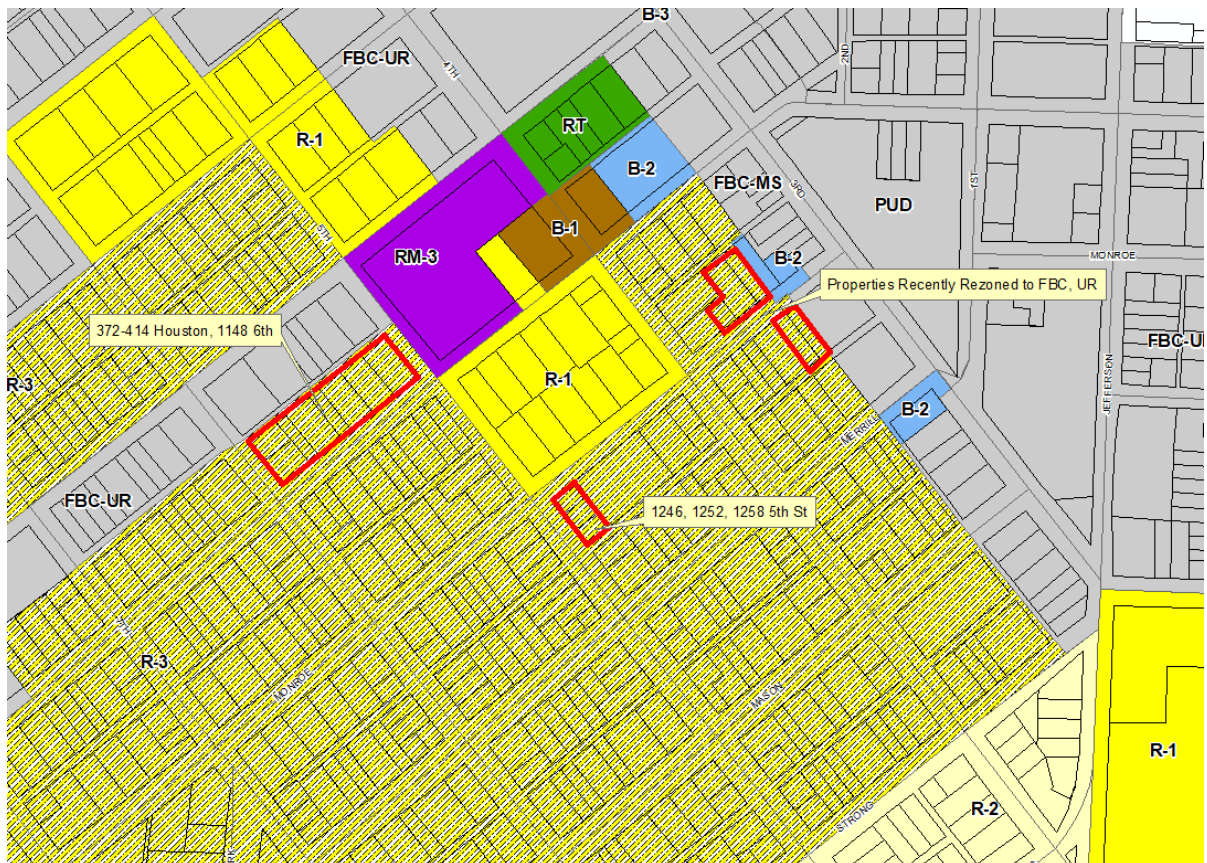
380 Houston Ave (Community EnCompass Property)



Existing Homes in the same block as 380 Houston Ave



Zoning Map



Aerial Map (Please note the map is outdated. All parcels at 1246, 1252 and 1258 5th St are now vacant)



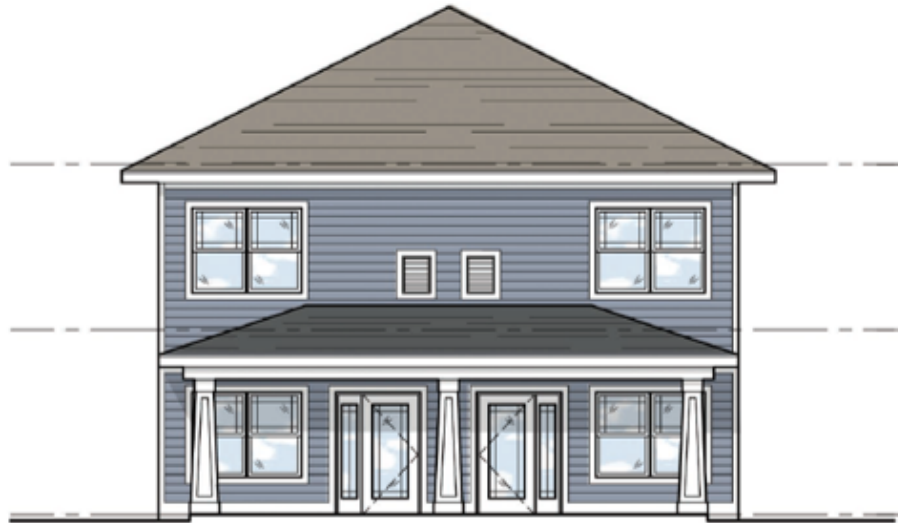
Size Standards by Housing Type

SMALL MULTI-PLEX BUILDING TYPE	with STOOP	By Right	3 story max. / 2 story min.	Lot Width: 50' min. / 80' max. Lot Depth: 100' min.
	with PROJECTING PORCH	By Right	3 story max. / 2 story min.	Lot Width: 50' min. / 80' max. Lot Depth: 100' min.
	with ENGAGED PORCH	By Right	3 story max. / 2 story min.	Lot Width: 50' min. / 80' max. Lot Depth: 100' min.
ROWHOUSE BUILDING TYPE	with LIGHTWELL			
	with STOOP	By Right	2 story building required	Lot Width: 18' min. / 30' max. Lot Depth: 100' min.
	with PROJECTING PORCH	By Right	2 story building required	Lot Width: 18' min. / 30' max. Lot Depth: 100' min.
DUPLEX BUILDING TYPE	with STOOP	By Right	2 story building required	Lot Width: 40' min. / 60' max. Lot Depth: 100' min.
	with PROJECTING PORCH	By Right	2 story building required	Lot Width: 40' min. / 60' max. Lot Depth: 100' min.
	with ENGAGED PORCH	By Right	2 story building required	Lot Width: 40' min. / 60' max. Lot Depth: 100' min.
DETACHED HOUSE BUILDING TYPE	with STOOP	By Right	2 story max. / 1 story min.	Lot Width: 30' min. / 60' max. Lot Depth: 100' min.
	with PROJECTING PORCH	By Right	2 story max. / 1 story min.	Lot Width: 30' min. / 60' max. Lot Depth: 100' min.
	with ENGAGED PORCH	By Right	2 story max. / 1 story min.	Lot Width: 30' min. / 60' max. Lot Depth: 100' min.

Community EnCompass Proposals

Below are renderings for the two Community EnCompass projects. Please keep in mind that this is not a site plan review and other housing types could be placed on these lots in the event the rezonings are approved.

The Phoenix



FRONT ELEVATION - PRELIMINARY



05-16-2018

STAFF RECOMMENDATION

Staff recommends approval of the request because it follows the recommendations of all of the recent planning efforts, including the Master Plan, Imagine Muskegon and the Downtown and Lakeshore Redevelopment Plan, as noted below. Also, the housing types allowed in the Form Based Code match what is recommended in the Target Market Analysis. Explanations of how this request relates to these plans/studies are in red.

1997 Master Land Use Plan

- Zoning regulations associated with the conversion of single-family homes to multiple-family use should contain standards ensuring that converted dwellings have sufficient on-site parking, suitable locations for trash receptacles which are customarily stored out of doors, sufficient yard/play areas, and exterior façade controls.

Form Based Code requires duplexes and small multiplexes to be built to certain standards, so the chance of converting an existing single-family home to multi-family is extremely low. Form Based Code will also require all homes to be built on appropriate sized lots (see the “Size Standards by Housing Type” chart). Form Based Code also has more stringent design standards, which match the design types of existing homes in the neighborhood. The code also encourages alley usage for cars and trash receptacles.

- Promote ongoing housing in-fill programs. As part of the in-fill effort, work with area builders to determine possible joint public/private partnerships for the construction of affordable housing.

Form Based Code allows for a wide selection of unit sizes and price points. It will also ensure that infill development is built to the scale of the existing neighborhood.

2003 Imagine Muskegon Plan

- Downtown should be designed to accommodate various age groups, socio-economic backgrounds, and cultural and racial heritage.

The 2015 Target Market Analysis states that a majority of these types of target markets are looking to locate in attached units, which could be achieved through Form Based Code. Single-family housing, which limits housing options, is the only legal conforming use in R-1, R-2 and R-3 districts, which is the majority of Nelson neighborhood.

- A mix of housing opportunities that provide choices to a wide range of people, including high-quality, affordable apartments, condominiums, cottages, and single-family homes.

Single-family zoning dominates the Nelson Neighborhood. Large apartment buildings are starting to become popular downtown. However, we have a lack of “missing middle” housing, which can be achieved through Form Based Code.

2008 Downtown and Lakeshore Redevelopment Plan

- Context sensitive architecture will reflect the character of existing buildings.
- Amend the zoning ordinance to provide standards regulating architecture, site

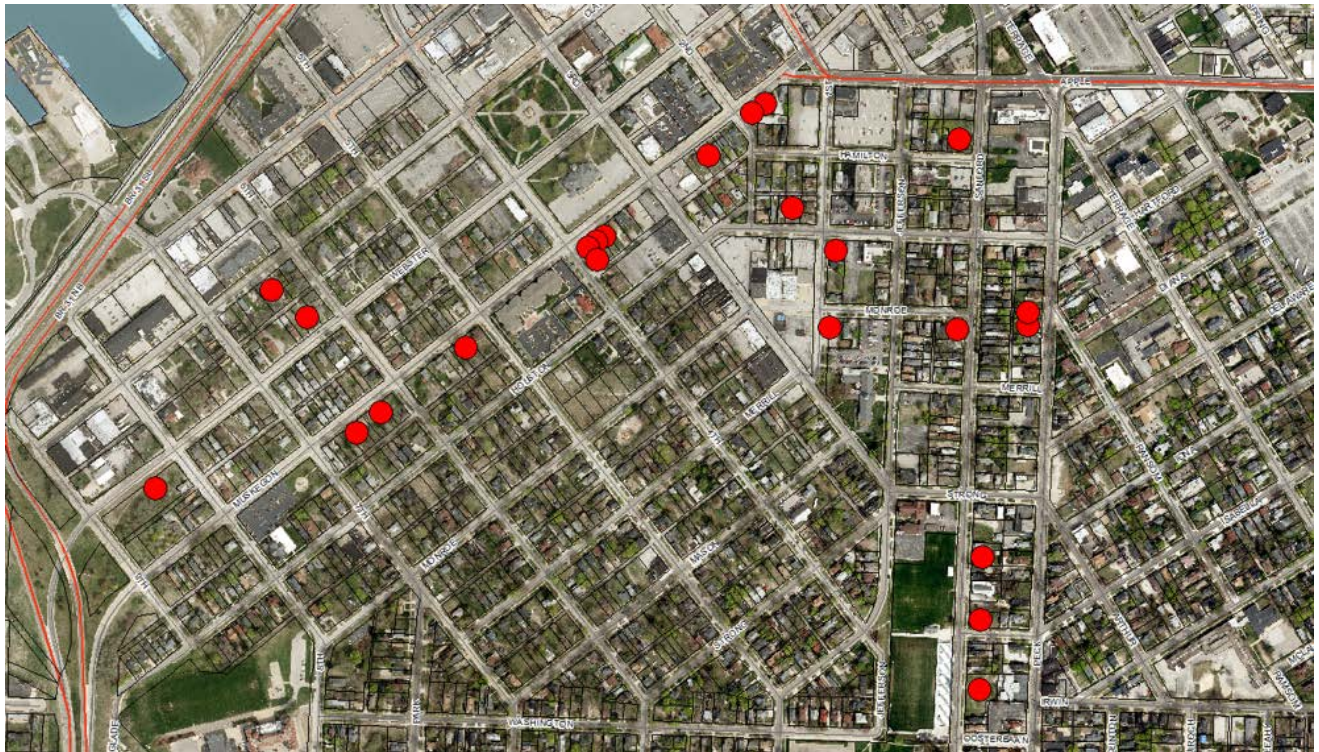
utilization, landscaping, window coverage, pedestrian amenities, and building form, so new buildings integrate well with existing structures.

Form Based Code requires stringent design guidelines that were created to fit in with the existing scale and architecture of the neighborhood.

2015 Target Market Analysis

- By a conservative estimate, Nelson neighborhood could support 110 attached units per year over the next 5 years. Compared to only 8 to 10 single family homes.
- Almost 70% of the target markets identified are seeking attached units.

We see that there is a demand for attached units, which could be met through Form Based Code. There are currently only 23 vacant lots in the Nelson neighborhood that would allow for “missing middle” housing types. See map below.



During the workshops for the creation of the Form Based Code, attendees were asked to prioritize the following goals. The top two selected relate to the current rezoning request.

1. Facilitating higher density development/adding new residents to the downtown
2. Fostering economic development/building the tax base for the city.
3. Balancing transportation modes/enhancing choices (i.e. walk, bike, transit, vehicle)
4. Providing access to businesses, community attractions, and schools
5. Supporting transit ridership through available parking (park n' ride)
6. Providing ample and affordable parking

CITY OF MUSKEGON

MUSKEGON COUNTY, MICHIGAN

ORDINANCE NO. _____

An ordinance to amend the zoning map of the City to provide for a zone change for 372, 380, 388, 394, 398, 406 and 414 Houston Ave; and 1148 6th St to Form Based Code, Urban Residential.

THE CITY COMMISSION OF THE CITY OF MUSKEGON HEREBY ORDAINS:

The zoning map of the City of Muskegon is hereby amended to change the zoning for several properties to Form Based Code, Urban Residential.

This ordinance adopted:

Ayes: _____

Nayes: _____

Adoption Date: _____

Effective Date: _____

First Reading: _____

Second Reading: _____

CITY OF MUSKEGON

By: _____

Ann Meisch, MMC
City Clerk

CERTIFICATE (Rezoning of 372, 380, 388, 394, 398, 406 and 414 Houston Ave; and 1148 6th St
to Form Based Code, Urban Residential)

The undersigned, being the duly qualified clerk of the City of Muskegon, Muskegon County, Michigan, does hereby certify that the foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Muskegon, at a regular meeting of the City Commission on the 13th day of November, 2018, at which meeting a quorum was present and remained throughout, and that the original of said ordinance is on file in the records of the City of Muskegon. I further certify that the meeting was conducted and public notice was given pursuant to and in full compliance with the Michigan Zoning Enabling Act, Public Acts of Michigan No. 33 of 2006, and that minutes were kept and will be or have been made available as required thereby.

DATED: _____, 2018

Ann Meisch, MMC
Clerk, City of Muskegon

Publish: Notice of Adoption to be published once within ten (10) days of final adoption.

CITY OF MUSKEGON
NOTICE OF ADOPTION

Please take notice that on November 13, 2018, the City Commission of the City of Muskegon adopted an ordinance amending the zoning map to provide for the change of zoning for 372, 380, 388, 394, 398, 406 and 414 Houston Ave; and 1148 6th St to Form Based Code, Urban Residential.

Copies of the ordinance may be viewed and purchased at reasonable cost at the Office of the City Clerk in the City Hall, 933 Terrace Street, Muskegon, Michigan, during regular business hours.

This ordinance amendment is effective ten days from the date of this publication.

Published _____, 2018

CITY OF MUSKEGON

By _____

Ann Meisch, MMC
City Clerk

PUBLISH ONCE WITHIN TEN (10) DAYS OF FINAL PASSAGE.

Account No. 101-80400-5354

COMMISSION MEETING DATE November 13, 2018

Date: November 8, 2018

To: Honorable Mayor and City Commissioners

From: Jeffrey Lewis, Director of Public Safety

RE: Parking Restrictions December 1 – April 1

SUMMARY OF REQUEST:

The Director of Public Safety requests that the Commission approve the changes for Chapter 92, L09 of the ordinance regarding the snow emergency parking between December 1 and April 1.

- Parking will be allowed between 5:00am and 5:00pm on odd or even calendars days based on the odd and even numbered street addresses.
- Between 5:00pm and 5:00am parking will be allowed on both sides of the street.
- Where parking is currently allowed only on one side of the street, parking is allowed, except between the hours of 2:00am – 6:00am.
- On Western Avenue, between 7th Street and Terrace Street, parking is allowed except between the hours of 2:00am and 6:00am.
- All signed parking restrictions apply all days of the week.
- This section applies to every portion of every block of every city street.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Staff recommends approval of the Parking Restrictions changes to the Code of Ordinances.

City of Muskegon
Muskegon County, Michigan
Ordinance Amendment No. _____

THE CITY OF MUSKEGON HEREBY ORDAINS:

Chapter 92 “Traffic and Vehicles,” Article V “Local Parking Restrictions,” Section 92-71 “Parking Restrictions,” of the Code of Ordinances of the City of Muskegon is amended as follows:

(L09) From December 1 through April 1 of each year and during any declared snow emergency, where parking is currently allowed on both sides of the street, on street parking is modified as follows. Parking is allowed on the side of the street with even numbered addresses on even numbered calendar days between the hours of 5:00 a.m. and 5:00 p.m. Parking is allowed on the side of the street with odd numbered addresses on odd numbered calendar days between the hours of 5:00 a.m. and 5:00 p.m. Parking is allowed on both sides of the street all days between the hours of 5:00 p.m. and 5:00 a.m. Where parking is currently allowed on one side of the street only, parking is allowed except between the hours of 2:00 a.m. and 6:00 a.m. On Western Avenue, between 7th Street and Terrace Street, parking is allowed except between the hours of 2:00 a.m. and 6:00 a.m. All signed parking restrictions apply all days of the week. This section applies to every portion of every block of every city street.

This ordinance adopted:

Ayes: _____

Nays: _____

Adoption Date: _____

Effective Date: _____

First Reading: _____

Second Reading: _____

CITY OF MUSKEGON

By _____
Ann Meisch, MMC
City Clerk

CERTIFICATE

The undersigned, being the duly qualified clerk of the City of Muskegon, Muskegon County, Michigan, does hereby certify that the foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Muskegon, at a regular meeting of the City Commission on the _____ day of _____, 2018, at which meeting a quorum was present and remained throughout, and that the original of said ordinance is on file in the records of the City of Muskegon. I further certify that the meeting was conducted, and public notice was given, pursuant to and in full compliance with Act No. 267, Public Acts of Michigan of 1976, as amended, and that minutes were kept and will be or have been made available as required thereby.

DATED: _____, 2018

Ann Meisch, MMC
Clerk, City of Muskegon

Publish: Notice of Adoption to be published once within ten (10) days of final adoption.

**CITY OF MUSKEGON
NOTICE OF ADOPTION**

TO: ALL PERSONS INTERESTED

Please take notice that on _____, 2018, the City Commission of the City of Muskegon adopted an amendment to Chapter 92 "Traffic and Vehicles," Article II "Uniform Traffic Code," Section 92-33 "Changes in code," Section 8.10 "Stopping, standing or parking vehicles; violations as civil infraction" of the Code of Ordinances of the City of Muskegon, whereby the following change was made:

Section (y) was added, to prohibit parking vehicles on unimproved areas of the side or front yards of residential lots.

Copies of the ordinance may be viewed and purchased at reasonable cost at the Office of the City Clerk in the City Hall, 933 Terrace Street, Muskegon, Michigan, during regular business hours.

This ordinance amendment is effective ten (10) days from the date of this publication.

CITY OF MUSKEGON

Published: _____, 2018 By: _____
Ann Meisch, MMC, Its Clerk

PUBLISH ONCE WITHIN TEN (10) DAYS OF FINAL PASSAGE

Date: November 13, 2018
To: Honorable Mayor and City Commissioners
From: City Manager
RE: Disposition of 1021 Jefferson Street

SUMMARY OF REQUEST: Staff has received multiple purchase offers and development proposals for the city-owned employee parking lot on the corner of Apple and Jefferson. Staff is seeking permission to execute a Letter of Intent to sell 1021 Jefferson Street to General Capital in anticipation of constructing a 73-unit housing development focused on providing quality workforce housing.

FINANCIAL IMPACT:

BUDGET ACTION REQUIRED:

STAFF RECOMMENDATION: Staff recommends approval of the request.

PROPOSAL TO PURCHASE CITY PROPERTY

1021 Jefferson Street
Muskegon, MI

November 8, 2018



GENERAL CAPITAL

Submitted by:

Josh Hafron

414-228-3518

joshua@generalcapitalgroup.com



November 8, 2018

VIA E-MAIL: mike.franzak@shorelinecity.com

Mr. Mike Franzak
City of Muskegon
Planning & Economic Development Department
933 Terrace Street
Muskegon, MI 49443-0536

**RE: General Capital Letter of Intent to Purchase City Property
1021 Jefferson Street
Muskegon, MI**

Dear Mike,

General Capital is excited about the potential to pursue a second high quality affordable housing development in Downtown Muskegon. Our Berkshire – Muskegon property is enjoying 100% occupancy and our residents are enjoying all the benefits of living Downtown. We are very interested in pursuing a second development on the City property located at 1021 Jefferson Street (southwest corner of Apple Avenue and Jefferson Street). The attached Letter of Intent expresses our interest in pursuing a purchase agreement with the City to allow us to pursue an allocation of affordable housing tax credits in the April 2019 round. The attached package includes our Letter of Intent, a set of preliminary concepts we developed for the site as well as some additional background on General Capital.

We propose to develop a 73-unit “workforce” housing development built to meet the requirements of Muskegon’s Form Based Code. We are very pleased with the physical design of our Berkshire – Muskegon project and look forward to developing another high quality infill project in the Downtown area. Our Muskegon-based architects, Hooker DeJong, understand Muskegon’s Form Based Code and are well versed in producing high quality urban infill projects. They have produced a schematic concept for the Jefferson site to demonstrate our team’s understanding of the property in its Downtown context.

The building is designed with its primary orientation toward the corner of Apple Avenue and Jefferson Street. The building is an “L” shape with primary commercial frontage on Apple Avenue and elevated residential “podium” along Jefferson Street. The ground floor facing Apple will include approximately 2,300 SF of commercial space as well as our main leasing office at the hard corner. The building is designed with minimal setback from the corner, to appropriately reinforce the street edge. Similar to our design for the Berkshire, the primary commercial space is “at grade” on the street side and elevated the required 42” along the residential frontage. This allows the building to include convenient underground parking

(59 spaces) and to screen surface parking behind and to the west of the building (43 spaces). The design includes a total of 102 parking spaces. We are also including a secure bike storage area in the basement to provide secure bike parking and service area. We also understand the City's desire to accommodate City and County employee parking on this property. We are willing to work out a long-term arrangement to meet this need (for example shared daytime surface parking). In addition, we are willing to work with the City to produce a more "parking intensive" scheme with structured parking if the City is willing to assist with funding of this type of project.

The building is programmed to include 73 units, including 55 1-bedroom units and 18 2-bedroom units. We understand the City's desire to produce a "mixed income" development, however, affordable housing tax credit pricing has fallen significantly since we financed the Berkshire – Muskegon and as a result, we are not able to include any pure market rate units at this point. It is also worth noting that the IRS has not provided adequate guidance regarding 80% units to provide comfort to credit buyers, thus 80% units are very difficult to finance. We continue to discuss the ideal unit mix with industry investors, lawyers and accountants.

Our proposed Area Median Income ("AMI") mix is as follows:

10 units at 30%	(13.7% of total units) – 1 BR rents at \$260
9 units at 40%	(12.3% of total units) – 1 BR rents at \$371 and 2 BR rents at \$444
11 Section 811 Units*	(15.1%) - 1 BR rents at \$482
14 Units at 60%	(19.2%) - 1 BR rents at \$594
29 Units at 80%	(39.7%) - 1 BR rents at \$817 and 2 BR rents at \$978

*Meeting criteria as mentally challenged and permanently disabled

In total, approximately 59% of the units will be for residents earning above 60% of the Area Median Income. The 30%, 40% and Section 811 units are required to score points to create a competitive application. The property will serve the true "middle market" currently underserved in Muskegon. Our properties typically attract residents who are from the immediate area and are currently working in the vicinity. This centrally located site is perfect for residents to take advantage of Downtown Muskegon – our residents will walk, shop and support local businesses.

Included in this package is a **Letter of Intent that offers to purchase the site at 1021 Jefferson for \$455,000**. In addition to a signed purchase contract to include in our application, General Capital will need the following from the City to produce the strongest application possible:

1. PILOT/MSA Agreement – This will help score points and create an economically feasible project
2. Letter and Support Resolution from City that describes how project is helping to economically revitalize downtown Muskegon
3. Site Plan Approval – Letter that states the site plan is approved by the City and no further action is needed from any elected body for site plan approval. As stated earlier, we look forward to working on another project using Muskegon's Form Based Code.

4. Zoning Approval – Letter that states zoning is in place to support the proposed project.

Applications for MSHDA's next round are due at the beginning of April and award announcements are expected in early July. General Capital would endeavor to close on the site by Year End 2019 and open the doors to residents in early 2021.

Muskegon should be familiar with our track record. We are good partners and produce high quality results. We don't use a standard building prototype, rather we work closely with local stakeholders to produce authentic projects with long term value. We would be excited to work with the City of Muskegon to develop the underutilized parking lot at 1021 Jefferson Street. We look forward to discussing our proposal with you.

Please don't hesitate to contact me with any questions regarding our proposal. My direct line is 414-228-3518.

Sincerely,
General Capital Group

A handwritten signature in black ink, appearing to read 'Josh Hafron', with a stylized flourish at the end.

Josh Hafron

LETTER OF INTENT



November 8, 2018

VIA E-MAIL: mike.franzak@shorelinecity.com

Mr. Mike Franzak
City of Muskegon
Planning & Economic Development Department
933 Terrace Street
Muskegon, MI 49443-0536

**RE: LETTER OF INTENT
1021 Jefferson Street
Muskegon, MI**

Dear Mike,

This letter constitutes the undersigned's proposal to purchase the above referenced property from the City of Muskegon. This letter expresses a preliminary and non-binding intent only, and as such, is intended not as an agreement, but merely as a focus for negotiations. Except as otherwise specifically stated in Section 12 (Exclusivity) below, no agreement with respect to the subject matter of this letter exists or shall exist unless and until a Contract (defined below), as contemplated by this letter, is entered.

1. Purchaser: General Capital Acquisitions, LLC ("Purchaser"), an affiliate of General Capital Group, or a nominee controlled by it, or its assignee.

The "Property" consists of the following: Fee simple interest in the Real Property and Land ("Real Property) located at 1021 Jefferson Street, Muskegon, Michigan

2. Price: The total Purchase Price for the Property shall be **Four Hundred Fifty-Five Thousand (\$455,000)**. The Purchase Price shall be paid at Closing (defined below) in immediately available funds subject to adjustment for pro-rations which are usual and customary in the local area for real estate investments of this type and size.
3. Purchase Agreement: The transaction is subject to negotiation and execution of a purchase and sale agreement (the "Contract") in form and substance satisfactory to both parties. The Contract will set forth the terms contained herein, as well as all obligations of the parties, including, such representations and warranties, covenants and other provisions as are customary for transactions of this nature. Purchaser's attorney shall prepare the initial draft of the Contract and Purchaser

shall deliver the Contract to Seller within fifteen (15) business days after full execution of this Letter of Intent.

4. **Earnest Money Deposit:** Within two business days following the date upon which the Contract is fully executed (the "Contract Date"), Purchaser will deposit \$20,000 with the Cinnaire Title Services ("Escrow Holder") for deposit into a joint order escrow account (the "Earnest Money Deposit"). The Earnest Money Deposit shall be invested by Escrow Holder in an interest-bearing account as directed by Purchaser with all interest accruing thereon paid to Purchaser and shall be applied toward the Purchase Price at Closing. The balance of the Earnest Money Deposit escrow shall become non-refundable and shall be payable to the Seller with no contingencies after expiration of the last to expire of the Due Diligence Period, Financing Contingency Period and Required Approval Contingency Period (each as specifically defined below; collectively the "Contingency Periods").
5. **Due Diligence Period:** Purchaser shall until November 30, 2019 to conduct an inspection of the Property (the "Due Diligence Period"). During the Due Diligence Period, Purchaser shall have the right to inspect the Property and perform studies with respect to the condition of the Property, including, without limitation, structural, mechanical and environmental studies and investigations into regulatory, title, lease, tenant, operations, insurance premiums and other matters deemed relevant by Purchaser. If, after such investigation, Purchaser, in its sole discretion, determines that the Property is not satisfactory to Purchaser for any reason, Purchaser may terminate the Contract by written notice to Seller delivered prior to the expiration of the Due Diligence Period in which event the Earnest Money Deposit, together with all interest earned thereon, shall be returned to Purchaser. Seller will grant access upon reasonable notice and at reasonable times, to Purchaser and its representatives, agents, employees, independent contractors, consultants, engineers, architects, accountants and contractors to perform such tests and studies as Purchaser deems necessary during the Due Diligence Period.
6. **Financing:** Buyer shall have until November 30, 2019 to procure mortgage financing, Low Income Housing Tax Credits ("LIHTC") and additional project subsidy acceptable to Purchaser in its sole discretion (the "Financing Contingency Period"). The Purchaser intends to make application for 2019 LIHTC. A full application will be made to WHEDA by the end of December 2018. Awards are expected to be announced in March of 2018. If, prior to the expiration of the Financing Contingency Period, Purchaser notifies Seller that it is unable to procure acceptable financing, Purchaser will terminate the Contract by written notice to Seller in which event the Earnest Money Deposit, together with all interest earned thereon, shall be returned to Purchaser. Purchaser will notify Seller if transaction becomes untenable for any reason.
7. **Required Approvals:** Purchaser shall have until November 30, 2019 to procure approvals from any federal, state or municipal governmental department or agency whose approval is necessary for the contemplated transaction to occur (the "Required Approval Contingency Period"). Seller shall reasonably cooperate with Purchaser in connection with the procurement of the approvals. Provided Purchaser makes timely application for all required approvals, and in good faith pursues all required approvals Purchaser shall have right to extend Required Approval Contingency Period for up to an additional thirty (30) days. If, prior to the expiration of the Required Approval Contingency Period, Purchaser notifies Seller that it is unable to procure all applicable approvals, Purchaser may terminate the Contract by written notice to Seller in which event the Earnest

Money Deposit, together with all interest earned thereon, shall be returned to Purchaser. The Contract will require Seller to follow any governmental requirements for transferring title.

8. Closing: Transfer of title to Purchaser (the "Closing") shall be by general warranty deed and shall occur no later than ninety days (90) days following the expiration of the last Contingency Period to expire. The Closing shall take place at the offices of Escrow Holder, Chicago Title Insurance. Seller shall deliver copies of all proposed closing documents at least 20 days prior to Closing for Purchaser's review.
9. Title: Within 20 days after the Contract Date, Seller will deliver to Purchaser, a title insurance commitment (the "Title Commitment") issued by Escrow Holder and, at the Closing, a standard ALTA Form B Owner's Title Insurance Policy in the amount of the Purchase Price, showing fee simple title to the Real Property in Purchaser, free and clear of all encumbrances, except those agreed to in writing by Purchaser, containing "extended coverage" over all general exceptions and including, without limitation, a 3.1 zoning endorsement, contiguity and access endorsement and any other endorsements reasonably requested by Purchaser. All endorsements are at Purchaser's expense. Together with the Title Commitment, Seller shall deliver to Purchaser copies of all underlying title documents referenced therein. Purchaser may obtain, at Purchaser's expense, an updated ALTA survey to 2011 Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys, jointly established and adopted by the American Land Title Association and National Society of Professional Surveyors on February 23, 2011 reflecting no encroachments of any of the improvements located on the Real Property onto any adjacent property, easements or rights of way, and which survey will be sufficient to cause the title company to issue the required owner's title policy free of any exceptions for survey matters. Seller shall pay the title insurance premium, including the cost of a GAP Endorsement and Purchaser shall pay for the premiums for any additional endorsements and any lender's policy required by Purchaser. The issuance of an ALTA extended coverage policy of title insurance shall be a condition of Purchaser's obligation to close.
10. Conduct of Business: During the period from the Contract Date to the Closing: (a) the Property shall be operated by Seller, in all material respects, in accordance with all applicable laws, rules and regulations and in a manner consistent with past customs and practices; (b) Seller will not enter into any transaction or lease other than in the ordinary course of business without the prior approval of the Purchaser.
11. Exclusivity. Seller agrees that for a period of 45 days from the date of the acceptance of this Letter of Intent, Seller will not negotiate terms for, nor solicit a possible sale of the Property with any other party or provide any information regarding the Property to any other party. Seller and Purchaser agree to negotiate in good-faith the terms of the Contract and, to the extent the Contract is executed, Seller will not solicit a possible sale of all or any part of the Property or provide any information regarding the Property to any third party during the period of the Contract. The specific agreements of Seller under this Section 11 shall be enforceable notwithstanding the general non-binding nature of this letter of intent.
12. Brokerage Agreements. Neither Purchaser or Seller has engaged a broker in this transaction. Seller and Purchaser will indemnify each other against any claims from any broker claiming to be involved with this transaction.

13. Binding Nature. This letter reflects the understandings and agreements of Seller and Purchaser in principle but is expressly understood that this letter of intent is not intended to constitute a complete statement of terms or a legally binding or enforceable agreement of Seller and Purchaser. Seller and Purchaser acknowledge that they have not attempted to include all essential terms of the transaction contemplated hereby and that such essential terms are subject to further negotiations. It shall remain in the sole discretion of each party whether to enter into the Contract and neither party has any liability for failing to do so.
14. Expiration. Purchaser's proposal contained in this letter shall remain valid until 5p.m. Central Standard Time on November 26, 2018 at which time this proposal shall be null and void.

General Capital Acquisitions, LLC

By: _____

Its: Authorized Agent _____

ACCEPTED AND AGREED TO THIS

_____ DAY OF _____, 2018

.

OWNER OF RECORD: City of Muskegon

By: _____

Its: _____

CONCEPT DESIGN

JEFFERSON APARTMENTS



GENERAL CAPITAL

H DJ HOOKER | DE JONG INC
Architects • Engineers • Planners

MUSKEGON, MICHIGAN | P. 231.722.3407 | GRAND RAPIDS, MICHIGAN CHICAGO, ILLINOIS 60606 WWW.HDJINC.COM

PROPOSED ELEVATION | PR0.0

JEFFERSON APARTMENTS

1021 JEFFERSON ST
MUSKEGON, MI 49440
AUGUST 6, 2016

JEFFERSON APARTMENTS

PROJECT INFORMATION

PROPOSED 3-STORY BUILDING 1 BEDROOM UNIT 2 BEDROOM UNIT

1ST FLOOR PLAN 17 UNITS 5 UNITS
2ND FLOOR PLAN 19 UNITS 7 UNITS
3RD FLOOR PLAN 19 UNITS 7 UNITS

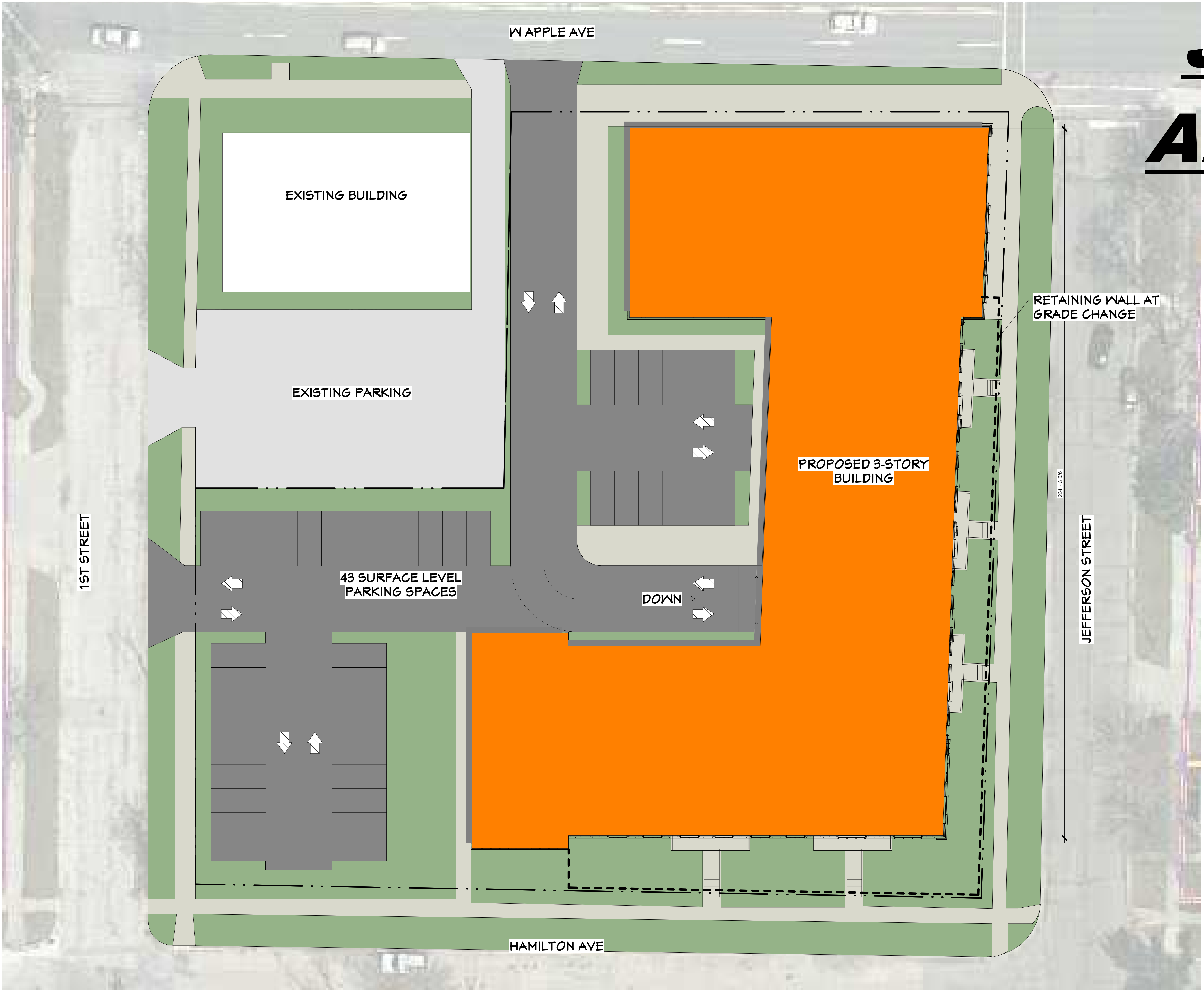
TOTAL: 55 (1) BEDROOM UNITS 19 (2) BEDROOM UNITS

GRAND TOTAL: 74 BEDROOM UNITS

PARKING SPACES

SURFACE LEVEL PARKING SPACES 43 PARKING SPACES
PARKING GARAGE 59 PARKING SPACES

GRAND TOTAL: 102 PARKING SPACES



1 PROPOSED SITE PLAN
PR0.1 1/16" = 1'-0"

GENERAL CAPITAL

H DJ HOOKER | DE JONG INC
Architects • Engineers • Planners

MUSKEGON, MICHIGAN | P. 231.722.3407 | GRAND RAPIDS, MICHIGAN CHICAGO, ILLINOIS 60606 WWW.HDJINC.COM

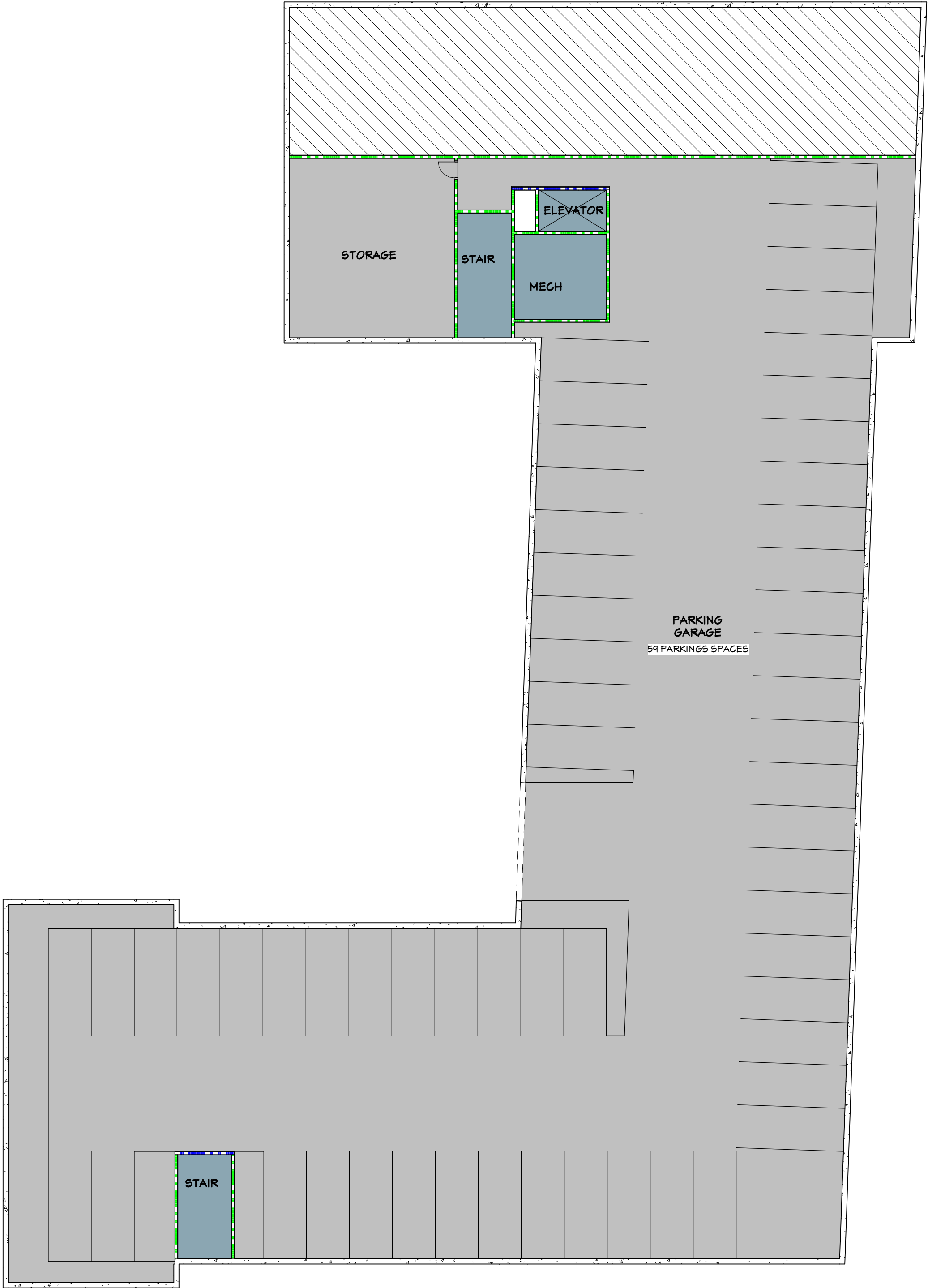
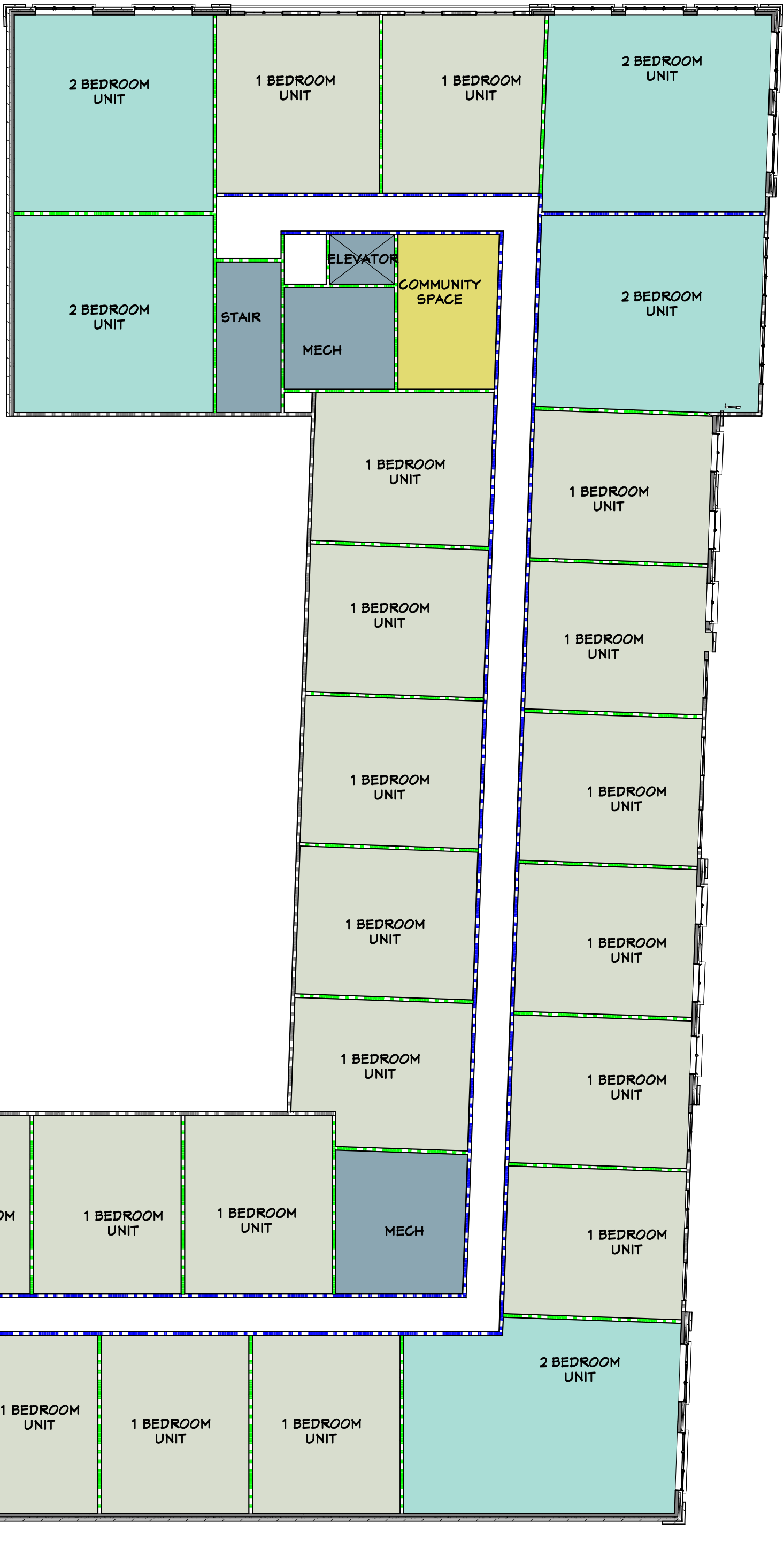
PROPOSED SITE PLAN | PR0.1

JEFFERSON APARTMENTS

1021 JEFFERSON ST
MUSKEGON, MI 49440
AUGUST 6, 2016

PROJECT INFORMATION

<u>PROPOSED 3-STORY BUILDING</u>	 <u>1 BEDROOM UNIT</u>	 <u>2 BEDROOM UNIT</u>
1ST FLOOR PLAN	17 UNITS	5 UNITS
2ND FLOOR PLAN	19 UNITS	7 UNITS
<u>3RD FLOOR PLAN</u>	<u>19 UNITS</u>	<u>7 UNITS</u>
TOTAL:	55 (1) BEDROOM UNITS	19 (2) BEDROOM UNITS
GRAND TOTAL:	74 BEDROOM UNITS	
<u>PARKING SPACES</u>		
SURFACE LEVEL PARKING SPACES	43 PARKING SPACES	
PARKING GARAGE	59 PARKING SPACES	
GRAND TOTAL:	102 PARKING SPACES	



3 SECOND AND THIRD FLOOR PLANS
PR1.0 1/16" = 1'-0"

2 FIRST FLOOR PLAN
PR1.0 1/16" = 1'-0"

1 PARKING GARAGE
PR1.0 1/16" = 1'-0"

GENERAL CAPITAL

H DJ HOOKER | DE JONG INC
Architects • Engineers • Planners

MUSKEGON, MICHIGAN | P. 231.722.3407 | GRAND RAPIDS, MICHIGAN CHICAGO, ILLINOIS 60606 WWW.HDJINC.COM

FIRST FLOOR PLAN | PR1.0

JEFFERSON APARTMENTS

1021 JEFFERSON ST
MUSKEGON, MI 49440
AUGUST 6, 2016



W APPLE AVE ELEVATION

1/8" = 1'-0"



JEFFERSON STREET ELEVATION

1/8" = 1'-0"

GENERAL CAPITAL



MUSKEGON, MICHIGAN | P. 231.722.3407 | GRAND RAPIDS, MICHIGAN CHICAGO, ILLINOIS 60606 WWW.HDJINC.COM

EXTERIOR ELEVATIONS | PR1.2

JEFFERSON APARTMENTS

1021 JEFFERSON ST
MUSKEGON, MI 49440
AUGUST 6, 2016

GENERAL CAPITAL PORTFOLIO

RESIDENTIAL

AFFORDABLE HOUSING



“The Berkshire Muskegon was the first new development to be built under the city’s recently adopted “Form Base Code,” a progressive zoning tool intended to encourage more thoughtful urban design throughout Downtown Muskegon”

BERKSHIRE MUSKEGON

275 W. CLAY AVENUE, MUSKEGON, MI

The Berkshire-Muskegon is an 84-unit mixed-use senior housing community located at 1st and Clay in Downtown Muskegon. The 3-story brick building includes ground floor commercial space facing Clay, community space and resident amenities facing Webster and residential units in a courtyard configuration. AgeWell Services of West Michigan will occupy the 5,600 SF commercial space with offices and The Driftwood Café, a reduced cost food venue intended to serve the general public and area residents with limited incomes. The site produces a WalkScore® of 82, indicating a highly pedestrian environment that is convenient to shopping and services. The Muskegon Farmers Market, one of Michigan’s largest and longest operating open air markets, is only two blocks away.

The Berkshire – Muskegon was the first new development to be built under the city’s recently adopted “Form Base Code,” a progressive zoning tool intended to encourage more thoughtful urban design throughout Downtown Muskegon. The property falls into two “character areas,” each containing specific development parameters including “build to” setback lines, certain height and bulk restrictions and requirement for ground floor commercial space. One unique aspect of the process was that it was approved by City Staff, not requiring any commission or council approvals. The result is an urban, pedestrian-friendly building that fits comfortably into its downtown location.

The \$16.3 million project was funded with tax credit equity from US Bancorp Community Development Corporation and a permanent loan from Chemical Bank.

GENERAL CAPITAL

6938 NORTH SANTA MONICA BLVD
MILWAUKEE, WI 53217
(O) 414-228-3500 (F) 414-228-3700
WWW.GENERALCAPITALGROUP.COM

RESIDENTIAL

AFFORDABLE HOUSING



General Capital worked closely with the Village of Paw Paw to design and fund this project. The Village contributed \$200,000 to improve the commercial space and over \$40,000 in fee waivers and streetscape improvements.



BERKSHIRE PAW PAW

308 E MICHIGAN AVE, PAW PAW MI

The Berkshire-Paw Paw is a 42-unit affordable independent senior housing community located in the heart of Downtown Paw Paw, Michigan. Residents enjoy walking to downtown restaurants, shops and services. Autumn House Adult Day Care Services is located in the street-facing commercial space, offering area residents a safe and inviting daytime environment for adults with special needs such as Alzheimer's, dementia or other physical impairments. The Berkshire - Paw Paw is LEED® Certified, a nationally recognized environmental program that demonstrates a commitment to energy efficiency and care for the earth. Residents will benefit with lower utility bills, increased indoor air quality and overall improvement of environmental health. The facility is one of the only LEED® Certified apartment communities in Southwest Michigan.

General Capital worked closely with the Village of Paw Paw to design and fund this project. The Village contributed \$200,000 to improve the commercial space and over \$40,000 in fee waivers and streetscape improvements. The project was the first new project to be approved under the Village's Downtown Overlay District, a form-based code emphasizing mixed-use, pedestrian-oriented development. The \$9.7 million project was funded with tax credit equity from US Bancorp Community Development Corporation and a permanent loan from Chemical Bank.

GENERAL CAPITAL

6938 N Santa Monica Blvd
Fox Point, WI 53217
tel 414-228-3500 fax 414-228-3700
www.generalcapitalgroup.com

RESIDENTIAL

AFFORDABLE HOUSING



MAYOR'S DESIGN AWARD



*"Affordable Housing
Tax Credit Apartment Deal located in
the Heart of Downtown Milwaukee"*

BEERLINE B APARTMENTS

1710 N COMMERCE STREET, MILWAUKEE, WI

The Beerline apartments project is located on Commerce Street along on the River in in Downtown Milwaukee. The project has a total of 140, 1-, 2-, and 3-bedroom units. 90 of the units are in BLDG 1 on the south edge and 50 in BLDG 2 on the North, the building adds to the expansive new construction product in the downtown market. The main buidlings are split by BLDG 3, a resident / commnity lounge that features a theatre like Audio/Video experience, blazing fast Wi-Fi, a full kitchen and a wood burning pizza oven for neighborhood events and private / public community get togethers.

To finance the project, General Capital received one of the largest private allocations of LIHTC in Wisconsin's history. In addition, General Capital worked closely with the City of Milwaukee to negotiate a \$1.1 million TIF to reconstruct the Milwaukee River dock wall and Riverwalk. The project also obtained a \$400,000 brownfield grant to assist with environmental clean-up.



GENERAL CAPITAL

6938 N Santa Monica Blvd
Fox Point, WI 53217
tel 414-228-3500 fax 414-228-3700
www.generalcapitalgroup.com

RESIDENTIAL

AFFORDABLE HOUSING



"Affordable supportive and market rate housing on Milwaukee's East Side developed for Mercy Housing"

BUILDING SIZE

79,270 SF

TOTAL UNITS

53

NEIGHBORHOOD

EAST SIDE



GREENWICH PARK APARTMENTS

2353 N FARWELL AVE, MILWAUKEE, WI 53211

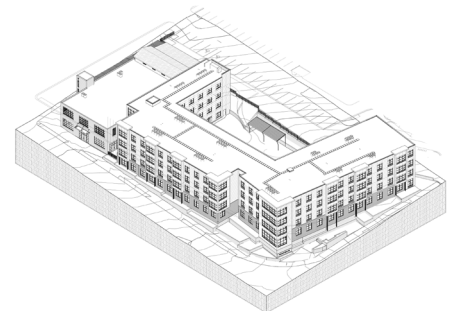
After exploring several alternatives, Mercy Housing Inc., a Denver-based non-profit housing developer, requested help from General Capital to finalize plans, help secure financing and serve as General Contractor for their 53-unit affordable housing development on Milwaukee's East Side. After receiving an allocation of affordable housing tax credits, Mercy struggled to find a local contractor to build the originally envisioned project on budget. With the help of General Capital and its strategic partner The Hoff Group, the project was fully redesigned with a more cost effective structural system while maintaining the exterior quality required by the the City of Milwaukee. Greenwich Apartments is a mix of affordable supportive housing and market rate apartments owned and operated by Mercy Housing Lakeside.

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RESIDENTIAL

AFFORDABLE HOUSING



*"Cutting Edge Affordable Housing for
Millenials with Historic
Renovation of Existing
Pioneer Ford Dealership"*



RUXTON

PINE AND WATER ST, PLATTEVILLE, WI

Mixed use residential development on the former Pioneer Ford site in Downtown Platteville. Ruxton will include 71 units and approximately 2,500 square feet of commercial space. The building will be four stories tall with a connection into the Pioneer Ford building at the second floor. The Pioneer Ford building will be renovated into a new entrance and community space on the upper floor and retail space/utility rooms on the lower level. Additional retail space will be located in the high profile corner of the building on Water Street. The commercial space could be used for a coffee shop, deli, boutique retail or offices.

The residential portion of the project consists of two rectangular volumes connected by a glass atrium. The design will provide a stunning gateway element at the entrance to Downtown Platteville.

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RESIDENTIAL

STUDENT APARTMENTS



MAYOR'S DESIGN AWARD



"Student apartments for Milwaukee Institute of Art and Design developed in the Historic Third Ward under the Architectural Review Board Design Guidelines"

BUILDING SIZE:

174,889 SF

TOTAL BEDS:

310

NEIGHBORHOOD

THIRD WARD

COMMERCIAL TENANTS

BLICK ART MATERIALS
KICKAPOO COFFEE

TWO50TWO APARTMENTS

252 E MENOMONEE ST, MILWAUKEE, WI 53202

TWO50TWO
MIAD STUDENT APARTMENTS

MIAD's student housing is located on East Menomonee Street, directly across from the school's main academic building. Students can take advantage of the full MIAD community experience by living directly on campus. And MIAD's campus is like no other: students live in the heart of Milwaukee's trendy Third Ward Neighborhood, known for its art galleries, creative agencies, studios and unique dining and entertainment offerings. The Third Ward is characterized by historic industrial architecture, loft-style residential buildings and lively street level retail. MIAD students live in the middle of it all.

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RESIDENTIAL

APARTMENT BUILDING



*"An Artful Expression of
Modern Living"*

BUILDING SIZE

108,470 SF

TOTAL UNITS

95

NEIGHBORHOOD

SHOREWOOD

COMMERCIAL TENANTS

MOD PIZZA

BENTLEY PETS

ORANGE THEORY

BLUE'S EGG RESTAURANT

WISCONSIN VISION

MOSAIC PREMIER APARTMENTS

4175 N OAKLAND AVE, SHOREWOOD, WI



Mosaic is an upscale mixed-use development in the heart of Shorewood, Wisconsin featuring 95 beautiful residences for lease, first floor boutique shops and restaurants and conveniently located next to the newest Metro Market. Mosaic brings a perfect balance to urban living, combining sophisticated luxuries and conveniences in one ideal location. The community is nestled in a quaint neighborhood setting and just minutes from downtown Milwaukee, the lakefront and community parks.

The apartment building is part of a \$50 million mixed use development that is anchored by Roundy's new Metro Market flagship. A 90,000 square foot grocery store was constructed on two levels and is attached to a four story parking structure. The development was facilitated by a public private partnership that included significant municipal participation.

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RESIDENTIAL

AFFORDABLE HOUSING



*"A mixed-use senior project in the
Historic Six Points / Farmers Market
area of West Allis"*

TOTAL UNITS:

80

NEIGHBORHOOD

WEST ALLIS



BERKSHIRE WEST ALLIS

1414 S 65TH STREET, WEST ALLIS, WI

The City of West Allis took a proactive approach toward an old industrial neighborhood saddled with obsolete properties and is creating a vibrant mixed-use area known as Six Points/Farmers Market. The City sought a catalytic project that would kick-start the redevelopment effort. General Capital responded with a proposal to develop 80 units of senior apartments with retail on the ground floor. The City enthusiastically endorsed the concept and became a partner in the transaction. A \$1.2 million municipal investment was made to defray acquisition, demolition and environmental remediation costs.

The developer executed a complex property assemblage and created a four-story design that addressed the commercial nature of Greenfield Avenue while maintaining a strong residential feel along 65th Street. With the City as a partner, General Capital was awarded federal affordable housing tax credits from WHEDA that enabled this high quality project to be built while maintaining rents affordable to neighborhood seniors.

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RESIDENTIAL

AFFORDABLE HOUSING



*"Workforce housing for Milwaukee's
creative class Designed with an
industrial aesthetic"*



HIDE HOUSE LOFTS

2615 S GREELEY ST, MILWAUKEE, WI

Hide House Lofts is a 60-unit affordable workforce housing community located in Milwaukee's trendy Bay View neighborhood. The property was developed as a housing complement to the larger Hide House creative arts complex, which includes over 60 artists and creative businesses. Hide House Lofts was developed on a property that was once part of a larger commercial tannery complex. The property was contaminated with solvents from the tannery operation and required source removal and soil encapsulation as part of a DNR Remedial Action Plan approved for the property. In the process of developing the new project, several buildings were demolished. The project achieved over 93% landfill diversion, including re-purposing wood beams into flooring for the new building.

General Capital closed on the Hide House Lofts transaction at the height of the Great Recession. This required a complex financial execution leveraging numerous sources of funds including \$1.7 million of federal TCAP (Tax Credit Assistance Program) funds.

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RESIDENTIAL

AFFORDABLE HOUSING



*"The Latest Addition to the Greendale
Originals"*

TOTAL UNITS

90

NEIGHBORHOOD

GREENDALE



BERKSHIRE GREENDALE

7010 W GRANGE AVENUE, GREENDALE, WI

The Berkshire-Greendale contains 90 units in a variety of configurations. The Berkshire is affordable, without compromising the important amenities that make an apartment feel like home. We offer wellness screening, regular activities, trips and special events. We have many on-site amenities and gathering places to encourage friendship and fun. Our goal is to offer a complete lifestyle for today's active senior.

Many of the units at the Berkshires are available at reduced rents for income eligible seniors. You will be pleased at how affordable luxury senior living can be.

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RESIDENTIAL

AFFORDABLE HOUSING



General Capital worked with the National Park Service to obtain approval for the adaptive re-use of the building into 73 workforce apartments.

BERGAMOT BRASS WORKS APARTMENTS

800 E WISCONSIN ST, DELAVAN, WI

General Capital recognized the demand for high quality affordable housing in the City of Delavan, a picturesque tourism-intensive community west of Lake Geneva. In seeking an appropriate site, a large industrial building became available and General Capital seized the opportunity to renovate an historic building in the heart of the community. The former George W. Borg Corporation facility was built between 1943 and 1956, at the height of WWII. In 1942, Borg Corporation was awarded a large government contract to manufacture ammunition components, including the famous "proximity fuse" used in the war. General Capital worked with the National Park Service to obtain approval for the adaptive re-use of the building into 73 workforce apartments.

The building required full restoration of the exterior brick, new historically accurate windows and other historic features. The interior is fully gutted and retrofit to create authentic loft-style residential units and community spaces. The building includes direct entry 3-bedroom units on the south side of the building. The \$16.3 million project is supported by a \$1.2 million TIF from the City of Delavan and an allocation of affordable housing tax credits. In addition, the property is taking advantage of federal and state historic preservation tax credits.

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RESIDENTIAL

AFFORDABLE HOUSING



*"The Town of Waukesha Celebrates its
first senior housing development"*

TOTAL UNITS

78

NEIGHBORHOOD

WAUKESHA



BERKSHIRE AT SUNSET

S30 W24890 SUNSET DRIVE, WAUKESHA, WI

A large vacant parcel and ten small single-family homes were redeveloped into this mixed use commercial/residential campus. Components including a large format grocery store, neighborhood-serving shops and the Berkshire at Sunset, a 78-unit independent senior housing facility. At the time, the Town of Waukesha ordinances didn't allow dense residential development within its boundaries, so over a six month period, General Capital worked with the Town's stakeholders to re-write its zoning code to accommodate this opportunity.

The Berkshire at Sunset is a high-quality, three story independent senior facility with spacious floor plans, numerous on site amenities and an attractive landscaping package to accent the property's pond. We enjoy an excellent reputation within the area's senior community as a high quality, affordable place to live.

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RESIDENTIAL

AFFORDABLE HOUSING



The project gained full support of the local municipality, including the Downtown Development Authority, which approved the project through its Design Review Board. The City Council endorsed the project with a support resolution and PILOT.



BERKSHIRE NILES

10 N 3RD STREET, NILES MI

Niles, Michigan is known as "The City of Four Flags," the oldest European settlement in lower Michigan with over 300 years of interesting architecture, culture and history. The Berkshire- Niles is located at the corner of Third and Broadway in the Heart of Downtown Niles. This 53-unit independent senior housing community is the latest addition to General Capital's "Berkshire" brand. The 3-story building features gabled roof forms with dormers over porches, high quality brick and siding materials and underground parking, a feature rarely seen in this market.

General Capital worked with local stakeholders to design an appropriate building for this important gateway location. The property is an assemblage of several small, underutilized parcels in a highly visible location with views of the St. Joseph River. The project gained full support of the local municipality, including the Downtown Development Authority, which approved the project through its Design Review Board. The City Council endorsed the project with a support resolution and PILOT. The project will be the first significant new residential development in Downtown Niles in decades. The project will have a catalytic impact on the immediate neighborhood and will bolster community confidence in the development potential of Downtown Niles.

The \$12.1 million project was funded with tax credit equity and permanent debt through Insite Capital/ Chemical Bank and a \$500,000 grant from the Federal Home Loan Bank of Indianapolis.

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RESIDENTIAL

AFFORDABLE HOUSING



"General Capital worked closely with Grafton stakeholders to develop a shared vision for this 100-year-old foundry site"


BERKSHIRE
OCONOMOWOC

BERKSHIRE OCONOMOWOC

210 S MAIN STREET, OCONOMOWOC, WI

Berkshire Oconomowoc includes 85 affordable senior apartment units, numerous activity rooms and gathering spaces, including a dramatic re-use of the historic library in the original school. The exterior of the new building takes cues from the existing facility to create a harmonious look that reflects the architectural motif of the original design.

Berkshire-Oconomowoc is located in the City's Downtown TIF district. The City provided public funds to build out the senior center, maintain a public parking lot and fund a new pocket park and improvements on Main Street. The project was financed by affordable housing revenue bonds, issued by the City of Oconomowoc's Community Development Authority. The project also received HOME funds from the HOME Consortium, further demonstrating the widespread community support the project has received.

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RESIDENTIAL

AFFORDABLE HOUSING



*"A supportive housing facility for
People with disabilities."*

TOTAL UNITS

50

NEIGHBORHOOD

BROWN DEER



BRADLEY CROSSING I, SUPPORTIVE HOUSING

4375 W BRADLEY RD, BROWN DEER, WI

Building on the success of its Deerwood Crossing facility, Jewish Family Services began exploring the potential for a specialized supportive housing facility for individuals and families with children with physical and cognitive disabilities. General Capital worked with JFS and Movin' Out to identify an appropriate site, program the building and seek appropriate partnerships for both financing and operating the facility. General Capital applied for, and successfully obtained, an allocation of Section 42 tax credits to produce equity for the project.

Bradley Crossing contains 60 1- 2- and 3-bedroom apartments with numerous community amenities. In addition, the property will house outreach offices and therapy rooms for Jewish Family Services as well as a 6,000 square foot community center leased to the Village of Brown Deer for its senior meal program and recreation department programs and activities.

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RESIDENTIAL

AFFORDABLE HOUSING



"A residential care apartment complex for Jewish Family Services"



DEERWOOD CROSSING II, SENIOR RCAC

4195 W BRADLEY RD, BROWN DEER, WI

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tel 414-228-3500 fax 414-228-3700
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RESIDENTIAL

AFFORDABLE HOUSING



*"A Residential Care Apartment
Complex for Jewish Family Services"*

TOTAL UNITS

66

NEIGHBORHOOD

BROWN DEER



DEERWOOD CROSSING I, SENIOR RCAC

4195 W BRADLEY RD, BROWN DEER, WI

General Capital was engaged as lead developer for Deerwood Crossing, a 66-unit senior apartment community for Jewish Family Services. JFS hired General Capital to coordinate every aspect of the development process including design, obtaining investor equity, coordinating multiple financing vehicles (including Section 42 tax credits and an AHP grant), bidding and negotiating construction contracts and building the facility itself. The building is a full service Residential Care Apartment Complex (RCAC) offering a full array of services such as meals, personal care, housekeeping and other services associated with the assisted living program.

Since 1867, Jewish Family Services (JFS) has provided comprehensive social services for the Milwaukee area Jewish and general community. The mission of Jewish Family Services is to provide supportive services that will strengthen families, children and individuals throughout the life cycle within the context of their unique needs and traditions.

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RESIDENTIAL

APARTMENT BUILDING



The \$21+ million project is supported by a \$2.2 million Village of Greendale TIF.



GREENBELT APARTMENTS

5204 S 76TH STREET, GREENDALE, WI

The Village of Greendale, Wisconsin, is the home of Southridge, the largest regional mall in the state. The Village has proactively sought to densify the greater Southridge area and add a mix of new development to strengthen and complement the mall. In 2016, the Village invited General Capital to explore concepts for the east side of the mall, on underutilized property owned by JCPenney. After developing several alternative scenarios, General Capital obtained approval for a 160 unit luxury apartment community developed in two phases.

Greenbelt Apartments is named after the 1930's "greenbelt community" movement, from which the original Village of Greendale plan was formed. The community was concerned with creating a project that fit into the context of the historic Village Center, yet reflected a contemporary design of the times. Working with AG Architecture and its partner Joseph Property Development, General Capital forged a design that includes three-story buildings surrounding community open space and outdoor amenities. Each building contains underground parking. A central community building offers residents a place to relax, exercise and meet with neighbors.

The \$21+ million project is supported by a \$2.2 million Village of Greendale TIF.

GENERAL CAPITAL

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Date: November 13, 2018
To: Honorable Mayor and City Commissioners
From: City Manager
RE: Letter of Intent with Mart Dock

SUMMARY OF REQUEST: Staff is seeking permission to enter into a Letter of Intent with Mart Dock with the goal of determining the feasibility of swapping their property commonly referred to as the Third Street Dock with our property commonly referred to as Fisherman's Landing. The goal of the swap would be to relocate all of the Mart Dock's shipping operations away from their downtown location to the city property adjacent to the BC Cobb site. The downtown site would be redeveloped into a mixture of public space, residential, and commercial uses. This agreement does not commit either party to the swap, but rather gives both parties time/access to study the feasibility of the complicated transaction.

FINANCIAL IMPACT:

BUDGET ACTION REQUIRED:

STAFF RECOMMENDATION: Staff recommends approval of the request.



WEST MICHIGAN DOCK & MARKET CORPORATION

Mr. Frank Peters
City Manager
City of Muskegon
933 Terrace Street
Muskegon, Michigan 49443

September 20, 2018

RE: Mart Dock Letter of Intent

West Michigan Dock and Market ("WMD") is pleased to present the following letter of intent ("LOI") regarding a potential sale and lease of properties (the "Swap") between WMD and the City of Muskegon ("City"), (collectively the "Parties").

The City has a stated desire to enhance public access to Muskegon Lake in the downtown vicinity, and, begin transitioning commercial port operations to the area designated by the City for future commercial port terminal development at the easterly end of Muskegon Lake; and

WMD owns a parcel of land with immediate waterfront access to Muskegon Lake in the downtown vicinity, the ("Third Street Perimeter Property"), as described in Figure A;

The City owns a parcel of land located within the area designated for future commercial port terminal development, the ("Fisherman's Landing Property"), as described in Figure B; and

WMD is willing to transition commercial port terminal activity away from the current downtown port facility, ("the Mart Dock") in a prescribed manner, (the "Transition Agreement"); and

This LOI outlines the basic terms and conditions of the Transaction for a forthcoming lease, sale and purchase agreement ("Swap Agreement").

Proposed Structure

1. Upon acceptance of the LOI (the "Effective Date"), the Parties shall grant each other the exclusive right to enter upon the respective properties to conduct due diligence.
2. Upon completion of due diligence and subject to the Conditions noted below, the parties shall enter into a Swap Agreement defining customary real estate sale/lease transactions, purchase price, lease terms, and proper consent by the authorized owners.

Due Diligence

1. The due diligence period shall commence on the Effective Date and expire on the earlier of six (6) months from the Effective Date or upon entering a Swap Agreement, whichever occurs first.
2. The Parties agree that they shall each rely on their own inspection or the inspections of their agents regarding the condition or suitability of a property. If either party is not satisfied, in its sole discretion, following the successful completion of its technical, financial, legal, geological, and environmental due diligence review of the respective property, either party may terminate this Agreement by sending the other a written notice of termination on or before the end of the due diligence period.
3. Each party will restore the respective property to essentially the same condition that existed prior to the due diligence period.

Term

The term of this LOI shall commence on the LOI Effective Date and end upon the earliest of either the end of the due diligence period or the execution of a Swap Agreement (the "Term"). This LOI shall be superseded in all aspects by a fully executed Swap Agreement if such an agreement is reached.

Exclusivity

Upon the execution of the LOI, the Parties shall provide one another a period of exclusivity for the Term of this LOI. During this period, neither party, its representatives, nor advisors may directly or indirectly take any other action to facilitate the submission of inquiries, proposals, or

offers from any other party relating to the sale of all or a part of their property subject to this LOI.

Conditions for Agreements

The Swap Agreement will include the following conditions, to the satisfaction of the Parties:

- a. The Parties will utilize a value for the Third Street Perimeter Property arrived at by a mutually agreeable appraiser and appraisal methodology.
- b. WMD will provide the City proposed amounts and term lengths for rights to operate the Fisherman's Landing Property port terminal. The lease shall include language defining the necessary improvements to be made to the Fisherman's Landing Property to enable it to be utilized as a port terminal and rights for WMD to terminate the lease at its option of if:
 - i. Permits for the improvements are denied by any regulating body
 - ii. Funding sources to support the development of the port terminal are denied or not sufficient
 - iii. Final engineering design shows the port terminal improvements to be cost prohibitive or otherwise non attainable.
- c. Any difference in the value of the Third Street Perimeter Property as appraised and the proposed Fisherman's Landing Property operating lease value shall be paid at the closing of the Swap Agreement, or otherwise considered in establishing the operating lease amount and/or term length. Either party may choose to accept other real estate assets as payment of any such difference.
- d. The City will provide WMD reasonable assurances that the Third Street Perimeter Property will be developed in a manner compatible with the future redevelopment of The Mart Dock, which may include rights to re-purchase the property in the event of a sale of the Third Street Perimeter Property by the City. By way of example use as a public park, which could include recreational boat access and public gathering, is considered consistent with the future use of the Mart Dock.
- e. WMD will provide the City reasonable assurances that:
 - i. The campground portion of the Fisherman's Landing Property will continue to be operated for camping until such time that WMD finalizes engineering, permitting and funding to begin conversion of the property to a commercial marine terminal.
 - ii. WMD will continue to offer the boat ramp and parking portion of the Fisherman's Landing Property for launching and parking until such time

that WMD analyzes the spatial needs and truck traffic flow in and out of the port terminal and finalizes engineering, permitting, and funding to begin conversion of the property to a commercial marine port terminal. WMD will attempt to design the commercial marine port terminal improvements to maintain some amount of these ramp and parking features, and/or a limited area to be used for public fishing and public viewing unless it would place undue hardship on commercial terminal operations. "Undue hardship" would include, but not be limited to, any efforts or activities required by WMD to secure, prepare, guard or police the ramp, parking, public fishing and viewing area for general public safety or security purposes including, but not limited to, those required by the United States Coastguard, The US Department of Homeland Security, U.S. Federal Customs and Border Patrol, or any other local, state or national government requirements.

- iii. A permanent easement will be maintained for the bike path crossing the Fisherman's Landing Property.
 - iv. The portion of the Third Street parcel retained by WMD will be developed for mixed use in a manner that suits the development and use of the Third Street Perimeter Parcel and wider Mart Dock redevelopment.
 - v. Limited public recreational vessel docks will be authorized in the channel adjacent to the Third Street Perimeter Parcel, subject to WMD's approval.
- f. WMD shall maintain all riparian rights of the channel separating the Third Street Perimeter Property and the Mart Dock.

The Transition Agreement will include the following conditions:

- a. Upon the Parties closing the Swap Agreement **and** successfully completing the improvements outlined in the Fisherman's Landing Property lease, transitioning it to a fully functional commercial marine port terminal, WMD will officially forgo future rights to store material piles (aggregates) at the Mart Dock. Such Transition Agreement will be made an addendum to the Swap Agreement.

Expenses

Each party shall bear and be responsible for its own fees and expenses including, without limitation, expenses of legal counsel, accountants, environmental, geological, and other advisors incurred at any time in connection with pursuing or executing a Swap Agreement.

Governing Law

The Transaction described in this letter will be governed by the laws of the State of Michigan.

We look forward to your timely review and response.

Sincerely,

Max McKee

The signatures of the Parties in the space below indicate the acceptance of the general terms outlined in this LOI.

West Michigan Dock and Market Corporation

Printed: _____

Signature: _____

Date: _____

City of Muskegon

Printed: _____

Signature: _____

Date: _____

Map of West Michigan Dock Property
 That Part of Lot 9, Block 563 of the Revised Plat of 1903 of the City of Muskegon,
 Muskegon County, Michigan, Lying Northwesterly of Shoreline Drive
 Description & Drawing Based on Moore & Bruggink, Project No. 946032, 9/11/94

