CITY OF MUSKEGON

CITY COMMISSION MEETING

OCTOBER 11, 2005

CITY COMMISSION CHAMBERS @ 5:30 P.M.

AGENDA

- **CALL TO ORDER:**
- **PRAYER:**
- **PLEDGE OF ALLEGIANCE:**
- **ROLL CALL:**
- **HONORS AND AWARDS:**
- **INTRODUCTIONS/PRESENTATION:**
- **CONSENT AGENDA:**
  - A. Approval of Minutes. CITY CLERK
  - B. Request for Additional Liquor License. CITY CLERK
  - C. Fireworks Display Permit. CITY CLERK
  - D. Community Relations Committee Appointment to Zoning Board of Appeals CITY CLERK
  - E. Endorsement of Muskegon Area-Wide Plan. PLANNING & ECONOMIC DEVELOPMENT
  - F. Annual Assessment Phase II Storm Water Compliance. PUBLIC WORKS
  - G. Purchase of 451 Isabella. COMMUNITY & NEIGHBORHOOD SERVICES
  - H. Purchase of 214 Myrtle COMMUNITY & NEIGHBORHOOD SERVICES
  - I. 2005-2006 Transportation Planning Program Funding. CITY MANAGER
- **PUBLIC HEARINGS:**
- **COMMUNICATIONS:**
- **CITY MANAGER'S REPORT:**
- **UNFINISHED BUSINESS:**

- **NEW BUSINESS:**

  A. **FIRST READING – Amend the City Code of Ordinances to Repeal and Reserve Chapter 102, Vehicles for Hire.** CITY CLERK & PUBLIC SAFETY

  B. **Approval of Loan in the Amount of $20,000 to the Michigan Mayhem Basketball.** PLANNING & ECONOMIC DEVELOPMENT

- **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.)

- **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 GAIL A. KUNDINGER, CITY CLERK, 933 TERRACE STREET, MUSKEGON, MI 49440 OR BY CALLING (231) 724-6705 OR TDD: (231) 724-4172.

Date: **October 11, 2005**

To: **Honorable Mayor and City Commissioners**

From: **Gail A. Kundinger, City Clerk**

RE: **Approval of Minutes**

SUMMARY OF REQUEST: To approve the minutes of the Regular Commission Meeting that was held on Tuesday, September 27, 2005.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

CITY OF MUSKEGON

CITY COMMISSION MEETING

OCTOBER 11, 2005

CITY COMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Tuesday, October 11, 2005.

Mayor Warmington opened the meeting with a prayer from Commissioner Stephen Gawron after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen Warmington, Vice Mayor Bill Larson, Commissioner Lawrence Spataro, Chris Carter, Stephen Gawron, and Clara Shepherd, City Manager Bryon Mazade, City Attorney John Schrier, and Deputy Clerk Linda Potter.

Absent: Commissioner Kevin Davis (excused)

2005-93 HONORS AND AWARDS:

A. U.S. Green Building Council LEED – NC Gold Award.

Paul Dickinson from Integrated Architecture presented the U.S. Green Building Council LEED - NC Gold Award for leadership in energy and environmental design to the Mayor.

2005-94 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve the minutes of the Regular Commission Meeting that was held on Tuesday, September 27, 2005.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the minutes.

B. Request for Additional Liquor License. CITY CLERK

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from Vickibob Corporation for a new Specially Designated Distributor License to be held in conjunction with their existing Specially

Designated Merchant License with Direct Connection (1).

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: All departments are recommending approval.

C. Fireworks Display Permit. CITY CLERK

SUMMARY OF REQUEST: West Michigan Burnerz is requesting approval of a fireworks display permit for the October 22nd Muskegon Fury game at the L C Walker Arena. Fire Marshall Metcalf will inspect the fireworks on the day of the event.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval contingent on inspection of the fireworks and approval of the insurance.

D. Community Relations Committee Appointment to Zoning Board of Appeals. CITY CLERK

SUMMARY OF REQUEST: To appoint Lamont James Blackmon to the Zoning Board of Appeals.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To make the appointment.

COMMITTEE RECOMMENDATION: The Community Relations Committee recommended the appointment at their October 3rd meeting.

E. Endorsement of Muskegon Area-Wide Plan. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the resolution endorsing the Muskegon Area-Wide Plan and agreeing to incorporate the general principles, policies, and visions into our local planning efforts.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the resolution and authorize the Mayor and Clerk to sign.

F. Annual Assessment Phase II Storm Water Compliance. PUBLIC WORKS

SUMMARY OF REQUEST: The Muskegon County Storm Water Committee has invoiced the City for its share of the 2005 payment to the consultant, FTC&H, to prepare planning documents as required by the Phase II Storm Water permit issued to the City.

FINANCIAL IMPACT: $9,917 is allocated for Contractual Services in the Storm Water

Management Budget.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval.

G. Purchase of 451 Isabella. COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the purchase of 451 Isabella from the U. S. Department of HUD for $1 through its Good Neighbor program. Through the Good Neighbor program, a municipality can purchase a home for one dollar, if a property is on the market for more than six months. After 451 Isabella is obtained, the City will totally rehabilitate the structure and sell it to a qualified family continuing the City's aggressive neighborhood revitalization efforts.

FINANCIAL IMPACT: The dollar will come from CNS program income fund.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the request to purchase the $1 home.

H. Purchase of 214 Myrtle. COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the purchase of the property located at 214 Myrtle from American Residential Equities, 381 S. West Temple, Salt Lake City, Utah, for $7,800. After approval of the purchase by the Commission, the CNS Department will work with an architect to develop new plans and specifications for the rehabilitation of the property. The CNS office will then solicit contractors to rehab the property. This property is located near the City's current Infill Development Project "Walton Street Renaissance". It is the hope that the rehabilitation of this home will continue the City's aggressive neighborhood revitalization efforts in the Angel Neighborhood area.

FINANCIAL IMPACT: Funding for purchase will come from the City's 2004 HOME program income funding.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the request.

I. 2005-2006 Transportation Planning Program Funding. CITY MANAGER

SUMMARY OF REQUEST: To approve the City's share of the local matching funds for the West Michigan Metropolitan Transportation Planning Program for fiscal year 10/1/05 to 9/30/06. The City receives grant funds through this program for certain major streets.

FINANCIAL IMPACT: $16,040 from the Major Street Fund.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve this request.

Motion by Commissioner Carter, second by Commissioner Spataro to approve the Consent Agenda as read.

ROLL VOTE: Ayes: Warmington, Carter, Gawron, Larson, Shepherd, and Spataro

Nays: None

MOTION PASSES

2005-95 NEW BUSINESS:

A. **Approval of Loan in the Amount of $20,000 to the Michigan Mayhem Basketball.** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the loan agreement and related documents for a $20,000 loan to the Michigan Mayhem.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the loan to the Michigan Mayhem.

COMMITTEE RECOMMENDATION: The Revolving Loan Fund Advisory Committee has recommended approval of the loan.

Motion by Commissioner Shepherd, second by Vice Mayor Larson to approve the loan in the amount of $20,000 to the Michigan Mayhem.

ROLL VOTE: Ayes: Carter, Gawron, Larson, Shepherd, Spataro, and Warmington

Nays: None

MOTION PASSES

B. **Salaries for the City Commission for 2006 and 2007.** CITY MANAGER

SUMMARY OF REQUEST: The Local Officer's Compensation Commission voted at their October 6, 2005, meeting to increase the salaries by $500. This would result in annual salaries of $8,000 for the Mayor and $6,500 for the City Commissioners for 2006 and 2007.

Motion by Vice Mayor Larson, second by Commissioner Spataro to not approve the salary increase for the Mayor and City Commission that was recommended by the Local Officer's Compensation Commission.

ROLL VOTE: Ayes: Gawron, Larson, Shepherd, Spataro, Warmington, and Carter

Nays: None

MOTION PASSES

ADJOURNMENT: The City Commission Meeting adjourned at 5:57 p.m.

Respectfully submitted,

Gail A. Kundinger

Gail A. Kundinger, MMC
City Clerk

Date: **October 11, 2005**

To: **Honorable Mayor and City Commissioners**

From: **Gail A. Kundinger, City Clerk**

RE: **Request for Additional Liquor License**
Bob's Bait and General Store
1050 W. Western Avenue, Suite 111

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from Vickibob Corporation for a new Specially Designated Distributor License to be held in conjunction with their existing Specially Designated Merchant License with Direct Connection (1).

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: All departments are recommending approval.

Muskegon Police Department

Anthony L. Kleibecker
Director of Public Safety

980 Jefferson
Muskegon, Michigan
49443-0536

www.muskegonpolice.com

Phone: 231-724-6750
FAX: 231-722-5140

September 20, 2005

To: City Commission through the City Manager

From: A. L. Kleibecker
Anthony L. Kleibecker, Director of Public Safety

Re: Liquor License Request – 1050 W. Western Ave. Suite 111
Request for new SDD License

The Muskegon Police Department has received a request from the Michigan Liquor Control Commission for an investigation of applicant Vickibob Corporation, comprised of Robert and Vicki Warber of 8050 Michillinda Rd., Twin Lake Michigan, 49457.

Vickibob Corp. is requesting a new Specially Designated Distributor License (SDD) to be held in conjunction with existing SDM license with Direct-Connection (1) located at 1050 W. Western Avenue, Suite 111, Muskegon, MI. 49441. Both Robert and Vicki have owned the listed establishment since June 2004 with no negative police contacts.

A check of Muskegon Police Department records and criminal history showed no reason to deny this request.

ALK/kd

Affirmative Action
(231)724-6703
FAX: (231)722-1214

Assessor/Equalization
(231)724-6708
FAX: (231)726-5181

Cemetery Department
(231)724-6783
FAX: (231)726-5617

City Manager
(231)724-6724
FAX: (231)722-1214

Civil Service
(231)724-6716
FAX: (231)724-4405

Clerk
(231)724-6705
FAX: (231)724-4178

Community and
Neigh. Services
(231)724-6717
FAX: (231)726-2501

Computer Info.
Systems
(231)724-6744
FAX: (231)722-4301

Engineering Dept.
(231)724-6707
FAX: (231)727-6904

Finance Dept.
(231)724-6713
FAX: (231)724-6768

Fire Department
(231)724-6792
FAX: (231)724-6985

Income Tax
(231)724-6770
FAX: (231)724-6768

Inspection Services
(231)724-6715
FAX: (231)728-4371

Leisure Services
(231)724-6704
FAX: (231)724-1196

Mayor's Office
(231)724-6701
FAX: (231)722-1214

Planning/Zoning
(231)724-6702
FAX: (231)724-6790

Police Deptartment
(231)724-6750
FAX: (231)722-5140

Public Works Dept.
(231)724-4100
FAX: (231)722-4188

Treasurer's Office
(231)724-6720
FAX: (231)724-6768

Water Billing Dept.
(231)724-6718
FAX: (231)724-6768

Water Filtration
(231)724-4106
FAX: (231)755-5290

MUSKEGON

West Michigan's Shoreline City

October 20, 2005

Liquor Control Commission
7150 Harris
PO Box 30005
Lansing, MI 48909-7505

REF: #226000
Vickibob Corporation
1050 W. Western, Suite 111
Muskegon, MI 49441

To Whom It May Concern:

Enclosed is the Resolution and form LC-1800 for Vickibob Corporation. This was recommended for approval at the October 11, 2005, City Commission Meeting.

Please do not hesitate to call me at (231) 724-6705 if you have any questions.

Sincerely,

Linda Potter

Linda Potter
Deputy Clerk

enc.

Request I.D. #226000

STATE OF MICHIGAN
DEPARTMENT OF CONSUMER & INDUSTRY SERVICES
LIQUOR CONTROL COMMISSION

RESOLUTION

2005-94(b)

At a Regular (Regular or Special) meeting of the City Commission (Township Board, City or Village Council)

called to order by Mayor Warmington on October 11, 2005 at 5:30 P.M.

The following resolution was offered:

Moved by Commissioner Carter and supported by Commissioner Spataro

That the request from Vickibob Corporation for a new SDD License, located at 1050 W. Western, Suite 111, Muskegon, Michigan, 49441, Muskegon County, to be held in conjunction with existing SDM License with Direct-Connection (1)

be considered for Approval (Approval or Disapproval)

APPROVAL		DISAPPROVAL	
Yeas:	6	Yeas:	
Nays:	0	Nays:	
Absent:	1	Absent:	

It is the consensus of this legislative body that the application be:

Recommended (Recommended or not Recommended) for issuance

State of Michigan)
§
County of Muskegon)

I hereby certify that the foregoing is a true and complete copy of a resolution offered and

adopted by the City Commission (Township Board, City or Village Council) at a Regular (Regular or Special)

meeting held on 10-11-05 (Date).

SEAL

(Signed) Gail A. Kundinger (Township, City of Village Clerk)

Gail A. Kundinger, MMC, City Clerk
933 Terrace, Muskegon, MI 49440
(Mailing address of Township, City of Village)

LICE INSPECTION REPORT ON LIQUOR LICENSE REQUEST
(Authorized by MCL 43 17)

jr

DMH 8-29-05

STATE OF MICHIGAN
LIQUOR CONTROL COMMISSION
DEPARTMENT OF LABOR & ECONOMIC GROWTH
DAVID C. HOLLISTER, DIRECTOR

RID: 226000

Important: Please conduct your investigation as soon as possible and complete all four sections of this report. Return the completed report and fingerprint cards to the Commission.

BUSINESS NAME AND ADDRESS: (include zip code)
VICKIBOB CORPORATION
1050 W Western, Suite 111, Muskegon Michigan, Muskegon County

REQUEST FOR: A New Specially Designated Distributor License, to be held in conjunction with existing Specially Designated Merchant License with Direct-Connection(1)

Section 1. APPLICANT INFORMATION

APPLICANT #1:	APPLICANT #2:
ROBERT B WARBER	VICKI WARBER
HOME ADDRESS AND AREA CODE/PHONE NUMBER: 8050 Michillinda Road Twin Lake, Michigan 49457 B.P.(231)726-3474 H.P.(231)821-2650	HOME ADDRESS AND AREA CODE/PHONENUMBER: SAME
DATE OF BIRTH: 4-23-56 If the applicant is not a U.S. Citizen: ° Does the applicant have permanent Resident Alien status? ☐ Yes ☐ No ° Does the applicant have a Visa? Enter status: Date fingerprinted: **NONE NEEDED**	DATE OF BIRTH: 6-26-56 If the applicant is not a U.S. Citizen: ° Does the applicant have permanent Resident Alien status? ☐ Yes ☐ No ° Does the applicant have a Visa? Enter status: Date fingerprinted: **NONE NEEDED**

Attach the fingerprint card and $30.00 for each card and mail to the Michigan Liquor Control Commission.

ARREST RECORD: ☐ Felony ☐ Misdemeanor Enter record of all arrests & convictions (attach a signed and dated report if more space is needed)	ARREST RECORD: ☐ Felony ☐ Misdemeanor Enter record of all arrests & convictions (attach a signed and dated report if more space is needed)

Section 2. Investigation of Business and Address to be Licensed

Does applicant intend to have dancing or entertainment?
☒ No ☐ Yes, complete LC-693N, Police Investigation Report: Dance/Entertainment Permit

Are gas pumps on the premises or directly adjacent? ☒ No ☐ Yes, explain relationship:

Section 3. Local and State Codes and Ordinances, and General Recommendations

Will the applicant's proposed location meet all appropriate state and local building, plumbing, zoning, fire, sanitation and health laws and ordinances, if this license is granted? ☒ Yes ☐ No

If you are recommending approval subject to certain conditions, list the conditions: (attach a signed and dated report if more space is needed)

Section 4. Recommendation

From your investigation:

1. Is this applicant qualified to conduct this business if licensed? ☒ Yes ☐ No
2. Is the proposed location satisfactory for this business? ☒ Yes ☐ No
3. Should the Commission grant this request? ☒ Yes ☐ No
4. If any of the above 3 questions were answered no, state your reasons: (Attach a signed and dated report if more space is needed)

x R L. Kleinheksel 9-21-05

Signature ~~(Sheriff or~~ Chief of Police) Date

MUSKEGON POLICE DEPARTMENT

TM 8-29-05

DEPARTMENT OF LABOR & ECONOMIC GROWTH
LIQUOR CONTROL COMMISSION
7150 Harris Drive
P.O. Box 30005
Lansing, Michigan 48909-7505

POLICE INVESTIGATION REQUEST
[Authorized by MCL 436.1201(4)]

August 24, 2005

Muskegon Police Department
Chief of Police
1990 E Apple
Muskegon, Michigan 49442

Request I.D. #226000

Chief Law Enforcement Officer

Applicant: VICKIBOB CORPORATION requesting a New Specially Designated Distributor License, located at 1050 W Western, Suite 111, Muskegon Michigan, 49441, Muskegon County, to be held in conjunction with existing Specially Designated Merchant License with Direct-Connection(1).

STOCKHOLDERS:

Robert B and Vicki Warber
8050 Michillinda Road
Twin Lake, Michigan 49457
B.P.(231)726-3474 H.P.(231)821-2650

ATTORNEY:

Edward A Newmyer
880 First Street, Suite 507
Muskegon, Michigan 49443
B.P.(231)725-7540

Please make an investigation of the application. If you do not believe that the applicants are qualified for licensing, give your reasons in detail. Complete the Police Inspection Report on Liquor License Request, LC-1800, or for Detroit police, the Detroit Police Investigation of License Request, LC-1802. If there is not enough room on the front of the form, you may use the back.

Forward your report and recommendations of the applicant to the Licensing Division.

(X) **NO FINGERPRINTS NECESSARY**

( ) **PLEASE INCLUDE FINGERPRINT CARDS AND $30.00 FOR EACH CARD, AND MAIL TO THE MICHIGAN LIQUOR CONTROL COMMISSION.**

If you have any questions, contact the Off-Premise Unit at (517) 322-1400.

jr

RECEIVED
SEP - 6
MUSKEGON POLICE
Office of Chief

RECEIVED

SEP 2 0 2005

MUSKEGON POLICE DEPT.
CHIEF of POLICE

To: Tony Kleibecker, Director of Public Safety

From: Det. Kurt Dykman

Date: 09-20-05

Re: Liquor License Request

Chief Kleibecker,

The Muskegon Police Department has received a request from the Michigan Liquor Control Commission for an investigation from applicant Vickibob Corporation.

Vickibob Corp. is requesting to a new Specially Designated Distributor License (SDD) to be held in conjunction with existing SDM license with Direct-Connection (1) located at 1050 W. Western Avenue, Suite 111, Muskegon, MI. 49441. Vickibob Corp. consists of both Robert and Vicki Warber of 8050 Michillinda Rd., Twin Lake Michigan, 49457. Both Robert and Vicki have owned the listed establishment since June 2004 with no negative police contacts.

A check of MPD records and Criminal History showed no reason to deny this request.

Respectfully submitted,

Det. Kurt Dykman

data/common/Vickibob02

8-31-05

LIQUOR LICENSE REVIEW FORM

Business Name: Bob's Bait + General Store

AKA Business Name (if applicable): Vickibob Corp.

Operator/Manager's Name: Bob + Vicki Wacker

Business Address: 1050 W Western #111

Reason for Review:

New License ☒ **Transfer of Ownership** ☐ **Dance Permit** ☐

Drop/Add Name on License ☐ **Transfer Location** ☐

Drop/Add Stockholder Name ☐ **New Entertainment Permit** ☐

Other _____

Deadline for receipt of all information: _____

Public Safety	**Approved** ☑	**Denied** ☐	**No Action Needed** ☐
Income Tax	**Approved** ☐	**Owing** ☐	**Amount:** _____
Treasurer	**Approved** ☐	**Owing** ☐	**Amount:** _____
Zoning	**Approved** ☐	**Denied** ☐	**Pending ZBA** ☐
Clerk's	**Approved** ☐	**Owing** ☐	**Amount:** _____
Fire/Inspections	**Approved** ☐	**Denied** ☐	**Remaining Defects** ☐

_____

_____

Department Signature B L. Klenke

Please return to the City Clerk's Office
Gail A. Kundinger,
Liquor License Coordinator

8-31-05

LIQUOR LICENSE REVIEW FORM

Business Name: Bob's Bait + General Store

AKA Business Name (if applicable): Vickibob Corp.

Operator/Manager's Name: Bob + Vicki Warber

Business Address: 1050 W Western #111

Reason for Review:

New License ☒ **Transfer of Ownership** ☐ **Dance Permit** ☐

Drop/Add Name on License ☐ **Transfer Location** ☐

Drop/Add Stockholder Name ☐ **New Entertainment Permit** ☐

Other _____

Deadline for receipt of all information: _____

Public Safety	**Approved** ☐	**Denied** ☐	**No Action Needed** ☐
Income Tax	**Approved** ☒	**Owing** ☐	**Amount:** _____
Treasurer	**Approved** ☐	**Owing** ☐	**Amount:** _____
Zoning	**Approved** ☐	**Denied** ☐	**Pending ZBA** ☐
Clerk's	**Approved** ☐	**Owing** ☐	**Amount:** _____
Fire/Inspections	**Approved** ☐	**Denied** ☐	**Remaining Defects** ☐

_____

_____

Department Signature _____

Please return to the City Clerk's Office
Gail A. Kundinger,
Liquor License Coordinator

8-31-05

LIQUOR LICENSE REVIEW FORM

Business Name: Bob's Bait + General Store

AKA Business Name (if applicable): Vickibob Corp.

Operator/Manager's Name: Bob + Vicki Warber

Business Address: 1050 W Western # 111

Reason for Review:

New License ☒ **Transfer of Ownership** ☐ **Dance Permit** ☐

Drop/Add Name on License ☐ **Transfer Location** ☐

Drop/Add Stockholder Name ☐ **New Entertainment Permit** ☐

Other _____

Deadline for receipt of all information: _____

Public Safety	**Approved** ☐	**Denied** ☐	**No Action Needed** ☐
Income Tax	**Approved** ☐	**Owing** ☐	**Amount:** _____
Treasurer	**Approved** ☑	**Owing** ☐	**Amount:** _____
Zoning	**Approved** ☐	**Denied** ☐	**Pending ZBA** ☐
Clerk's	**Approved** ☐	**Owing** ☐	**Amount:** _____
Fire/Inspections	**Approved** ☐	**Denied** ☐	**Remaining Defects** ☐

_____

_____

Department Signature _____

Please return to the City Clerk's Office
Gail A. Kundinger,
Liquor License Coordinator

8-31-05

LIQUOR LICENSE REVIEW FORM

RECEIVED
AUG 31 2005
CITY OF MUSKEGON
PLANNING DEPARTMENT

Business Name: Bob's Bait + General Store

AKA Business Name (if applicable): Vickibob Corp.

Operator/Manager's Name: Bob + Vicki Warber

Business Address: 1050 W Western #111

Reason for Review:

New License ☒ **Transfer of Ownership** ☐ **Dance Permit** ☐

Drop/Add Name on License ☐ **Transfer Location** ☐

Drop/Add Stockholder Name ☐ **New Entertainment Permit** ☐

Other _____

Deadline for receipt of all information: _____

Public Safety	**Approved** ☐	**Denied** ☐	**No Action Needed** ☐
Income Tax	**Approved** ☐	**Owing** ☐	**Amount:** _____
Treasurer	**Approved** ☐	**Owing** ☐	**Amount:** _____
Zoning	**Approved** ☒	**Denied** ☐	**Pending ZBA** ☐
Clerk's	**Approved** ☐	**Owing** ☐	**Amount:** _____
Fire/Inspections	**Approved** ☐	**Denied** ☐	**Remaining Defects** ☐

Department Signature Mitt L Carr

Please return to the City Clerk's Office
Gail A. Kundinger,
Liquor License Coordinator

8-31-05

LIQUOR LICENSE REVIEW FORM

Business Name: Bob's Bait + General Store

AKA Business Name (if applicable): Vickibob Corp.

Operator/Manager's Name: Bob + Vicki Warber

Business Address: 1050 W Western #111

Reason for Review:

New License ☒ **Transfer of Ownership** ☐ **Dance Permit** ☐

Drop/Add Name on License ☐ **Transfer Location** ☐

Drop/Add Stockholder Name ☐ **New Entertainment Permit** ☐

Other _____

Deadline for receipt of all information: _____

Public Safety	**Approved** ☐	**Denied** ☐	**No Action Needed** ☐
Income Tax	**Approved** ☐	**Owing** ☐	**Amount:** _____
Treasurer	**Approved** ☐	**Owing** ☐	**Amount:** _____
Zoning	**Approved** ☐	**Denied** ☐	**Pending ZBA** ☐
Clerk's	**Approved** ☑	**Owing** ☐	**Amount:** _____
Fire/Inspections	**Approved** ☐	**Denied** ☐	**Remaining Defects** ☐

_____

_____

Department Signature _____

Please return to the City Clerk's Office
Gail A. Kundinger,
Liquor License Coordinator

8-31-05

LIQUOR LICENSE REVIEW FORM

Business Name: Bob's Bait + General Store

AKA Business Name (if applicable): Vickibob Corp.

Operator/Manager's Name: Bob + Vicki Warber

Business Address: 1050 W Western # 111

Reason for Review:

New License ☒ **Transfer of Ownership** ☐ **Dance Permit** ☐

Drop/Add Name on License ☐ **Transfer Location** ☐

Drop/Add Stockholder Name ☐ **New Entertainment Permit** ☐

Other _____

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Treasurer	**Approved** ☐	**Owing** ☐	**Amount:** _____
Zoning	**Approved** ☐	**Denied** ☐	**Pending ZBA** ☐
Clerk's	**Approved** ☐	**Owing** ☐	**Amount:** _____
Fire/Inspections	**Approved** ☑	**Denied** ☐	**Remaining Defects** ☐

Department Signature _____

Please return to the City Clerk's Office
Gail A. Kundinger,
Liquor License Coordinator

8-31-05

LIQUOR LICENSE REVIEW FORM

Business Name: Bob's Bait + General Store

AKA Business Name (if applicable): Vickibob Corp.

Operator/Manager's Name: Bob + Vicki Warber

Business Address: 1050 W Western #111

Reason for Review:

New License ☒ **Transfer of Ownership** ☐ **Dance Permit** ☐

Drop/Add Name on License ☐ **Transfer Location** ☐

Drop/Add Stockholder Name ☐ **New Entertainment Permit** ☐

Other _____

Deadline for receipt of all information: _____

Public Safety	**Approved** ☐	**Denied** ☐	**No Action Needed** ☐
Income Tax	**Approved** ☐	**Owing** ☐	**Amount:** _____
Treasurer	**Approved** ☐	**Owing** ☐	**Amount:** _____
Zoning	**Approved** ☐	**Denied** ☐	**Pending ZBA** ☐
Clerk's	**Approved** ☐	**Owing** ☐	**Amount:** _____
Fire/Inspections	**Approved** ☑	**Denied** ☐	**Remaining Defects** ☐

Department Signature _____

Please return to the City Clerk's Office
Gail A. Kundinger,
Liquor License Coordinator

Affirmative Action
(231)724-6703
FAX: (231)722-1214

Assessor/Equalization
(231)724-6708
FAX: (231)726-5181

Cemetery Department
(231)724-6783
FAX: (231)726-5617

City Manager
(231)724-6724
FAX: (231)722-1214

Civil Service
(231)724-6716
FAX: (231)724-4405

Clerk
(231)724-6705
FAX: (231)724-4178

Community and
Neigh. Services
(231)724-6717
FAX: (231)726-2501

Computer Info.
Systems
(231)724-6744
FAX: (231)722-4301

Engineering Dept.
(231)724-6707
FAX: (231)727-6904

Finance Dept.
(231)724-6713
FAX: (231)724-6768

Fire Department
(231)724-6792
FAX: (231)724-6985

Income Tax
(231)724-6770
FAX: (231)724-6768

Inspection Services
(231)724-6715
FAX: (231)728-4371

Leisure Services
(231)724-6704
FAX: (231)724-1196

Mayor's Office
(231)724-6701
FAX: (231)722-1214

Planning/Zoning
(231)724-6702
FAX: (231)724-6790

Police Department
(231)724-6750
FAX: (231)722-5140

Public Works Dept.
(231)724-4100
FAX: (231)722-4188

Treasurer's Office
(231)724-6720
FAX: (231)724-6768

Water Billing Dept.
(231)724-6718
FAX: (231)724-6768

Water Filtration
(231)724-4106
FAX: (231)755-5290

MUSKEGON

West Michigan's Shoreline City

October 5, 2005

Commissioner Gawron, President
Nims Neighborhood Assoc.
1362 Palmer
Muskegon, MI 49441

Dear Steve:

We have received a letter from the Liquor Control Commission reference a request from Vickibob Corporation, 1050 W. Western Ave., Suite 111 (Bob's Bait and General Store) for a new Specially Designated Distributor License to be held in conjunction with their existing Specially Designated Merchant License with Direct Connection (1). A SDD license permits the sale of alcoholic liquor, other than beer and wine under 21 per cent alcohol by volume, for consumption off the licensed premises. On Tuesday, October 11, 2005, the City Commission will review this request and determine whether or not it should be recommended for approval.

You are being sent this notice because the City Commission would like to know how the Neighborhood Association feels and would appreciate any comments that they may have.

If you have any questions, please feel free to contact me at 724-6705.

Sincerely,

Linda Potter

Linda Potter
Deputy Clerk

Affirmative Action
(231)724-6703
FAX: (231)722-1214

Assessor/Equalization
(231)724-6708
FAX: (231)726-5181

Cemetery Department
(231)724-6783
FAX: (231)726-5617

City Manager
(231)724-6724
FAX: (231)722-1214

Civil Service
(231)724-6716
FAX: (231)724-4405

Clerk
(231)724-6705
FAX: (231)724-4178

Community and
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(231)724-6717
FAX: (231)726-2501

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(231)724-6713
FAX: (231)724-6768

Fire Department
(231)724-6792
FAX: (231)724-6985

Income Tax
(231)724-6770
FAX: (231)724-6768

Inspection Services
(231)724-6715
FAX: (231)728-4371

Leisure Services
(231)724-6704
FAX: (231)724-1196

Mayor's Office
(231)724-6701
FAX: (231)722-1214

Planning/Zoning
(231)724-6702
FAX: (231)724-6790

Police Department
(231)724-6750
FAX: (231)722-5140

Public Works Dept.
(231)724-4100
FAX: (231)722-4188

Treasurer's Office
(231)724-6720
FAX: (231)724-6768

Water Billing Dept.
(231)724-6718
FAX: (231)724-6768

Water Filtration
(231)724-4106
FAX: (231)755-5290

MUSKEGON

West Michigan's Shoreline City

October 5, 2005

Robert & Vicki Warber
8050 Michillinda Road
Twin Lake, MI 49457

Dear Mr. & Mrs. Warber:

This letter is to inform you that your request for a new SDD license to be held in conjunction with your existing SDM license with direct connection (1) will be presented to the City Commission on October 11, 2005. This meeting begins at 5:30 p.m. and is located in the City Commission Chambers, 933 Terrace, Muskegon, MI.

This request has also been sent to the Nims Neighborhood Association for their comments. It is Commission practice to let the Neighborhood Association know of any liquor license requests that are located within their boundaries. This allows for comments from the people who live there and not just from the owners of the business' who are located there.

Sincerely,

Linda Potter

Linda Potter
Deputy Clerk

Cancelled per Neil at L C Walker Arena 10-20-05

Date: **October 11, 2005**

To: **Honorable Mayor and City Commissioners**

From: **Gail A. Kundinger, City Clerk**

RE: **Fireworks Display Permit**

SUMMARY OF REQUEST: West Michigan Burnerz is requesting approval of a fireworks display permit for the October 22nd Muskegon Fury game at the L C Walker Arena. Fire Marshall Metcalf will inspect the fireworks on the day of the event

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval contingent on inspection of the fireworks and approval of the insurance.

NAUTILUS INSURANCE COMPANY

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

POLICY NUMBER: NC432992

☐ Extension of Declarations is attached. Effective Date: 05/12/2005 12:01 A.M. Standard Time

LIMITS OF INSURANCE ☐ If box is checked, refer to form S132 for Limits of Insurance.

General Aggregate Limit (Other Than Products/Completed Operations)	$ 1,000,000	
Products/Completed Operations Aggregate Limit	$ INCLUDED	
Personal and Advertising Injury Limit	$ 1,000,000	Any One Person Or Organization
Each Occurrence Limit	$ 1,000,000	
Damage To Premises Rented To You Limit	$ 100,000	Any One Premises
Medical Expense Limit	$ 5,000	Any One Person

RETROACTIVE DATE (CG 00 02 ONLY)

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" which occurs before the Retroactive Date, if any, shown here: _____ (Enter Date or "NONE" if no Retroactive Date applies)

BUSINESS DESCRIPTION AND LOCATION OF PREMISES

BUSINESS DESCRIPTION: ENTERTAINERS

LOCATION OF ALL PREMISES YOU OWN, RENT, OR OCCUPY: ☒ Location address is same as mailing address.

1. 17355 SPRING HILL SPRING LAKE MI 49456-
2. -

Additional locations (if any) will be shown on form S170.

LOCATION OF JOB SITE (If Designated Projects are to be Scheduled):

-
-

CODE # - CLASSIFICATION	*	PREMIUM BASIS	RATE PR/CO	RATE All Other	ADVANCE PREMIUM
43215 - Entertainment Performed on Others' Premises Rate is Per Show Products/Completed Operations are Subject to the General Aggregate Limit	T	10	INCLUDED	100.000	INCLUDED 1,000
-					
-					
-					

* PREMIUM BASIS SYMBOLS + = Products/Completed Operations are subject to the General Aggregate Limit

a = Area (per 1,000 sq. ft. of area) **o** = Total Operating Expenses (per $1,000 Total Operating Expenditures) **s** = Gross Sales (per $1,000 of Gross Sales)

c = Total Cost (per $1,000 of Total Cost) **t** = See Classification

m = Admissions (per 1,000 Admissions) **p** = Payroll (per $1,000 of Payroll) **u** = Units (per unit)

PREMIUM FOR THIS COVERAGE PART $ 1,000

FORMS AND ENDORSEMENTS (other than applicable Forms and Endorsements shown elsewhere in the policy)

Forms and Endorsements applying to this Coverage Part and made part of this policy at time of issue:

Refer to S902 Schedule of Forms and Endorsements

THESE DECLARATIONS ARE PART OF THE POLICY DECLARATIONS CONTAINING THE NAME OF THE INSURED AND THE POLICY PERIOD.

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COMMERCIAL LINES POLICY - COMMON POLICY DECLARATIONS

NAUTILUS INSURANCE COMPANY

Scottsdale, Arizona

Transaction Type: Renewal

Renewal of Policy # NC339542
Rewrite of Policy #
Cross Ref. Policy #

Policy No. NC432992

Inspection Ordered:
☐ Yes ☒ No

THE WHITE AGENCY
FREMONT, MICHIGAN

Named Insured and Mailing Address
(No., Street, Town or City, County, State, Zip Code)

W. M. BURNERZ

17355 SPRING HILL
SPRING LAKE MI 49456-

NOTICE

The coverage afforded by this policy is restricted. Please read your policy carefully. No Flat Cancellations

Agent and Mailing Address **Agency No.** 02100 - 00
(No., Street, Town or City, County, State, Zip Code)

J.M. Wilson Corporation
8036 Moorsbridge Road
Portage, MI 49024

THIS INSURANCE IS WITH AN INSURER NOT LICENSED IN MICHIGAN. IN CASE OF INSOLVENCY, PAYMENT OF CLAIMS MAY NOT BE GUARANTEED.

NO FLAT CANCELLATION

Policy Period: From 05/12/2005 to 05/12/2006 at 12:01 A.M. Standard Time at your mailing address shown above.

Business Description: ENTERTAINERS **Tax State** MI

Form of Business: ☐ Individual ☐ Partnership ☐ Joint Venture ☐ Trust ☐ Limited Liability Company (LLC)
☒ Organization, including a Corporation (but not including a Partnership, Joint Venture or LLC)

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE STATED IN THIS POLICY.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

	PREMIUM
Commercial General Liability Coverage Part	$ 1,000.00
Terrorism Coverage	$ 100.00
	$
	$
	$

FULLY EARNED

Tax & Fee Schedule			
TOTAL ADVANCE PREMIUM			$ 1,100.00
STATE TAX	$	27.50	Minimum & Deposit
POLICY FEE		25.00	
TOTAL TAXES & FEES			$ 52.50
TOTAL			$ 1,152.50

Form(s) and Endorsement(s) made a part of this policy at time of issue:
Refer to S902 Schedule of Forms and Endorsements.

Countersigned: Portage, MI 05/18/05 JM-H/RB

By _____
Countersignature or Authorized Representative, whichever is applicable

THESE DECLARATIONS TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART DECLARATIONS, COVERAGE PART COVERAGE FORM(S) AND FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

Date: **October 11, 2005**

To: **Honorable Mayor and City Commissioners**

From: **City Clerk, Gail Kundinger**

RE: **Appointment to the Zoning Board of Appeals**

SUMMARY OF REQUEST: To appoint Lamont James Blackmon to the Zoning Board of Appeals.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To make the appointment.

COMMITTEE RECOMMENDATION: The Community Relations Committee recommended the appointment at their October 3rd meeting.

RECEIVED
City Clerks Office

Date: 9/21/05

CITY OF MUSKEGON
TALENT BANK APPLICATION

Please Type or Print. Applications will be kept on file for one year. All applicants subject to a background check.

NAME: LAMONT JAMES BLACKMON

HOME ADDRESS: 1855 ROBINSON ST, MUSKEGON, MI 49441
(Street, City, State, Zip)

HOME PHONE #: (231) 759-4437 WORK PHONE #: (231) 638-1282

OCCUPATION: - LOSS PREVENTION OFFICER - FINANCIAL REP. EMPLOYER: PLUMB'S FOODS PRIMERICA FIN. SERVICES
(If retired, give former occupation)

EDUCATION: BAKER COLLEGE, LIFE INS. LICENSE

PERSONAL & COMMUNITY ACTIVITIES: (1) NEIGHBORHOOD WATCH COMMITTEE (2) COACH LAKETON YOUTH FOOTBALL (3) BIG BROTHER / BIG SISTER (4) COMMITEE FOR RACISM AND HEALING,

Why would you be a good member of this committee? What do you bring to the committee ?

I FEEL I COULD BALANCE THE NEED FOR QUALITY NEIGHBORHOOD'S WITH THE NEED FOR GROWTH AND IMPROVEMENT FOR THE COMMUNITY AS A WHOLE,

PERSONAL REFERENCES: (Please list the name and phone numbers of three personal references)

1. ANTHONY BATHEA (HOWMET) — 231-773-5489
(Name) (Phone Number)
2. CHARLES BOOKER (FINANCIAL REP.) — 231-740-7792
(Name) (Phone Number)
3. KENDALL BRAZLEY (LOAN OFFICER) — 231-343-6768
(Name) (Phone Number)

PLEASE INDICATE BOARDS/COMMISSIONS/COMMITTEES INTERESTED IN SERVING ON – MARKING #1 AS YOUR FIRST PREFERENCE:

( ) Board of Canvassers
( ) Board of Review
( ) Cemetery Committee
( ) Citizen's Police Review Board
( ) City Employees Pension Board
( ) Civil Service Commission
( ) CDBG-Citizen's District Council
( ) Construction Board of Appeals
( ) District Library Board
( ) Downtown Development Authority/Brownfield Board
( ) Election Commission
( ) Equal Opportunity Committee
( ) Historic District Commission
( ) Hospital Finance Authority
( ) Housing Code Board of Appeals
( ) Housing Commission
( ) Income Tax Board of Review
( ) Land Reutilization Committee
( ) Leisure Services Board
( ) Loan Fund Advisory Committee
( ) Local Develop. Finance Authority
( ) Local Officer's Compensation Com.
( ) Planning Commission
( ) Police/Fireman's Pension Board
( ) Public Relations Committee
(X) Zoning Board of Appeals

Are you willing to serve on other boards/committees not checked off above? (YES) NO (Circle one)

* Attach Additional Sheets or Resume if Desired.

Return this form to: City Clerk's Office, 933 Terrace St., P. O. Box 536, Muskegon, MI 49443-0536

Commission Meeting Date: October 11, 2005

Date: **September 28, 2005**

To: **Honorable Mayor & City Commission**

From: **Planning & Economic Development Department** CBC

RE: **Endorsement of Muskegon Area-Wide Plan**

SUMMARY OF REQUEST: To approve the attached resolution endorsing the Muskegon Area-Wide Plan and agreeing to incorporate the general principles, policies, and visions into our local planning efforts.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

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

COMMITTEE RECOMMENDATION: None.

Resolution No. 2005-94(e)

MUSKEGON CITY COMMISSION

RESOLUTION ENDORSING THE MUSKEGON AREA-WIDE PLAN RESOLUTION

WHEREAS, the West Michigan Shoreline Regional Development Commission, under the close guidance and active participation of local governments and other stakeholders in Muskegon County, developed the ***Muskegon Area-wide Plan***; and

WHEREAS, the Muskegon Area-wide Plan engaged over 1,000 citizens of Muskegon County in developing a ***shared vision for the future of the county***; and

WHEREAS, the City of Muskegon maintains a comprehensive master plan and zoning ordinance to guide the growth and development of its community, and

WHEREAS, the City of Muskegon recognizes that it is part of the greater Muskegon community and shares in its growth and development and many other common interests;

NOW, THEREFORE, BE IT RESOLVED, that the City of Muskegon endorses the Muskegon Area-wide Plan as a vision for the future of the county, and agrees to incorporate the general principles, policies, and visions identified in the Muskegon Area-wide Plan in its Comprehensive Master Plan and Zoning Ordinance as these documents are updated and implemented.

Adopted this 11th of October, 2005.

AYES: Warmington, Carter, Gawron, Larson, Shepherd, Spataro

NAYS: None

ABSENT: Davis (excused)

By: _____
Stephen J. Warmington, Mayor

Attest: Gail Kundinger
Gail Kundinger, Clerk

CERTIFICATION
2005-94(e)

This resolution was adopted at a regular meeting of the City Commission, held on October 11, 2005. 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: Gail A. Kundinger

Gail A. Kundinger, MMC
City Clerk

WEST MICHIGAN SHORELINE
REGIONAL DEVELOPMENT COMMISSION

September 19, 2005

Mr. Bryon Mazade, Manager
City of Muskegon
P.O. Box 536
Muskegon, MI 49443

Dear Mr. Mazade:

As you are aware, the West Michigan Shoreline Regional Development Commission, under the close guidance and active participation of local governments in Muskegon County and other stakeholders, unveiled the ***Muskegon Area-wide Plan (MAP)*** in April of this year. The mission of the MAP project was to engage the citizens of Muskegon County to develop a shared vision for the future of the county.

The Regional Commission is now working with the newly created ***MAP Implementation Committee***, which is comprised of the same large cross section of the community. We are now in the process of implementing various elements of the Muskegon Area-wide Plan. One very important element of the implementation program is an endorsement/support from your community. The Commission and the MAP Implementation Committee would appreciate if your governing board would approve/endorse the enclosed sample resolution for the endorsement of the Muskegon Area-wide Plan.

If you have any questions regarding this resolution, please contact me or Erin Kuhn of my staff at 231-722-7878x18, or ekuhn@wmsrdc.org.

Thank you for your consideration regarding this matter.

Sincerely,

Sandeep Dey

Sandeep Dey
Executive Director

SD:ms

Enclosure

316 MORRIS AVENUE, SUITE 340
P.O. BOX 387
WWW.WMSRDC.ORG

MUSKEGON, MICHIGAN 49443-0387

(231) 722-7878
FAX (231) 722-9362
E-MAIL: WMSRDC@WMSRDC.ORG

Date: **October, 11th 2005**

To: **Honorable Mayor and City Commission**

From: **Department of Public Works**

RE: **Annual Assessment Phase II Storm Water Compliance**

SUMMARY OF REQUEST: The Muskegon County Storm Water Committee has invoiced the City for its share of the 2005 payment to the consultant, FTC&H, to prepare planning documents as required by the Phase II Storm Water permit issued to the City.

FINANCIAL IMPACT: $9,917.00 is allocated for Contractual Services in the Storm Water Management Budget

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval

Memorandum

September 23, 2005

To: Robert Kuhn, Public Works Director
Kelly DeFrench, Public Utilities Superintendent

From: Bob Fountain, Special Operations Supervisor

Subject: Annual Assessment for Phase II Storm Water Planning Activities

---

The Muskegon County Storm Water Committee, a coalition of Muskegon county communities subject to storm water regulation, has assessed the City of Muskegon its share of the Year 2005 costs to conduct planning activities. These funds will compensate the consultant, FTC&H, for preparing a watershed management plan, public participation plan and storm water pollution prevention initiative plan as required by our municipal storm water permit issued by the State. The City's share is $9,917.00. This amount has been previously budgeted in the Storm Water Budget for 2005 and I recommend that the City Commission approve this payment.

Commission Meeting Date: October 4, 2005

Date: October 11, 2005

To: Honorable Mayor & City Commission

From: Community and Neighborhood Services Department

RE: Purchase of 451 Isabella

SUMMARY OF REQUEST: To approve the purchase of 451 Isabella from the U. S. Dept. of HUD for $1.00 through its Good Neighbor program. Through the Good Neighbor program , a municipality can purchase a home for one dollar, if a property is on the market for more than six months.

After 451 Isabella is obtained the City will totally rehabilitate the structure and sale it to a qualified family continuing the City's aggressive neighborhood revitalization efforts.

FINANCIAL IMPACT: The dollar will come from CNS program income fund.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the request to purchase the $1.00 home.

COMMITTEE RECOMMENDATION: None needed

24-205-078-0002-00 451 E ISABELLA AVE STREET VIEW 07/03

Commission Meeting Date: October 4, 2005

Date: October 11, 2005

To: Honorable Mayor & City Commission

From: Community and Neighborhood Services Department

RE: Purchase of 214 Myrtle

SUMMARY OF REQUEST: To approve the purchase of the property located at 214 Myrtle (City of Muskegon revised Plat of 1903 Lot 14 ex nly 47 feet block 206), from American Residential Equities 381 S. West Temple Salt Lake City, Utah for ***Seven Thousand Eight Hundred dollars ($7,800)***

After approval of the purchase by the Commission the CNS department will work with an architect to develop new plans and specifications for the rehabilitation of the property. The CNS office will then solicit contractors to rehab the property. This property is located near the City's current Infill development Project "Walton Street Renaissance". It is the hope that the rehabilitation of this home will continue the City's aggressive neighborhood revitalization efforts in the Angel neighborhood area.

FINANCIAL IMPACT: Funding for purchase, will come from the City's 2004 HOME program income funding.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the request.

COMMITTEE RECOMMENDATION: None

24-205-206-0014-10 214 MYRTLE AVE STREET VIEW

AGENDA ITEM NO. _____

CITY COMMISSION MEETING _____

TO: Honorable Mayor and City Commissioners

FROM: Bryon L. Mazade, City Manager

DATE: October 4, 2005

RE: 2005-2006 Transportation Planning Program Funding

SUMMARY OF REQUEST:
To approve the City's share of the local matching funds for the West Michigan Metropolitan Transportation Planning Program for fiscal year 10/1/05 to 9/30/06. The City receives grant funds through this program for certain major streets.

FINANCIAL IMPACT:
$16,040 from the Major Street Fund.

BUDGET ACTION REQUIRED:
None.

STAFF RECOMMENDATION:
To approve this request.

COMMITTEE RECOMMENDATION:
None.

INVOICE

WEST MICHIGAN SHORELINE REGIONAL DEVELOPMENT COMMISSION

316 MORRIS AVE., #340 • P.O. BOX 387 • MUSKEGON, MI 49440-0387
PHONE (231) 722-7878 • FAX (231) 722-9362
WEBSITE - WWW.WMSRDC.ORG

SOLD TO

City of Muskegon
ATTN: Byron Mazade, Manager
PO Box 536

Muskegon, MI 49443

SHIPPED TO

DATE	DATE SHIPPED	SHIPPED VIA	YOUR ORDER NO.	F.O.B.	TERMS	INVOICE NO.
10/3/05						004266

QUANTITY	DESCRIPTION	PRICE	AMOUNT
	City of Muskegon's share of the Fiscal Year 2006		
	Transportation Planning Program. (10/1/05-9/30/06)		$16,040
	CR: 6355.0355.1 $13,910 6355.0355.3 $2,130		

RECEIVED
OCT 0 4 2005
MUSKEGON
CITY MANAGER'S OFFICE

Reorder Item #NVR73 Please Call Toll Free: 1-800-527-9530
©EGI, 1982, Printed in U.S.A

Thank You!

ORIGINAL

West Michigan Metropolitan Transportation Planning Program
(WestPlan)
Dues Structure
FY 2006

Muskegon County		
	Dues	**Population**
City of Muskegon	$16,040.00	40,105
Muskegon Heights	$4,820.00	12,049
Roosevelt Park	$1,560.00	3,890
Norton Shores	$9,010.00	22,527
North Muskegon	$1,620.00	4,031
Village of Fruitport	$500.00	1,124
*MCRC	$22,180.00	55,446
Sub Total	***$55,730.00***	
Ottawa County		
	Dues	**Population**
City of Grand Haven	$4,470.00	11,168
City of Ferrysburg	$1,220.00	3,040
Village of Spring Lake	$1,010.00	2,514
*OCRC FAUB	$13,310.00	33,274
**Ottawa County	$20,000.00	49,996
Sub Total	***$40,010.00***	
Transit Agencies		
	Dues	
Harbor Transit	$1098.00	
Muskegon Area Transit System	$5,000.00	
Sub Total	***$6,098.00***	
TOTAL	**$101,838.00**	

1 Dues calculated based on $.40 per capita using 2000 Census
2 Village of Fruitport assessed flat fee of $500.00
3 MATS and Harbor Transit are at an 82/18 split, respectively, for a total of $6,098.00. This breakdown is a result of the breakdown of FTA eligibility
4 The total population of any complete township that has any part of it jurisdictional lines included within the census defined urban boundary is used to compute the dues for Road Commissions.

*Townships included:

Muskegon County: Sullivan, Egelston, Dalton, Fruitport (minus village population), Laketon and Muskegon.

Ottawa County: Grand Haven, Robinson, Crockery and Spring Lake.

**Currently not a member.

Local Governments in the Muskegon/Grand Haven area are expected to receive $10 to $15 million annually in federal transportation funds through the West Michigan Shoreline Regional Development Commission's MPO Program.

RECEIVED
OCT 04 2005
MUSKEGON
CITY MANAGER'S OFFICE

Commission Meeting Date: October 11, 2005

Date: **October 3, 2005**

To: **Honorable Mayor & City Commission**

From: **Planning & Economic Development Department** CBC

RE: **Approval of loan in the amount of $20,000 to the Michigan Mayhem Basketball**

SUMMARY OF REQUEST: To approve the attached loan agreement and related documents for a $20,000 loan to the Michigan Mayhem.

FINANCIAL IMPACT:

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the loan to the Michigan Mayhem.

COMMITTEE RECOMMENDATION: The Revolving loan Fund Advisory Committee has recommended approval of the loan.

PARMENTER O'TOOLE
Attorneys at Law

175 West Apple Avenue ▪ P.O. Box 786 ▪ Muskegon, Michigan 49443-0786
Phone 231.722.1621 ▪ Fax 231.722.7866 or 231.728.2206
www.Parmenterlaw.com

October 24, 2005

Gail A. Kundinger, MMC
City Clerk
City of Muskegon
933 Terrace
P.O. Box 536
Muskegon, MI 49443-0536

Re: Lakeshore Basketball, LLC Loan

Dear Ms. Kundinger:

Enclosed please find the original closing documents concerning the loan with Lakeshore Basketball, LLC.

Very truly yours,

John C. Schrier

John C. Schrier
Direct: 231.722.5401
Fax: 231.728.2206
E-Mail Address: jcs@parmenterlaw.com

Enclosures

c: Jannie Scott, Lakeshore Basketball, LLC
Joel Fitzpatrick
Tim Paul

LAKESHORE BASKETBALL, LLC
D/B/A MICHIGAN MAYHEM
&
CITY OF MUSKEGON

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TERM LOAN AGREEMENT

This Agreement is entered into on 10/12, 2005 (the "Effective Date"), between **Lakeshore Basketball, LLC**, a Michigan limited liability company, d/b/a Michigan Mayhem, of 1050 W. Western Ave, Ste. 310, Muskegon, MI, 49441 (the "Mayhem"), and the **City of Muskegon**, a Michigan municipal corporation, at 933 Terrace Street, Muskegon, MI 49443 (the "City") with reference to the following facts:

BACKGROUND

A. The Mayhem has requested a term loan of $20,000 for the purpose of CASH FLOW.

B. The City has agreed to make the loan subject to the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement, the Mayhem and the City agree as follows:

Section 1. **CONDITIONS OF LOAN – NOTE – INTEREST – MATURITY.**

1.1 The Loan. The City agrees to make a loan to The Mayhem in the amount of $20,000 subject to the following conditions:

(a) Fulfillment of all conditions contained in Section 3;

(b) The Loan Agreement must be closed on or before 11/1, 2005.

(c) Delivery to the City of a note ("Note") in form and substance as attached on Exhibit A; and

(d) At the time of borrowing no Event of Default as defined in Section 7 exists and no event exists which with notice and/or the passage of time could become an Event of Default.

1.2 Payments. The principal amount of the Note and interest accrued thereon shall be payable, unless accelerated under the terms stated in Section 7, in monthly installments of $463.99, each to be paid on the fifteenth of each month, beginning January 15, 2006 and continuing until December 15, 2009, when the entire balance of principal and interest shall be due and payable in full.

1.3 Interest. The Note shall bear interest on the outstanding balance at the rate of 5.375% per annum.

1.4 Prepayments. The Mayhem may at any time prepay without penalty all or any portion of the principal, and any such payments shall be applied first to accrued interest, and then to the principal installments last coming due.

Section 2. **SECURITY.** To secure the full and timely performance of the Mayhem's covenants set out in this Agreement and to secure the repayment of the loans and advances made and to be made (the "Indebtedness"), the Mayhem agree to execute and deliver or cause to be executed and delivered to City the following:

2.1 A security agreement in form and substance satisfactory to City, giving City a valid lien and security interest in the personal property described in the security agreement. The Mayhem agrees to execute such financing statements as the City may request in connection with the security interest granted.

2.2 Mortgage on the real property owned by Arthur and Jannie Scott located at 2411 Lake Ave., #49, North Muskegon, Michigan, 49441, including all improvements now or hereafter located on the properties.

2.3 The personal guaranty of Arthur and Jannie Scott.

Section 3. **CONDITIONS PRECEDENT TO OBLIGATIONS OF CITY.** The obligations of City under this Agreement are subject to the occurrence, prior to or simultaneously with the Mayhem's receipt of the loan of each of the following conditions, any or all of the following, which may be waived in whole or in part by the City in writing:

3.1 Documents Executed. The Mayhem and the Scotts shall have executed and delivered to the City all documents required to consummate this transaction.

3.2 Hazard Insurance. The Mayhem and the Scotts shall have furnished to City, in a form satisfactory to City, hazard insurance policies, with loss payable clauses in favor of the City as its interest appears, relating to the properties of the Mayhem and the Scotts described in Section 2, in an amount equal to the full replacement cost of such properties.

3.3 Approval of City's Counsel. All actions, proceedings, instruments and documents required to carry out the transactions contemplated by this Agreement or reasonably requested in connection with this Agreement and all other related legal matters shall have been satisfactory to and approved by the law firm of Parmenter O'Toole, counsel for City.

Section 4. **WARRANTIES AND REPRESENTATIONS.** The Mayhem and the Scotts represent and warrant to the City that, as of the date of the borrowing:

4.1 Corporate Existence and Power. The Mayhem represents and warrants that:

(a) The Mayhem is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Michigan;

(b) The Mayhem has the corporate power and authority to own its properties and assets and to carry out its business as now being conducted and the Mayhem is qualified to do business in every jurisdiction wherein such qualification is necessary;

(c) The Mayhem has the corporate power and authority to execute and perform this Agreement, to borrow money in accordance with its terms, to execute and deliver the Note and other related documents, to grant

liens on the Collateral and to do any and all other things required of it by this Agreement; and

(d) This Agreement, the Note, and all other documents referred to in this Agreement, when executed on behalf of the Mayhem or the Scotts, will be valid and binding obligations of the Mayhem or the Scotts, legally enforceable in accordance with their terms.

4.2 Actions, Suits or Proceedings. There are no actions, suits or proceedings, and no proceedings before any arbitrator or by or before any governmental commission, board, bureau or other administrative agency, pending, or, to the best knowledge of the Mayhem, threatened, against or affecting the Mayhem or any properties or rights of the Mayhem, which if adversely determined, could materially impair the right of the Mayhem to carry on business substantially as now conducted or could have a materially adverse effect upon the financial condition of the Mayhem.

4.3 Accounting Principles. Balance sheets, earning statements, and other financial data furnished to City, for the purpose of, or in connection with this Agreement and the transactions contemplated by this Agreement have been prepared in accordance with generally accepted accounting principles, consistently applied and do or will fairly present the financial condition of the Mayhem as of the dates, and the results of their operations for the period, for which the same are furnished to the City.

4.6 Conditions Precedent. As of the date of this Agreement, all conditions precedent referred to in Section 3 have been satisfied.

Section 5. **AFFIRMATIVE COVENANTS.** Until the principal and interest on the Note is paid in full, the Mayhem covenants and agrees that it will:

5.1 Annual Financial Reports. Furnish to the City, in a form satisfactory to the City, not later than 90 days after the close of each fiscal year of the Mayhem, beginning with the Mayhem's fiscal year ending December 31, 2005, a balance sheet as at the close of each such fiscal year, statements of income and retained earnings and changes in financial position for each such year, and such other comments and financial details as are usually included in similar reports. The reports shall be prepared in accordance with generally accepted accounting principles consistently applied.

5.2 Quarterly Financial Statements. Furnish to City, not later than 30 days after the close of each fiscal year of the Mayhem, financial statements containing the balance sheet of the Mayhem as of the end of each period of income and retained earnings and changes in financial position for the portion of the fiscal year up to the end of such period. These statements shall be prepared on substantially the same accounting basis as the statements required in Section 5.1 and shall be in such detail as the City may require.

5.3 Adverse Events. Promptly inform the City of the occurrence of any Event of Default or any other event which, with notice and/or the passage of time would become an Event of Default, or of any occurrence which has or could reasonably be expected to have a materially adverse affect upon the Mayhem's business, properties, financial condition or ability to comply with its obligations under this Agreement.

5.4 Other Information Upon Request. Promptly furnish to the City such other information regarding the operations, business affairs and financial condition of the Mayhem as the City may reasonably request from time to time and permit the City and its employees, attorneys and agents, to inspect all of the books, records and properties of the Mayhem at any reasonable time.

5.5 Non-Discrimination. Ensure that no person in the United States shall on the grounds of race, creed, color, national origin or sex be excluded from participating in, be denied the benefits of, or be otherwise subject to discrimination in connection with the Mayhem's activities as recipient of the financial assistance provided by this Loan.

5.6 Insurance. Keep its insurable properties adequately insured and maintain:

(a) insurance against fire and other risks customarily insured against by businesses engaged in the same or similar activities as that of the Mayhem;

(b) necessary worker's compensation insurance;

(c) public liability and product liability insurance; and

(d) such other insurance as may be required by law or as may be reasonably required in writing by the City.

All such other insurance shall be in amounts, contain terms, in a form, for such purposes and written by such companies as may be satisfactory to the City. The Mayhem will deliver to the City, at its request, evidence satisfactory to City that such insurance has been procured and showing the City as additional insured or loss payee, as the case may be.

5.7 Affirmative Action Program. Comply with all applicable Affirmative Action Programs, if any, approved by the Economic Development Administration's Office of Civil Rights.

5.8 Maintain Business Entity and Property. Do or cause to be done all things necessary to preserve and keep in full force and effect its own existence, rights and franchises and comply with all applicable laws; continue to conduct and operate its business substantially as conducted and operated during the present and preceding calendar year; at all times maintain and preserve all of the remainder of its property used or useful in the conduct of its business and keep the same in good repair, working order and condition, and from time to time make, or cause to be made, all needed and proper repairs, renewals, replacements, betterments and improvements thereto so that the Mayhem's business may be property and advantageously conducted at all times.

5.9 Use of Loan Proceeds. Use the proceeds of the loan for the purpose set forth in the Background to this Agreement.

Section 6. **NEGATIVE COVENANTS.** From the date of this Agreement until the Note is paid in full, the Mayhem covenants and agrees that the Mayhem will not, without the prior written consent of City:

6.1 Subordinate Indebtedness. Subordinate any indebtedness due the City from the Mayhem to the indebtedness of other future creditors of the Mayhem.

6.2 Merger. Enter into any merger, consolidation, reorganization or recapitalization or purchase of the Mayhem without the express written consent of the City.

6.3 Affiliated Persons. Permit any business enterprise in which the Mayhem or a member, officer or director of the Mayhem, or a member of the immediate family of any such stockholder, officer or director, has any financial interest to receive any proceeds of this loan directly or indirectly without first disclosing in full such financial relationship to the City.

6.4 Compensation. Permit the compensation of any member, officer, director, partner or proprietor to be excessive, taking into consideration the financial circumstances of the Mayhem and the position and qualifications of the Person.

6.5 Sell Stock or Assets. Sell, lease, transfer, liquidate, or otherwise dispose of any of the membership interests of, or substantially all of the assets, of the Mayhem.

6.6 L.C. Walker Arena. Conduct a majority of the Michigan Mayhem annual season basketball games at a location other than the L.C. Walker Arena in Muskegon, Michigan.

Section 7. **EVENT OF DEFAULT – ENFORCEMENT – APPLICATION OF PROCEEDS.**

7.1 Events of Default. Should any of the following events (an "Event of Default") occur, the Mayhem shall be in default under this Agreement:

(a) Misrepresentation. If any warranty or representation of the Mayhem in connection with or contained in this Agreement, or if any financial data or other information now or later furnished to City by or on behalf of the Mayhem, shall prove to be false or misleading in any material respect;

(b) Failure to Pay Monies Due. If any principal of, or interest on, the Indebtedness shall not be paid within ten days after the same becomes due;

(c) Noncompliance with City Agreement. If the Mayhem shall fail to perform any of its obligations and covenants hereunder, or shall fail to comply with any of the provisions of this Agreement or any other agreement with the City to which it may be a party;

(d) Other Defaults. If the Mayhem shall default in the due payment of any of its indebtedness (other than the Indebtedness) or in the observance or performance of any term, covenant or condition in any agreement or instrument evidencing, securing or relating to such other indebtedness, and such default shall be continued for a period sufficient to permit acceleration of such indebtedness;

(e) Judgments. If there shall be rendered against the Mayhem one or more judgments or decrees involving an aggregate liability of $10,000 or more, which has or have become nonappealable and shall remain undischarged, unsatisfied by insurance and unstayed for more than 20 days, whether or not consecutive; or if a writ of attachment or garnishment against the property of the Mayhem shall be issued and levied in an action claiming $10,000 or more, and not released or appealed and bonded in a manner satisfactory to City;

(f) Business Suspension, Bankruptcy, Etc. If the Mayhem shall voluntarily suspend transaction of the Mayhem's business or make a general assignment for the benefit of creditors; or shall be adjudicated a bankrupt; or shall file a voluntary petition in bankruptcy or for a reorganization or to effect a plan or other arrangement with the Mayhem's creditors; or shall file an answer to a creditor's petition or other petition against the Mayhem (admitting the material allegations thereof) for an adjudication in bankruptcy or for a reorganization; or shall apply for or permit the appointment of a receiver, trustee, or custodian for any substantial portion of the properties or assets of the Mayhem; or if any order shall be entered by any court approving an involuntary petition seeking reorganization; or if a receiver, trustee or custodian shall be appointed for the Mayhem or if any substantial bankruptcy, reorganization or liquidation proceedings are instituted against the Mayhem and remain undismissed for 30 days; or if the Mayhem becomes unable to meet the Mayhem's obligations as they mature; or if the Mayhem commits an act of bankruptcy;

(g) Change or Control of Management. If the Mayhem or a controlling portion of its voting stock or a substantial portion of its assets comes under the practical, beneficial or effective control of one or more persons, whether by reason of death, merger, consolidation, sale or purchase of stocks or assets or otherwise; and if any such change of control or office holder adversely impacts, in the sole judgment of City, upon the ability of the Mayhem to carry on its business as previously conducted;

7.2 Acceleration of Indebtedness. Upon the occurrence of any of the Events of Default described in Sections 7.1(a) or 7.1(b) or upon the occurrence of any of the Events of Default described in Sections 7.1(c) through 7.1(g) inclusive, which is not cured by the Mayhem or waived by City within 30 days after notice to the Mayhem by the City, all Indebtedness shall be immediately due and payable in full at the option of the City without presentation, demand, protest, notice of dishonor or other notice of any kind, all of which are expressly waived. Unless all of the Indebtedness is then fully paid, the City shall have and may exercise any one or more of the rights and remedies for which provision is made for a secured party under the Uniform Commercial Code or under any mortgage, security agreement, pledge agreement, assignment or any other related document, including, without limitation, the right to take possession and sell, lease or otherwise dispose of any or all of the Collateral. The Mayhem agrees, upon request of the City, to assemble the Collateral and make it available to the City at any place designated by the City which is reasonably convenient to the City and the Mayhem.

7.3 Cumulative Remedies. The remedies provided for by this Agreement are cumulative to the remedies for collection of the Indebtedness as provided by law or by any mortgage, security agreement or any related document. Nothing in this Agreement is intended, nor should it be construed, to preclude the City from pursuing any other remedy for the recovery of any other sum to which the City may be or become entitled for the breach of this Agreement by the Mayhem.

7.4 Written Waivers. No default shall be waived by the City except in writing signed by an officer of the City, and no waiver of any default shall operate as a waiver of any other default or of the same default on a future occasion.

Section 8. **MISCELLANEOUS.**

8.1 Independent Rights. No single or partial exercise or delay in the exercise of any right, power or privilege created by this Agreement, shall preclude other or further exercise of the rights of the parties to this Agreement.

8.2 Covenant Independence. Each covenant in this Agreement shall be deemed to be independent of any other covenant, and an exception in one covenant shall not create an exception in other covenants.

8.3 No Waiver. No forbearance on the part of the City in enforcing any of its rights under this Agreement, nor any renewal, extension or rearrangement or any payment or covenant to be made or performed by the Mayhem or the Scotts hereunder shall constitute a waiver of any terms of this Agreement or of any such right.

8.4 Governing Law. This Agreement shall be construed in accordance with the laws of the State of Michigan. If any provisions of this Agreement shall for any reason be held invalid or unenforceable such invalidity or unenforceability shall not affect any other provision, but this Agreement shall be construed as if such invalid or unenforceability provisions had never been in this Agreement.

8.5 Survival of Warranties, Etc. All of the Mayhem's covenants, agreements, representations and warranties made in connection with this Agreement and any related document shall survive incurrence of the Indebtedness and shall be deemed to have been relied upon by the City, notwithstanding any investigation made by the City. All statements contained in any certificate or other document delivered to City at any time by or on behalf of the Mayhem pursuant to this Agreement or in connection with the transactions contemplated in this Agreement shall constitute representations and warranties by the Mayhem in connection with this Agreement.

8.6 Fees for Preparation. The Mayhem agrees that the Mayhem will pay all costs and expenses in connection with the preparation of this Agreement and all documents contemplated by this Agreement, including the reasonable fees and disbursements of Parmenter O'Toole, as counsel for the City.

8.7 Payments on Saturdays, Etc. Whenever any payment to be made shall be stated to be due on a Saturday, Sunday or a legal holiday, such payment may be made on the next succeeding business day, and such extension, if any, shall be included in computing interest in connection with such payment.

8.8 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the parties and their respective heirs, successors and assigns; provided, however, that the Mayhem shall not assign or transfer its right or obligations under this Agreement without the prior written consent of City.

8.9 Maintenance of Records. The Mayhem will keep all of its records concerning the Collateral at its principal place of business. The Mayhem will give City prompt written notice of any change in its principal place of business, or in the location of said records.

8.10 Notices. All notices and communications in this Agreement or any related document or required by law to be given shall be effective when received, except that all notices and communications to the Mayhem shall be deemed to have been give for all purposes when sent by first class mail, postage prepaid, addressed to the address of the Mayhem set forth in the heading of this Agreement, or such other address as the Mayhem shall have designated to City in writing. The giving of at least five days' notice before City shall take any action described in any notice shall conclusively be deemed reasonable for all purposes.

8.11 Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signatures were upon the same instrument.

8.12 Headings. Article and section headings in this Agreement are included for the convenience of reference only and shall not constitute a part of this Agreement for any purpose.

Duplicate counterparts of this Agreement have been executed by the Mayhem, the Scotts and the City on the day and year first written above.

City - City of Muskegon, a municipal corporation

By: _____
Name: Stephen J. Warmington
Title: Mayor
Date: 10-12-05

By: Linda Potter
Name: Linda Potter
Title: Deputy Clerk
Date: 10-10-05

Mayhem – ~~Lakeshore~~ Basketball, LLC
By: _____
Name: Jannie Scott
Title: PRESIDENT
Date: 10/12/05

Scotts – Arthur and Jannie Scott

_____
Name: Arthur Scott

_____
Name: Jannie Scott

PROMISSORY NOTE

$20,000.00

Muskegon, Michigan
October 12, 2005

For value received, **Lakeshore Basketball, LLC**, a Michigan limited liability company, d/b/a Michigan Mayhem, of 1050 W. Western Ave, Ste. 310, Muskegon, MI, 49441 (the "Mayhem") promises to pay to the **City of Muskegon**, a Michigan municipal corporation, at 933 Terrace Street, Muskegon, MI, 49443 (the "City"), or at such other place as directed by the City, the principal sum of Twenty Thousand Dollars ($20,000), together with interest from the date hereof at the rate of Five and Three-eighths Percent (5.375%) per annum on the unpaid balance remaining due from time to time. This note shall be payable as follows:

> Equal and consecutive monthly installments of principal and interest of $463.99 shall be made from the Mayhem to the City commencing January 15, 2006, and continuing on the fifteenth of each month until December 15, 2009, when the entire balance of principal and interest shall be due and payable in full.

The Mayhem may prepay without penalty all or any portion of the principal at any time. Any prepayment shall not eliminate the obligation of the Mayhem to pay all subsequent installments on their normal due dates. All payment of any nature shall be applied first to accrued interest and the balance to principal. The Mayhem shall maintain their business location in the City of Muskegon, and conduct a majority of the Michigan Mayhem annual season basketball games at the L.C. Walker Arena in Muskegon, Michigan, for the term of the loan. A move out of the City or the L.C. Walker Arena is a case of default.

This Note is secured by a certain Security Agreement of even date between the Mayhem and the City and a certain Mortgage of even date between Arthur and Jannie Scott ("Scotts") and the City, the terms of which are incorporated herein by reference. The City shall have all of the rights and powers set forth in the Mortgage and Security Agreement as though the same were set forth fully in this Note. A default in the Mortgage or Security Agreement shall constitute a default of this Note.

Upon any default, including but not limited to any failure to make payments when due, the City may upon ten (10) days written notice to the Mayhem, declare the entire remaining balance of principal and interest to be immediately due and payable. No delay by the City in exercising any right hereunder shall be considered a waiver of such right.

The Mayhem (i) waives protest, presentment, demand for payment and notice of dishonor: (ii) agrees that any extension of the time for any payment, reduction of any payments, acceptance by the City of a renewal note, or release or non-enforcement of any security, whether with or without notice, shall not release or offset the obligations of the Mayhem; (iii) agrees to reimburse the City for any and all costs and expenses (including but not limited to, reasonable and actual attorney fees) incurred in attempting to collect any and all principal and interest on this Note.

Mayhem – Lakeshore Basketball, LLC

By: _____
Name: Jannie Scott
Title: President
Date: October 12, 2005

Scotts – individually, as owners of the Real Estate under the Mortgage

_____
Name: Arthur Scott

_____
Name: Jannie Scott

SECURITY AGREEMENT

This Agreement is entered into on 10-12, 2005 (the "Effective Date"), between **Lakeshore Basketball, LLC**, a Michigan limited liability company, d/b/a Michigan Mayhem, of 1050 W. Western Ave, Ste. 310, Muskegon, MI, 49441 (the "Mayhem"), and the **City of Muskegon**, a Michigan municipal corporation, at 933 Terrace Street, Muskegon, MI 49443 (the "City") with reference to the following facts:

Background

A. The Mayhem has received from the City a loan in the amount of $20,000 pursuant to the terms and conditions of a certain term loan agreement between the City and the Mayhem, dated 10-19, 2005 ("Term Loan Agreement").

B. The Mayhem has agreed to grant a security interest in certain collateral as security for payment of the loan pursuant to the terms of a certain promissory note between the Mayhem and the City of even date ("Promissory Note").

Therefore, for good and valuable consideration, the parties agree as follows:

1. **Definitions.** As used in this Security Agreement, the following definitions (in addition to other terms and provisions set forth in Article IX of the Michigan Uniform Commercial Code, MCL 440.9101 et seq.) shall apply:

a. **Collateral.** The Collateral shall consist of all assets of Lakeshore Basketball, LLC's business, including all furniture, fixtures, machinery, equipment, supplies, and inventory, wherever situated, whether now owned or later acquired, and, to the extent not listed above as original Collateral, proceeds of the foregoing.

b. **Obligations.** This Security Agreement secures the following (collectively, the "Obligations"):

i. The Mayhem's liabilities under the Promissory Note and this Security Agreement;

ii. The repayment of (1) any amounts that the City may advance or spend for the maintenance or preservation of the Collateral, and (2) any other expenditures that the City may make under the provisions of this Security Agreement or for the benefit of the Mayhem;

iii. All amounts owed under any modifications, renewals, or extensions of any of the foregoing items; and

iv. Any of the foregoing that arises after the filing of a petition by or against the Mayhem under the Bankruptcy Code, even if the obligations due do not accrue because of the automatic stay under the Bankruptcy Code Section 362 or otherwise.

c. **Term.** A period of time commencing on the date of this Agreement and ending on the Termination Date.

d. **Termination Date.** The date when all Obligations owed by the Mayhem to the City have been satisfied.

e. **UCC.** Any term used in the Uniform Commercial Code as adopted from time to time in the State of Michigan ("UCC") and not defined in this Security Agreement has the meaning given to the term in the UCC.

2. **Grant of Security Interest.** As security for the payment or performance of the Obligations, the Mayhem grants a Security Interest in the Collateral to the City.

3. **Perfection of Security Interests.**

a. **Filing of Financing Statement.** The Mayhem authorizes the City to file a financing statement (the "Financing Statement") describing the Collateral.

b. **Possession.** The Mayhem shall have possession of the Collateral, except where otherwise expressly provided in this Security Agreement.

c. **Control.** The Mayhem will cooperate at all times with the City in obtaining control with respect to Collateral.

4. **Post-Effective Date Covenants and Rights Concerning the Collateral.**

a. **Inspection.** The parties to this Security Agreement may inspect any Collateral in the other party's possession or control at any time upon reasonable notice.

b. **Personal Property.** The Collateral shall remain personal property at all times; and the Mayhem shall not affix any of the Collateral to any real property in any manner that would change its nature from that of personal property to real property or to a fixture.

c. **City Collection Rights.** The City shall have the right at any time to enforce the Mayhem's rights against the account debtors and obligors.

d. **Limitations on Duties Concerning Maintenance of Collateral.**

i. The Mayhem has the risk of loss of the Collateral; and

ii. The City has no duty to collect any income accruing on the Collateral or to preserve any rights relating to the Collateral.

e. **Inventory.** The Mayhem has the power to sell the Mayhem's Inventory in the ordinary course of the Mayhem's business, provided that the Mayhem is not in default. In addition, the parties agree as follows:

i. A sale of the Mayhem's Inventory not in the ordinary course of business shall constitute a default;

ii. The interest of the City shall continue in all proceeds of sales and all dispositions of the Mayhem's Inventory; and

iii. If the Mayhem desires to grant a purchase money security interest in any Inventory (forming a part of the Collateral) to a party other than the City ("Third Party"), the Mayhem shall: (1) give prior written notice thereof to the City; (2) obtain the prior written consent of the City; and (3) require Third Party to give written notice to the City in the manner required by law.

5. **Covenants, Warranties and Representations of Mayhem.** The Mayhem, as an inducement to the City to extend credit to the Mayhem, covenants, represents, and warrants to the City the following:

a. **Title to and Transfer of Collateral.** The Mayhem has rights in or the power to transfer the Collateral, and its title to the Collateral is free of all adverse claims, liens, security interests, and restrictions on transfer or pledge, except as created by this Security Agreement and a prior security agreement given by the Mayhem to Community Shores Bank, evidenced by a financing statement filed with the Michigan Secretary of State on September 13, 2005.

b. **Location of Collateral.** Except as set forth in this Security Agreement, the Mayhem will maintain the Collateral at, and will not remove the Collateral from, the Mayhem's Address without the prior written consent of the City. The Mayhem will promptly notify the City in writing of any change in the location of any place of business or establishment of any new place of business of the Mayhem.

c. **Organization and Name.** The Mayhem is duly organized and operating a business under the laws of the State of Michigan; and, further, until the Obligations are paid in full, the Mayhem agrees that the Mayhem will:

i. Preserve its existence in good standing and not, in one transaction or a series of related transactions, merge into or consolidate with any other entity, or sell all or substantially all of Mayhem's assets;

ii. Not change the Mayhem's name without the written consent of City. The Mayhem's exact legal name is as set forth in the first paragraph of this Security Agreement; and

iii. Not change its location as that term is defined in UCC 9-307 (MCL 440.9307).

d. **Use.** The Collateral will be used primarily for the Mayhem's business.

e. **Records.** The Mayhem will at all times during this Agreement keep accurate and complete records of the Mayhem's Collateral, and will, at any time at the request of the City, deliver to the City a schedule specifically identifying all of the Collateral.

f. **Insurance.** The Mayhem will keep the Collateral continuously insured with insurance carriers in amounts and against risks that shall be reasonably satisfactory to the City, with the loss payable clause in favor of the City.

g. **Indemnification.** The Mayhem agrees to indemnify and save harmless the City from any loss or damage caused by the Collateral or its use, and immediately to give written notice to the City of any loss of or damage to the Collateral occasioned by any cause.

h. **Impairment of Collateral.** If the Collateral becomes unsatisfactory to the City or deteriorates in market or actual value, the Mayhem will, after written demand given by the City to the Mayhem, promptly reduce the debt to the City to the extent specified by the City or, in the alternative, increase the Collateral to the amount affixed by the City.

i. **Financial and Other Statements.** During the term of this Agreement, the Mayhem will deliver to the City as soon as practicable upon request by the City (and in any event, within 90 days thereafter), the following:

i. The Mayhem's balance sheet at the end of such year;

ii. The Mayhem's tax return for such fiscal year; and

iii. A certificate of good standing or similar document from the Office of the Secretary of State affirming that the Mayhem remains duly organized under the laws of the State of Michigan.

6. **Events of Default.** The occurrence of any of the following shall, at the option of the City, be an Event of Default:

a. Any default, Event of Default as defined under the Agreement, this Security Agreement, or any of the other Obligations;

b. The Mayhem's failure to comply with any of the provisions of, or the incorrectness of any representation or warranty contained in, this Security Agreement or in any of the other Obligations;

c. Transfer or disposition of any of the Collateral, except as expressly permitted by this Security Agreement;

d. Attachment, execution or levy on any of the Collateral;

e. The Mayhem voluntarily or involuntarily becoming subject to any proceeding under (i) the Bankruptcy Code or (ii) any similar remedy under state statutory or common law; or

f. The Mayhem shall fail to comply with, or become subject to any administrative or judicial proceeding under any federal, state, or local (i) hazardous waste or environmental law, (ii) asset forfeiture or similar law which can result in the forfeiture of property, or (iii) other law, where noncompliance may have any significant effect on the Collateral.

7. **Default Costs.** Should an Event of Default occur, the Mayhem will pay to the City all costs reasonably incurred by the City for the purpose of enforcing its rights hereunder, including:

a. Costs of foreclosure;

b. Costs of obtaining money damages; and

c. A reasonable fee for the services of attorneys employed by the City for any purpose related to this Security Agreement or the Obligations, including consultation, drafting documents, sending notices, or instituting, prosecuting, or defending litigation or arbitration.

8. **Remedies Upon Default.**

a. **General.** Upon any Event of Default, the City may pursue any remedy available at law (including those available under the provisions of the UCC), or in equity, to collect, enforce, or satisfy any Obligations then owing, whether by acceleration or otherwise.

b. **Conformer Remedies.** Upon any Event of Default, the City shall have the right to pursue any of the following remedies separately, successively, or simultaneously:

i. File suit and obtain judgment and, in conjunction with any action, the City may seek any ancillary remedies provided by law, including levy of attachment and garnishment;

ii. Take possession of any Collateral not already in its possession without demand and without legal process. Upon the City's demand, the Mayhem will assemble and make the Collateral available to the City as the City may direct. The Mayhem grants to the City the right, for this purpose, to enter into or on any premises where Collateral may be located; and

iii. Without taking possession, sell, lease, or otherwise dispose of the Collateral at public or private sale in accordance with the UCC.

9. **Foreclosure Procedures.**

a. **No Waiver.** No delay or omission by the City to exercise any right or remedy accruing upon any Event of Default shall: (i) impair any right or remedy, (ii) waive any default or operate as an acquiescence to the Event of Default, or (iii) affect any subsequent default of the same or of a different nature.

b. **Notices Regarding Sale.** The City shall give the Mayhem such notice of any private or public sale as may be required by the UCC.

c. **Condition of Collateral.** The City has no obligation to clean-up or otherwise prepare the Collateral for sale.

d. **No Obligation to Pursue Others.** The City has no obligation to attempt to satisfy the Obligations by collecting them from any other person liable for them and the City may release, modify, or waive any Collateral provided by any other person to secure any of the Obligations, all without affecting the City's rights against the Mayhem. The Mayhem waives any right it may have to require the City to pursue any third person for any of the Obligations.

e. **Compliance with Other Laws.** The City may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, and compliance will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral.

f. **Warranties.** The City may sell the Collateral without giving any warranties as to the Collateral. The City may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of any sale or other disposition of the Collateral.

g. **Sales on Credit.** If the City sells any of the Collateral upon credit, the Mayhem will be credited only with payments actually made by the purchaser, received by the City, and applied to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, the City may resell the Collateral, and the Mayhem shall be credited with the proceeds of the sale.

h. **Purchases by City.** If the City purchases any of the Collateral being sold, the City may pay for the Collateral by crediting some or all of the Obligations of the Mayhem.

i. **No Marshaling.** The City shall have no obligation to marshal any assets in favor of the Mayhem, or against or in payment of any of the Obligations or any other obligation owed to the City by the Mayhem or any other person.

10. **Miscellaneous.**

a. **Assignment.**

i. This Security Agreement shall bind and shall inure to the benefit of the heirs, legatees, executors, administrators, successors, and assigns of the City and shall bind all persons who become bound as a debtor to this Security Agreement.

ii. The City does not consent to any assignment by the Mayhem except as expressly provided in this Security Agreement.

iii. The City may assign its rights and interests under this Security Agreement. If an assignment is made, the Mayhem shall render performance under this Security Agreement to the assignee. The Mayhem waives and will not assert against any assignee any claims, defenses, or set-offs that the Mayhem could assert against the City except defenses that cannot be waived.

b. **Severability.** Should any provision of this Security Agreement be found to be void, invalid, or unenforceable by a court or panel of arbitrators of competent jurisdiction, that finding shall only affect the provisions found to be void, invalid, or unenforceable and shall not affect the remaining provisions of this Security Agreement.

c. **Notices.** Any notices required by this Security Agreement shall be deemed to be delivered when a record has been (i) deposited in any United States postal box if postage is prepaid, and the notice properly addressed to the intended recipient, (ii) received by fax, (iii) received through the Internet, and (iv) when personally delivered.

d. **Headings.** Section headings used in this Security Agreement are for convenience only. They are not a part of this Security Agreement and shall not be used in construing it.

e. **Governing Law.** This Security Agreement is being executed and delivered and is intended to be performed in the State of Michigan and shall be construed and enforced in accordance with the laws of the State of Michigan.

f. **Rules of Construction.**

i. No reference to "proceeds" in this Security Agreement authorizes any sale, transfer, or other disposition of the Collateral by the Mayhem;

ii. "Includes" and "including" are not limiting;

iii. "Or" is not exclusive; and

iv. "All" includes "any" and "any" includes "all."

g. **Integration and Modifications.**

i. This Security Agreement is the entire agreement of the Mayhem and the City concerning its subject matter; and

ii. Any modification to this Security Agreement must be made in writing and signed by the party adversely affected.

h. **Waiver.** Any party to this Security Agreement may waive the enforcement of any provision to the extent the provision is for its benefit.

i. **Further Assurances.** The Mayhem agrees to execute any further documents, and to take any further actions, reasonably requested by the City to evidence or perfect the security interest granted herein, to maintain the priority of the security interests, or to effectuate the rights granted to the City herein.

[signatures appear on following page]

The parties have signed this Security Agreement on the date set forth below their names, to be effective as of the date set forth above.

City - City of Muskegon, a municipal corporation

By: _____
Name: Stephen J. Warmington
Title: Mayor
Date: 10-12-05

By: Linda Potter
Name: Linda Potter
Title: Deputy Clerk
Date: 10-12-05

Mayhem – Lakeshore Basketball, LLC

By: _____
Name: Jannie Scott
Title: President
Date: 10-12-05

Mark Fairchild, Muskegon Co ROD M01
5171759
L-3671 P-333
10/14/2005 09:00A
Page: 1 of 4

MORTGAGE

This Mortgage is given on 10-12, 2005, by **Arthur and Jannie Scott**, of 15811 Jennifer Lane, Spring Lake, Michigan, 49456 (the "Scotts"), to the **City of Muskegon**, a Michigan municipal corporation, at 933 Terrace Street, Muskegon, MI 49443 (the "City") with reference to the following facts:

Background

A. The City has extended credit to **Lakeshore Basketball, LLC**, a Michigan limited liability company, d/b/a Michigan Mayhem, of 1050 W. Western Ave, Ste. 310, Muskegon, MI, 49441 (the "Mayhem") in the amount of Twenty Thousand and 00/100 Dollars ($20,000.00) ("Debt"), which principal amount and any applicable interest are being repaid to the City pursuant to the terms of a certain promissory note between the Mayhem and the City of even date ("Promissory Note").

B. The Scotts are financially interested in the Mayhem and they will receive valuable consideration for the Debt to Borrower; and

C. To secure the payment of the Promissory Note, the Scotts desire to grant the City a mortgage in the Real Estate until such time as the Promissory Note is fully paid.

Therefore, the parties agree as follows:

1. **Grant of Mortgage.** To secure the payment of all indebtedness evidenced by the Promissory Note, the Scotts grant to the City, with power of sale, a mortgage on the property located at 2411 Lake Ave, #49, North Muskegon, Michigan, 49441, and legally described on attached **Exhibit A** (the "Real Estate").

2. **Obligations of Mortgagor.** While the Mortgage remains in effect, the Scotts and/or the Mayhem agree:

   a. To pay the Promissory Note in the time and manner provided therein;

   b. To pay all taxes, assessments, water rates, and other charges that may be levied or assessed on the Real Estate within 30 days after the tax or other charge is due;

   c. To pay when due any taxes on the interest or estate in the lands created or represented by this Mortgage, whether levied against the Scotts or otherwise; and

   d. To keep all improvements on the Real Estate continually intact and in good order and repair and to pay promptly for all repairs and improvements.

3. **Default Remedies.** If the Scotts default in any obligation under this Mortgage, the City shall have the option, in addition to, and not in lieu of, all other rights and remedies provided by law, to do any or all of the following:

a. Declare the principal sum secured by the Mortgage, together with all interest and all other sums secured by this Mortgage, to be immediately due and payable; and to institute any proceedings that the City deems necessary to collect and otherwise to enforce the indebtedness and obligations secured by this Mortgage and to protect the lien of this Mortgage. Before exercising this right of acceleration, the City shall send notice to the Scotts according to the terms of Section 4.

b. Begin foreclosure proceedings against the Real Estate pursuant to applicable laws.

c. Pay the charges, if the Scotts default in paying the taxes, assessments, water rates, liens, insurance, or other charges on the premises. The amounts so paid, with interest at the same rate as provided for under the Note, are an additional lien on the premises.

4. **Notices.** Before exercising any default remedies under this Mortgage, the City shall send, by certified mail, return receipt requested, a notice of the default, and the notice shall provide the Scotts, from the date of the Scott's receipt, with not less than 30 days to cure the default.

5. **Releases.** Upon payment of all sums secured by this Mortgage, the City shall prepare and deliver a discharge of this Mortgage.

6. **Successors.** If the ownership of the Real Estate becomes vested in a person other than the Scotts, the City may deal with the successor(s) with reference to this Mortgage and the debt secured by this Mortgage in the same way as with the Scotts, without in any manner vitiating or discharging the Scott's liability under this Mortgage or on the debt secured by this Mortgage.

7. **Second Mortgage.** This Mortgage is second and junior to a mortgage executed by the Scotts to Shoreline Mortgage, a Michigan corporation, of 843 W. Summit Ave., Muskegon, MI, 49441, or its successors and assigns. The Scotts and the City agree to execute all documents reasonably required by holder of said first mortgage or its successors and assigns to subordinate the lien of this Mortgage to said first mortgage.

This Mortgage shall be binding upon, and the benefits and advantages shall accrue to, the successors and assigns of the parties.

This Mortgage agreement was made on the date on the first page above.

Scotts ~~Arthur~~ and Jannie Scott

Name: ~~Arthur~~ Scott

Name: Jannie Scott

[notary block appears on following page]

STATE OF MICHIGAN)
COUNTY OF MUSKEGON)

Arthur and Jannie Scott acknowledged the foregoing instrument before me this 12th day of October, 2005.

John C. Schrier, Notary Public
Muskegon, Michigan
My commission expires: 08/02/2010
Acting in Muskegon County

Prepared by and when recorded return to:
Adam G. Zuwerink
Parmenter O'Toole
P.O. Box 786
Muskegon, MI 49443-0786

Mark Fairchild, Muskegon Co ROD M01

5171759
L-3671 P-333
10/14/2005 09:00A
Page: 3 of 4

Exhibit A
Legal Description

Unit No. 49, North Pier Condominiums, together with general common elements and limited common elements, as set forth in the Master Deed thereof as recorded in Liber 1837, Pages 288 through 393, inclusive, Muskegon County Records, and First Amendment to Master Deed recorded in Liber 1842, Page 22, and as designated as Muskegon County Condominium Subdivision Plan No. 48 and as described in Act 229 of Public Acts of 1963 and Act 59 of the Public Acts of 1978 and amended thereto, and other matters set forth in the above described Master Deed and statute and Second Amendment to Master Deed recorded in Liber 2147, Page 100.

Parcel #61-23-443-000-0049-00

Mark Fairchild, Muskegon Co ROD M01
5171759
L-3671 P-333
10/14/2005 09:00A
Page: 4 of 4

GUARANTY AGREEMENT

This Guaranty Agreement made this 12th day of October, 2005, between **Arthur and Jannie Scott**, of 15811 Jennifer Lane, Spring Lake, Michigan, 49456 ("Scotts"), and the **City of Muskegon**, a Michigan municipal corporation, at 933 Terrace Street, Muskegon, MI 49443 ("City") with reference to the following facts:

Background

A. The City has extended to **Lakeshore Basketball, LLC**, a Michigan limited liability company, d/b/a Michigan Mayhem, of 1050 W. Western Ave, Ste. 310, Muskegon, MI, 49441 ("Mayhem") the principal sum of $20,000 represented by a promissory note of even date ("Debt"); and

B. The Scotts are financially interested in the Mayhem and they will receive valuable consideration for the Debt to the Mayhem; and

C. The Scotts therefore agree that they will guarantee payment of the Debt to the full extent of any property or interest held or owned by them under any form of legal or beneficial ownership. The Scotts desires to enter into this Guaranty to induce the City to engage in transactions in which the Mayhem may make, extend, renew or refinance the Debt to the City.

Therefore, in consideration of the mutual promises of the parties set forth in this agreement and other valuable consideration, the receipt and adequacy of which is acknowledged, the parties agree as follows:

1. **Guaranty.** The Scotts guarantee to the City, its successors and assigns, the prompt payment when due, whether by acceleration or otherwise, of the Debt, together with interest at the rate stated in any document evidencing such liability, and any attorney fees, costs and expenses of collection incurred by the City in connection with any liability covered by this Guaranty. Such Guaranty shall extend to any property or interest held or owned by the Scotts individually or jointly or under any other form of legal or beneficial ownership.

2. **Duration.** The obligation of the Scotts shall continue until payment is made of the Debt of the Mayhem to the City now due or hereafter to become due and until payment is made of any loss or damage incurred by the City with respect to any liability covered by this Guaranty.

3. **Successors and Assigns Bound.** The Scotts agree that this Guaranty shall be enforceable against the Scott's heirs, successor and assigns.

4. **Guaranty to be Supplemental.** The Scotts agree that this Guaranty shall supplement and be in addition to any other guaranty, indemnity, pledge, security agreement, mortgage, hypothecation or any other form of collateral to secure any liability of the Mayhem.

5. **Consent.** The Scotts consent, without affecting their obligations to the City, that the City may, without notice to or the consent of the Scotts, in its sole discretion, deal in any manner with the Debt and any collateral therefor, including, but not limited to, the following powers, in addition to any powers granted by law:

    a. To extend, in whole or in part, by renewal, refinancing or otherwise, the time of payment of the Debt;

b. To release, surrender, exchange, modify, impair or extend the period or duration or the time for performance or payment of any collateral securing the Debt;

c. To settle or compromise any claim of the City against the Mayhem, or against any other person, firm or corporation, whose obligation is held by the City as collateral security for payment of the Debt;

d. In the event of nonpayment when due, by acceleration or otherwise, of the Debt, to realize on the collateral or any part thereof, in whole or in such parcels or subdivided interests as the City may elect, at any public or private sales, on such terms and conditions as the City may accept, without demand, advertisement or notice of the time and place of sale or any adjournment thereof, or by foreclosure or otherwise, or to forbear from realizing thereon, all as the City in its sole discretion may deem proper, and to purchase all or any part of the collateral for its own account. At any such sale or foreclosure, such powers are to be exercised only to the extent permitted by law; and

e. To modify or otherwise change any terms of all or any part of the Debt or the rate of interest thereon.

The Scotts ratify and affirm any such extension, renewal, release, surrender, exchange, modification, impairment, settlement, compromise, purchase at a foreclosure or other sale, and all such actions shall be binding upon the Scotts who waive all defenses, counterclaims or offsets which they might have by reason thereof.

6. **Waiver.** The Scotts waive: (a) notice of acceptance of this Guaranty by the City; (b) notice of presentment, demand for payment, protest, or other default of any of the Mayhem's liabilities or the obligation of any person, firm or corporation, held by the City as collateral security for the Mayhem's obligation; (c) notice of the failure of any person, firm or corporation to pay to the City any indebtedness held by the City as collateral security for payment of the Debt; and (d) all defenses, offsets and counterclaims which the Scotts may at any time have to any claim of the City against the Mayhem.

7. **Discharge.** The obligation of the Scotts and the rights of the City in collateral securing repayment of the Debt shall not be released, discharged, or in any way affected, nor shall the Scotts have any rights against the City by reason of the fact that: (a) collateral may be in default at the time of acceptance by the City or subsequent to such date; (b) a valid lien or security interest in any of the collateral may not be created in favor of or conveyed to the City; (c) any of the collateral may be subject to equities or defenses or claims in favor of others or may be invalid or defective in any way; (d) the financial condition of Borrower or the Scotts may not have been correctly estimated or may have changed; and (e) any collateral may have deteriorated, wasted or been lost by fire, theft, casualty or otherwise unless such deterioration, waste or loss shall be caused by willful act of the City.

8. **Remedies.** The City may at its option proceed against the Scotts to collect any obligation covered by this Guaranty, without first proceeding against the Mayhem, or any other person, firm, corporation or the Scotts, and without first resorting to any property at any time held by the City as collateral security. The City may proceed against the Scotts as if such amounts due are the direct and primary obligation of the Scotts. The Scotts shall have no right of subrogation, indemnification or contribution with respect to the Debt or the collateral unless and until the City shall have received full payment of the Debt.

9. **Joint and Several Liability.** The liability of the Scotts shall be expressly joint and several.

10. **Entire Agreement.** This instrument contains the entire agreement between the Scotts and the City with respect to the subject matter. Neither party shall be bound by any verbal or written agreement, statement, term or condition not contained within this instrument. This Guaranty may be modified only by a subsequent instrument in writing signed by the party to be charged.

11. **Choice of Law.** This Guaranty is established and accepted by the City under the laws of the State of Michigan and all questions concerning its validity and construction shall be determined under such laws.

12. **Severability.** If any clause, provision or paragraph of this Guaranty is ruled invalid or unenforceable by any court of competent jurisdiction, the invalidity or unenforceability of such clause, provision or paragraph shall not affect any of the remaining clauses, provisions or paragraphs.

13. **Binding Effect.** This Agreement shall be binding upon the Scotts and their heirs, successors and assigns.

This Guaranty Agreement has been executed on the day and year above written.

Arthur Scott

Jannie Scott

MICHIGAN DEPARTMENT OF STATE
Uniform Commercial Code Section
P.O. Box 30197
Lansing, Michigan 48909-7697
www.michigan.gov/sosucc

Filing Acknowledgement

October 19, 2005

Job Number
U20051019-0317

Initial Filing Number
2005181410-9

Filing Description
Initial Financing Statement

Document Filing Number
2005181410-9

Date/Time of Filing
10/19/2005 05:00 PM

Debtors

LAKESHORE
BASKETBALL, LLC
1050 W. WESTERN
AVENUE, SUTIE 310
MUSKEGON MI 49441

Secured Parties

CITY OF MUSKEGON, A
MICHIGAN MUNICIPAL
CORPORATION
933 TERRACE STREET, PO
BOX 536
MUSKEGON MI 494430536

The attached document(s) were filed with the Michigan Secretary of State, Uniform Commercial Code Section. The filing date and time have been affixed to each document, indicating the date and time of filing. A filing number is also affixed and can be used to reference this document in the future.

Michigan Department of State
Jeffry C. Nickerson
Filing Officer

[redacted]

Michigan Department of State - Uniform Commercial Code

2005181410-8 10/19/05 05:00 PM

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional)
John C. Schrier (231) 722-1621 5230

B. SEND ACKNOWLEDGMENT TO (Name and Address)

JOHN C. SCHRIER
PARMENTER O'TOOLE
175 W. APPELE AVENUE
PO BOX 786
MUSKEGON MI 49443-0786

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME
LAKESHORE BASKETBALL, LLC

OR 1b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME | SUFFIX

1c. MAILING ADDRESS | CITY | STATE | POSTAL CODE | COUNTRY
1050 W. Western Avenue, Suite 310 | Muskegon | MI | 49441 | U.S.A.

1d. SEE INSTRUCTIONS | ADD'L INFO RE ORGANIZATION DEBTOR | 1e. TYPE OF ORGANIZATION | 1f. JURISDICTION OF ORGANIZATION | 1g. ORGANIZATIONAL ID #, if any
LLC | Michigan | B8339P ☐ NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME

OR 2b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME | SUFFIX

2c. MAILING ADDRESS | CITY | STATE | POSTAL CODE | COUNTRY

2d. SEE INSTRUCTIONS | ADD'L INFO RE ORGANIZATION DEBTOR | 2e. TYPE OF ORGANIZATION | 2f. JURISDICTION OF ORGANIZATION | 2g. ORGANIZATIONAL ID #, if any ☐ NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME
CITY OF MUSKEGON, a Michigan municipal corporation

OR 3b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME | SUFFIX

3c. MAILING ADDRESS | CITY | STATE | POSTAL CODE | COUNTRY
933 Terrace Street, P.O. Box 536 | Muskegon | MI | 49443-0536 | U.S.A.

4. This FINANCING STATEMENT covers the following collateral:

The Collateral shall consist of all assets of Lakeshore Basketball, LLC's business, including all furniture, fixtures, machinery, equipment, supplies, and inventory, wherever situated, whether now owned or later acquired, and, to the extent not listed above as original Collateral, proceeds of the foregoing.

5. ALTERNATIVE DESIGNATION (if applicable): ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING

6. ☐ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum (if applicable)

7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (ADDITIONAL FEE) (optional): ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2

8. OPTIONAL FILER REFERENCE DATA

FILING OFFICE COPY — UCC FINANCING STATEMENT (FORM UCC1) (REV. 05/22/02)

COMMITMENT FOR TITLE INSURANCE

Issued by **Transnation Title Insurance Company** 05-0527369

LandAmerica Transnation

Transnation Title Insurance Company is a member of the LandAmerica family of title insurance underwriters.

Transnation Title Insurance Company, an Arizona corporation, licensed to do business in the State of MICHIGAN, herein called the Company, for a valuable consideration, hereby commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the proposed insured named in Schedule A, as owner or mortgagee of the estate or interest covered hereby in the land described or referred to in Schedule A, upon payment of the premiums and charges therefor; all subject to the provisions of Schedule A and B and to the Conditions and Stipulations hereof.

This Commitment shall be effective only when the identity of the proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A hereof by the Company, either at the time of the issuance of this Commitment or by subsequent endorsements.

This Commitment is preliminary to the issuance of such policy or policies of title insurance and all liability and obligations hereunder shall cease and terminate ninety (90) days after the effective date hereof or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue such policy or policies is not the fault of the Company.

The Commitment shall not be valid or binding until countersigned below by a validating officer or authorized signatory.

IN WITNESS WHEREOF, TRANSNATION TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed by its duly authorized officers on the date shown in Schedule A.

TRANSNATION TITLE INSURANCE COMPANY

By: Janet A. Alpert
President

Attest: Wm. Chadwick Perrine
Secretary

Countersigned:

By: _____
Authorized Officer or Agent

REQUIREMENTS FOR ISSUANCE OF MORTGAGE POLICIES

FOR ALL MORTGAGE POLICIES:
Estoppel certificate on form provided by this company signed by or on behalf of all mortgagors acknowledging receipt of the mortgage consideration and making representations as the ages of individual mortgagors and such other matters as are therein set forth.

FOR ALTA MORTGAGE POLICIES WITHOUT EXCEPTIONS:
Proper sworn statements and waivers showing payment or release of lien rights covering improvements made on subject land in the last 90 days or satisfactory proof that improvements have been made within the last 90 days.
Satisfactory survey by an approved surveyor showing no variation in location or dimensions, encroachments, or adverse rights, and such evidence of possession as may be required

PROVISIONS APPLICABLE TO ALL POLICIES

If any requirement is not satisfied, the title policy will be issued subject to the exception which would otherwise be eliminated by compliance with such requirement. The policy will als contain exceptions as to matters affecting the title to subject land which may arise after the date hereof and which have not been eliminated to the satisfaction of the Company. Thi commitment is subject to the terms, provisions, conditions and stipulations of the form of policy applied for by the respective applicants. Owner's Policies and Mortgage Policies Wit Exceptions will be issued with the standard exceptions set forth below.
If, at the time the policy is issued, the estate or interest of the Insured in the subject land described therein is created or evidenced by instruments anyone of which has not bee recorded in the office of the Register of Deeds of the county in which the subject land is located, the policy to be issued will contain a clause providing that there shall be no liabilit thereunder to the extent that loss or damage arises from the failure to record the instrument or instruments necessary to evidence such estate or interest.

EXCLUSIONS FROM COVERAGE OF ALL POLICIES

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relatin to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation i ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation c these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from violation or alleged violation affecting the land has been recorded in the public records, at Date of Policy.
   (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resultin from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which ha occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.

EXCLUSIONS FROM COVERAGE APPEARING ONLY IN MORTGAGE POLICIES

1. Defects, liens, encumbrances, adverse claims or other matters:
   (a) created, suffered, assumed or agreed to by the insured claimant;
   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insure claimant prior to the date the insured claimant became an insured under this policy;
   (c) resulting in no loss or damage to the insured claimant;
   (d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien f services, labor or material); or
   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage.
2. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of th indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
3. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usu or any consumer credit protection or truth in lending law.
4. Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from a improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of th indebtedness secured by the insured mortgage which at Date of Policy the Insured has advanced or is obligated to advance.

EXCLUSION FROM COVERAGE APPEARING ONLY IN OWNER'S POLICIES

Defects, liens, encumbrances, adverse claims or other matters:
(a) created, suffered, assumed or agreed to by the insured claimant;
(b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insure claimant prior to the date the insured claimant became an insured under this policy;
(c) resulting in no loss or damage to the insured claimant;
(d) attaching or created subsequent to Date of Policy; or
(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.

STANDARD EXCEPTIONS WHICH APPEAR UNDER SCHEDULE B ON:

OWNER'S POLICIES:
1. Rights or claims of parties in possession not shown of record.
2. Unrecorded water, mineral and oil rights, unrecorded easements and claims of easement, boundary line disputes not disclosed of record and any matters which would be disclose by an accurate survey and inspection of the premises.
3. Mechanic's liens not of record.
4. The dower or homestead rights, if any, of the wife of any individual insured or of any individual shown herein to be a party in interest.
5. Building and use restrictions not appearing in the record chain of title, but omitting restrictions, if any, based on race, color, religion or national origin.

MORTGAGE POLICIES WITH EXCEPTIONS:
1. Rights or claims of parties in possession not shown of record.
2. Mechanic's liens not of record.
3. Such state of facts as would be disclosed by an accurate survey and personal inspection of the premises.

CONDITIONS AND STIPULATIONS

1. The term mortgage, when used herein, shall include deed of trust, trust deed, or other security instrument.
2. If the proposed Insured has or acquires actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company or if the Company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to Paragraph 3 of these Conditions and Stipulations.
3. Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions, the Conditions and Stipulations, and the Exclusions from Coverage of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.
4. Any action or actions or rights of action that the proposed Insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.

Transnation Title Insurance Company

Commitment Number: 05-0527369

SCHEDULE A

1. **Commitment Effective Date:** October 4, 2005 at 08:01 AM

2. **Policy (or Policies) to be issued:** **Amount**

   (a) **Owner's Policy** ( )
   Proposed Insured:

   (b) **Loan Policy with Standard Exceptions** (ALTA Loan w/Exc (10/17/92)) $ 20,000.00
   Proposed Insured:
   City of Muskegon, its successors and/or assigns as their respective interests may appear

3. **Fee Simple interest in the land described in this Commitment is owned, at the Commitment Date, by:**

   Arthur Scott and Jannie Scott, husband and wife

4. **The land referred to in this Commitment, situated in the City of North Muskegon, County of Muskegon, State of Michigan, is described as:**

   Unit 49, North Pier Condominiums, according to the Master Deed recorded in Liber 1837, Page 288 through 393 inclusive and First Amendment to Master Deed as recorded in Liber 1842, Page 22, and Second Amendment to Master Deed as recorded in Liber 2147, Page 100, Muskegon County Records, as amended, and designated as Muskegon County Condominium Subdivision Plan No. 48, together with rights in the general common elements and the limited common elements as shown on the Master Deed and as described in Act 59 of the Public Acts of 1978, as amended.

   P.P.#61-23-443-000-0049-00

Transnation Title Insurance Company

Commitment Number: 05-0527369 Commitment Effective Date: October 4, 2005 at 08:01 AM

SCHEDULE B - SECTION I

REQUIREMENTS

The following are the requirements to be complied with:

1. The following requirements must be met:
   (a) Pay the agreed amounts for the interest in the land and/or the mortgage to be insured. (b) Pay us the premiums, fees, and charges for the policy.
   (c) Record documents satisfactory to us creating the interest in the land and/or the mortgage to be insured must be signed, delivered, and recorded.
   (d) You must tell us in writing the name of anyone not referred to in this Commitment who will get an interest in the land or who will make a loan on the land. We may make additional requirements or exceptions.
   (e) Pay taxes and assessments unless shown as paid.

2. Record the mortgage to be insured from Arthur Scott and Jannie Scott, husband and wife to City of Muskegon.

3. Taxes examined and found paid through Summer 2005.
   2005 Summer taxes are paid in the amount of $ 526.10.
   2004 Winter taxes are paid in the amount of $ 3,040.61.
   Tax Information: 2411 Lake Avenue #49; Muskegon, MI 49445
   Tax Parcel No.: 61-23-443-000-0049-00
   State Equalized Value: $ 66,600 (2005)
   Taxable Value $ 66,600 (2005)
   School District: North Muskegon
   Special Assessments: NONE

4. NOTE: Tax information obtained from the local taxing authority discloses the 2005 taxes were assessed as 0% Homestead property. The homestead exemption status is for informational purposes only, the accuracy of which is neither guaranteed nor insured. No liability is assumed by the company issuing the title insurance policy(ies) for any tax increase occasioned by retroactive reassessment of change in land usage or loss of any homestead exemption status for the insured premises. Any questions regarding the current homestead status of the property should be directed to the local taxing authority.

5. Utilities not examined. For current information contact the City of North Muskegon.

Transnation Title Insurance Company

Commitment Number: 05-0527369 Commitment Effective Date: October 4, 2005 at 08:01 AM

SCHEDULE B - SECTION II
EXCEPTIONS

Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the company:

1. Covenants, conditions and restrictions, if any, appearing in the public records.
   Any easements or servitude appearing in the public records.
   Any lease, grant, exception or reservation of minerals or mineral rights appearing in the public records.

2. Taxes and assessments not yet due and payable at Commitment Effective Date.

3. Standard Exceptions as will be set forth in Loan Policy to be issued:
   (a) Rights or claims of parties in possession not shown of record.
   (b) Mechanic's liens not of record.
   (c) Such state of facts as would be disclosed by an accurate survey and personal inspection of the premises.

4. Taxes and assessments that become a lien against the property after date of closing. The Company assumes no liability for tax increases occasioned by retroactive revaluation, changes in the land usage or loss of any homestead exemption status for the insured premises.

5. Mortgage between Arthur Scott and Jannie Scott, husband and wife, as mortgagor and Shoreline Mortgage, as mortgagee in the original stated principal amount of $133,800.00, dated October 28, 2004, recorded November 9, 2004 in Liber 3626, Page 545, Muskegon County Records.

LTi Title Agency

PRIVACY POLICY

We Are Committed to Safeguarding Customer Information

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with this information – particularly any personal or financial information. We agree that you have a right to know how we will use the personal information that you provide to us. Therefore, we have adopted this Privacy Policy to govern the use and handling of your personal information.

Applicability

This Privacy Policy governs our use of the information that you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity.

Information We Collect About You

Depending upon which of our services you are using, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means
- Information we collect from you to underwrite a policy
- Information obtained when verifying the information you provide on an application or other form (including information from your driving records)
- Information about your transactions with us, or others including those companies that work closely with us to provide you with diverse products and services
- Information we may obtain from consumer purchasing and census data providers to develop competitive marketing programs for our customers

Use of Information

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except:

1. as necessary for us to provide the product or service you have requested from us; or
2. as permitted by law.

We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies, or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

How to Opt Out Of or Stop Certain Disclosures About You

You may opt out of any disclosures that we make of nonpublic personal financial information about you to unaffiliated third parties. At this time, we do not intend to make disclosures of your nonpublic personal financial information to nonaffiliated third parties. Further, the opt out does not apply to disclosures that are legally permitted or to disclosures we make to companies that perform services on our behalf or to other insurance companies or financial institutions that have joint marketing agreements with us.

How We Protect Your Information

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy. We currently maintain physical, electronic and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

Disclosure of Information to Parties that Provide Services To Us

We may disclose all of the financial information we collect, as described above, to companies that perform marketing or other services on our behalf or to other insurance companies or financial institutions with whom we have joint marketing agreements, so that we may provide customers with competitive products and services. These institutions include, but are not limited to, insurance rating agencies, claims adjustment companies, title insurance companies, health care providers, reinsurers, actuarial agencies and regulatory agencies.

We may also disclose nonpublic personal financial or health information about you under circumstances as permitted or required by law. These disclosures typically include information to process transactions on your behalf, conduct the operations of our company, follow your instructions as you authorize, or protect the security of our records. We may not disclose personal health information beyond that required by law or to conduct our business unless expressly authorized by you in writing.

Former Customers

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

What You Can Do to Help

Our Company is committed to protecting the privacy of its policyholders. You can help by following these simple guidelines:

- Protect your policy numbers and information
- Use caution when disclosing your policy numbers, social security numbers, etc., to other persons. If someone calls you and explains that the call is on our behalf and asks for your policy number or social security number, you should beware. Our company staff will have access to your information and will not need to ask for it.
- Keep your information current. It is important that we have current information on how to reach you. If we detect potentially fraudulent or unauthorized activity, we will attempt to contact you immediately. If your address or phone number changes, please let us know.
- Let us know if you have questions. Please do not hesitate to call us. We are here to serve you.