

CITY OF MUSKEGON

CITY COMMISSION MEETING

SEPTEMBER 10, 2002

CITY COMMISSION CHAMBERS @ 5:30 P.M.

AGENDA

- ❑ **CALL TO ORDER:**
- ❑ **PRAYER:**
- ❑ **PLEDGE OF ALLEGIANCE:**
- ❑ **ROLL CALL:**
- ❑ **HONORS AND AWARDS:**
- ❑ **PRESENTATIONS:**
- ❑ **CONSENT AGENDA:**
 - a. Approval of Minutes. CITY CLERK
 - b. Adoption of Resolution marking the anniversary of the drafting of the Constitution of the United States. COMMUNITY RELATIONS COMMITTEE
 - c. Adoption of Resolution recognizing September 11th. COMMUNITY RELATIONS COMMITTEE
 - d. Citizen's Police Review Board changes. COMMUNITY RELATIONS COMMITTEE
 - e. Public Relations Committee revisions. COMMUNITY RELATIONS COMMITTEE
 - f. Appointments to Various Boards/Committees. COMMUNITY RELATIONS COMMITTEE
 - g. Adoption of the City Commission Rules and Procedures. COMMUNITY RELATIONS COMMITTEE
 - h. Dump Box/Underbody Purchase. PUBLIC WORKS
 - i. Towing Bid- City of Muskegon. POLICE
 - j. Twelve Month Extension to Complete Construction of Home. PLANNING & ECONOMIC DEVELOPMENT

- k. Sale of Buildable Vacant Lot on Oak Avenue. PLANNING & ECONOMIC DEVELOPMENT
- l. Sale of Buildable Lot on Marcoux Avenue. PLANNING & ECONOMIC DEVELOPMENT

❑ **PUBLIC HEARINGS:**

- a. 2003 Budget Adoption. FINANCE

❑ **COMMUNICATIONS:**

❑ **CITY MANAGER'S REPORT:**

❑ **UNFINISHED BUSINESS:**

- a. Liquor License Request – Pine Street Tavern, Inc., 978 Pine Street. CITY CLERK

❑ **NEW BUSINESS:** Donation check off for 2002 Income Tax Return Form

- a. Lakefront and Downtown Plan Amendments. PLANNING & ECONOMIC DEVELOPMENT
- b. Travel Request – NLC Convention in Salt Lake City. CITY MANAGER
- c. Audit Contract Extension. FINANCE
- d. Sale of MTF Refunding Bonds. FINANCE
- e. Transfer of Property from Lakefront LLC to City of Muskegon. PLANNING & ECONOMIC DEVELOPMENT
- f. Resolution Pledging City's Full Faith and Credit to Smartzone Bonds. FINANCE

❑ **ANY OTHER BUSINESS:**

❑ **PUBLIC PARTICIPATION:**

- *Reminder: Individuals who would like to address the City Commission shall do the following:*
- 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: September 10, 2002
To: Honorable Mayor and City Commissioners
From: Gail A. Kunding, City Clerk
RE: Approval of Minutes

SUMMARY OF REQUEST: To approve the minutes of the Regular Commission Meeting that was held on Tuesday, August 27, 2002.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

CITY OF MUSKEGON

CITY COMMISSION MEETING

SEPTEMBER 10, 2002

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 5:30pm, Tuesday, September 10, 2002.

Mayor Warmington opened the meeting with a prayer from Pastor Chris Anderson from the Samuel Lutheran Church, after which members of the City Commission and members of the public joined in reciting the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen Warmington; Vice-Mayor Karen Buie; Commissioners Stephen Gawron, William Larson, Robert Schweifler, and Lawrence Spataro; City Manager Bryon Mazade, City Attorney John Schrier and City Clerk Gail Kunding. Absent: Clara Shepherd (excused)

HONORS AND AWARDS:

Mayor Warmington read a letter from the International Institute of Municipal Clerks recognizing City Clerk, Gail Kunding for earning designation as a Master Municipal Clerk.

2002-101 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, August 27, 2002.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the minutes.

b. Adoption of Resolution marking the anniversary of the drafting of the Constitution of the United States. COMMUNITY RELATIONS COMMITTEE

SUMMARY OF REQUEST: To adopt the resolution marking the 215th anniversary of the drafting of the Constitution of the United States. A Constitution Week display will be open for public viewing at Muskegon Hackley Public Library.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Adopt the resolution.

COMMITTEE RECOMMENDATION: Community Relations Committee recommended adoption of the resolution.

c. Adoption of Resolution recognizing September 11th. COMMUNITY RELATIONS COMMITTEE

SUMMARY OF REQUEST: To adopt the resolution recognizing September 11, 2002, as a day to mourn, reflect and rededicate ourselves to ending terrorism in commemoration of the anniversary of the terrorist attacks on our country. This resolution will be read at the September 11, 2002 event to be held at Hackley Park from Noon to 1:00 PM. Public is invited to attend.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Adopt the resolution.

COMMITTEE RECOMMENDATION: Community Relations Committee recommended adoption of the resolution.

d. Citizen's Police Review Board changes. COMMUNITY RELATIONS COMMITTEE

SUMMARY OF REQUEST: to approve the amendment as recommended from staff and the Community Relations Committee as follows:

II Organization and Membership

B. Initial appointment to the CPRB shall be as follows:

1. Five members shall be appointed to serve two year terms.
2. Four members shall be appointed to serve three year terms.

The following shall be removed from the policy:

No member shall serve on the CPRB for more than two consecutive full or partial terms.

The original members signing this agreement were contacted about the changes and four members indicated agreement with the changes and three did not respond.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approve the changes as indicated.

COMMITTEE RECOMMENDATION: Community Relations Committee recommended approval of the amendment.

e. Public Relations Committee revisions. COMMUNITY RELATIONS
COMMITTEE

SUMMARY OF REQUEST: To approve the revisions to the Public Relations Committee Purpose/Communications Action Plan as outlined.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approve the revisions as indicated.

COMMITTEE RECOMMENDATION: Community Relations Committee recommended approval of the amendment.

f. Appointments to Various Boards/Committees. COMMUNITY
RELATIONS COMMITTEE

SUMMARY OF REQUEST: To approve the recommended appointments to the following:

Deborah A. Smith to the Equal Opportunity Committee to fill the vacancy left by the resignation of Glen Jenkins. The term will expire on 1/31/03.

Dardinella (Dolly) Hippchen to the Citizen's Police Review Board to fill the vacancy that will be left upon the resignation of Juno Holcomb effective September 9, 2002. The term will expire on 1/31/03.

Appointment of members to the Public Relations Committee.

John Vanwyck

Bill Johanson

Joan Gawron

Bill Loxterman

Randy Trygstad

Roberta King

Peggy Parks

Two City Commissioners

Staff – Gail Kundinger, City Clerk

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approve the appointments.

COMMITTEE RECOMMENDATION: Community Relations Committee recommended approval of the appointments.

g. Adoption of the City Commission Rules and Procedures.
COMMUNITY RELATIONS COMMITTEE

SUMMARY OF REQUEST: To adopt the City Commission Rules and Procedures as amended.

STAFF RECOMMENDATION: To adopt the Rules and Procedures.

h. Dump Box/Underbody Purchase. PUBLIC WORKS

SUMMARY OF REQUEST: Approval to purchase two Dump Boxes, Underbody Scraper and Tarp Systems for 2002 Plow Trucks (Installed), from Truck and Trailer Specialties for \$26,407.00 each.

FINANCIAL IMPACT: Total Cost \$52,814.00

BUDGET ACTION REQUIRED: None. \$55,000 was budgeted for this purchase.

STAFF RECOMMENDATION: Approval to purchase Plow Truck Dump Box, Underbody Scraper and Tarp System from Truck and Trailer Specialties for \$52,814.00.

i. Towing Bid- City of Muskegon. POLICE

SUMMARY OF REQUEST: Bids were solicited and have been accepted for the towing and impound service that is utilized by the City of Muskegon. This bid covers a three-year period commencing in September 2002 and ending in August 2005. Two local companies submitted bids. They are (1) Reliable Towing, 1288 Ninth Street, Muskegon; and (2) Central Towing, 874 Pulaski Avenue, Muskegon. A copy of the bid specifications is attached along with the bids received from both of the companies.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff has evaluated each bid. This evaluation included an on-site inspection of each facility to ensure compliance with the identified requirements. In our opinion, each of the towing services meets the requirements set forth in the specifications. Based upon the bid proposals, we recommend that Reliable Towing be awarded this contract. The bid proposals are attached.

j. Twelve Month Extension to Complete Construction of Home. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve a twelve-month extension to allow Bantam Group to complete construction of a single-family home on Adams Avenue. The original agreement between the City and Bantam Group in 1999 stipulated that construction of the home was to be completed within 18 months. Due to the fact that the original client requesting Bantam Group to construct their house backed out, nothing was constructed on the property. The City has customarily granted extensions to parties who have shown that they are dedicated to completing construction and contributing to the beautification of the City's residential areas. Bantam Group has worked with staff to submit an alternative plan to complete construction of a home on the property and feels that the twelve month extension will allow enough time for this plan to be completed.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends approval of the time extension, as

well as authorization for both the Mayor and the Clerk to sign the resolution and deed.

k. Sale of Buildable Vacant Lot on Oak Avenue. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the sale of a vacant buildable lot at 1399 Oak Avenue (designated as parcel number 24-610-000-0076-00) described as URBAN RENEWAL PLAT NO 1 LOT 76 CITY OF MUSKEGON REVISED PLAT OF 1903 to Galloway Homes, L.L.C., of 6329 Red Rock Court, Muskegon, MI. The lot is 62 x 133.72 ft. and is being offered to Galloway Homes for \$7,501. They plan to use the land for the construction of a 1,260 sq. ft. single-family home. The home will contain 3 bedrooms, a full basement, and a 2-stall attached garage. The appraised value of the lot is \$7,500 and the Galloway Homes submitted the only bid of \$7,501.

FINANCIAL IMPACT: The sale of this lot for construction of a new home will generate additional tax revenue for the City and will place the property back on the City's tax rolls thus relieving the City of continued maintenance costs.

BUDGET ACTION REQUIRED: None.

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

l. Sale of Buildable Lot on Marcoux Avenue. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the sale of a vacant buildable lot at 1436 Marcoux Avenue (designated as parcel number 24-611-000-0204-00) described as URBAN RENEWAL PLAT NO 2 LOT 204 CITY OF MUSKEGON REVISED PLAT OF 1903 to Galloway Homes, L.L.C., of 6329 Red Rock Court, Muskegon, MI. The lot is 72 x 131.85 ft. and is being offered to Galloway Homes for \$7,111. They plan to use the land for the construction of a 1,260 sq. ft. single-family home. The home will contain 3 bedrooms, a full basement, and a 2-stall attached garage. The appraised value of the lot is \$7,000 and the Galloway Homes submitted the only bid of \$7,111.

FINANCIAL IMPACT: The sale of this lot for construction of a new home will generate additional tax revenue for the City and will place the property back on the City's tax rolls thus relieving the City of continued maintenance costs.

BUDGET ACTION REQUIRED: None.

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

Motion by Commissioner Schweifler, second by Commissioner Gawron to approve the Consent Agenda.

ROLL VOTE: Ayes: Spataro, Warmington, Buie, Gawron, Larson, Schweifler

Nays: None

Absent: Shepherd

MOTION PASSES

2002-102 PUBLIC HEARINGS:

a. 2003 Budget Adoption. FINANCE

SUMMARY OF REQUEST: This is the time set for a public hearing on the City's proposed budget for the year 2003. The proposed 2003 budget has been made available for public inspection at City Hall, Hackley Public Library and the City's website (www.shorelinecity.com) since September 1st. After hearing public comments, the City Commission may take action to adopt the 2003 budget with whatever changes or adjustments it deems necessary. In any event, City Charter requires the 2003 budget be adopted no later than September 25, 2002. The resolution is updated to reflect changes discussed at the 9/09/02 worksession. Specifically: 1) 15,000 is added to the Recreation budget for small grants and, 2) \$30,000 is deleted from Parks Maintenance to reflect anticipated shifting of responsibility for maintenance of Veteran's Memorial Park.

FINANCIAL IMPACT: The budget sets forth the priorities and overall financial plan for operations in the year 2003. As proposed, the budget includes no property tax increase.

BUDGET ACTION REQUIRED: Adoption of the budget resolution provides the legal appropriation authority necessary for City departments to conduct operations in 2003.

STAFF RECOMMENDATION: After receiving comments, close the public hearing and approve the proposed 2003 City of Muskegon Budget resolution that is attached. Also, approval of the 3rd Quarter 2002 Budget Reforecast as shown in the Budget Book is recommended at this time.

COMMITTEE RECOMMENDATION: The Committee of the Whole will review the budget at their September 9th work session.

The Public Hearing was opened at 5:49pm to hear any comments from the public. No comments were heard.

Motion by Commissioner Schweifler, second by Commissioner Larson to close the Public Hearing at 5:50pm and to approve the proposed 2003 City of Muskegon Budget resolution and the 3rd Quarter 2002 Budget Reforecast as shown in the Budget Book.

ROLL VOTE: Ayes: Spataro, Warmington, Buie, Gawron, Larson, Schweifler

Nays: None

Absent: Shepherd

MOTION PASSES

2002-103 UNFINISHED BUSINESS:

a. Liquor License Request – Pine Street Tavern, Inc., 978 Pine Street. CITY CLERK

SUMMARY OF REQUEST: The Liquor Control Commission seeks local

recommendation on a request from Pine Street Tavern, Inc., to transfer ownership of the 2002 Class C licensed business with dance entertainment permit from Brutters, Inc. This was tabled from Previous meeting.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: The City Income Tax Department and the Treasurer's Office are recommending approval due to monies owed the City have all been paid in full.

Motion by Vice Mayor Buie, second by Commissioner Spataro approve the transfer of ownership of the 2002 Class C licensed business with dance entertainment permit from Brutters, Inc. to Pine Street Tavern.

ROLL VOTE: Ayes: Warmington, Buie, Gawron, Larson, Schweifler, Spataro

Nays: None

Absent: Shepherd

MOTION PASSES

2002-104 NEW BUSINESS:

a. Donation check off for 2002 Individual Income Tax Return forms.
INCOME TAX

SUMMARY OF REQUEST: Approval to use 2002 Income Tax donations to purchase materials for the Chamber of Commerce's Community Development Committee for a Muskegon area beautification program. The name of the donation program will be the Muskegon Area Beautification Program.

FINANCIAL IMPACT: Estimated dollar amount to be donated is \$1,500 to \$2,500.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval recommended.

Motion by Commissioner Spataro, second by Vice Mayor Buie to approve use of 2002 Income Tax donations to purchase materials for the Chamber of Commerce's Community Development Committee for a Muskegon area beautification program.

ROLL VOTE: Ayes: Buie, Gawron, Larson, Schweifler, Spataro, Warmington

Nays: None

Absent: Shepherd

MOTION PASSES

b. Lakefront and Downtown Plan Amendments. PLANNING &
ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To accept the citizen report regarding recommendations to amend the City's Lakeshore and Downtown Plans, subplans of the City's Master Land Use Plan.

FINANCIAL IMPACT: Some matching funds for grants may be required. The proposed 2003 budget has one funds allocated for a grant match for a downtown circulation and design study.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: The Planning Commission and staff recommend adopting the report with immediate action to amend the respective plans, ordinance and land use map to address citizen concerns regarding land use and community development.

Motion by Commissioner Schweifler, second by Commissioner Gawron to adopt the report with immediate action to amend the respective plans ordinance and land use map to address citizen concerns regarding land use and community development.

ROLL VOTE: Ayes: Gawron, Larson, Schweifler, Spataro, Warmington, Buie

Nays: None

Absent: Shepherd

MOTION PASSES

**c. Travel Request - NLC Convention in Salt Lake City. CITY
MANAGER**

SUMMARY OF REQUEST: Commission Shepherd is requesting to attend the National League of Cities Congress of Cities Convention in Salt Lake City in order to participate in meetings of the NLC's Community and Economic Development Committee, on which she serves.

FINANCIAL IMPACT:

Conference Registration:	\$335.00
Hotel	\$750.00
Airfare	\$450.00
Meals & Misc.	<u>\$250.00</u>
Estimated Total	<u>\$1,785.00</u>

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: to approve the request.

Motion by Commissioner Larson, second by Commissioner Schweifler to deny the travel request for Commissioner Shepherd to attend the National League of Cities Congress of Cities Convention in Salt Lake City.

ROLL VOTE: Ayes: Larson

Nays: Schweifler, Spataro, Warmington, Buie, Gawron

Absent: Shepherd

MOTION FAILS

Motion by Commissioner Spataro, second by Commissioner Buie to approve

the travel request for Commissioner Shepherd to attend the National League of Cities Congress of Cities Convention in Salt Lake City.

ROLL VOTE: Ayes: Spataro, Warmington, Buie, Gawron, Larson, Schweifler

Nays: None

Absent: Shepherd

MOTION PASSES

d. Audit Contract Extension. FINANCE

SUMMARY OF REQUEST: In 1999, the City selected Hoffman, Steensma & Plamondon, PLC, to serve as independent auditor for fiscal years 1999, 2000, and 2001. The contract also provided that a two-year extension would be allowed provided that the City was satisfied with the services provided and provided that terms agreeable to both parties could be reached. Staff believes that approval of the two-year extension is in the City's best interest, particularly since we are in the midst of GASB 34 implementation. We are satisfied with the current audit firm's services. Hoffman has agreed to freeze the audit fee for FY2002 at the current level (\$33,000) and proposes a \$1,000 increase for the second year of the extension. Also, accounting service hourly rates are frozen for 2003 and will increase \$1.00 for professional staff (but not for managers and partners) in 2004. Staff believes these fees are reasonable.

FINANCIAL IMPACT: \$33,000 for the FY2002 audit (2003 budget); \$34,000 for the FY2003 audit (2004 budget).

BUDGET ACTION REQUIRED: The 2003 budget (as proposed) includes adequate funding for these services.

STAFF RECOMMENDATION: Approval of a two-year contract extension with selected Hoffman, Steensma & Plamondon, PLC.

Motion by Commissioner Larson, second by Vice Mayor Buie to approve a two-year contract extension with selected Hoffman, Steensma & Plamondon, PLC.

ROLL VOTE: Ayes: Schweifler, Spataro, Warmington, Buie, Gawron, Larson

Nays: None

Absent: Shepherd

MOTION PASSES

e. Sale of MTF Refunding Bonds. FINANCE

SUMMARY OF REQUEST: Previously, the City Commission authorized staff to refund the outstanding balance of the Series 1993 MTF bonds. The refunding bonds are scheduled for pricing on Thursday, September 5th and will be brought to you for approval at the September 10th meeting. Attached (or to be provided) is the "Resolution Approving Sale of the City of Muskegon 2002 MTF Refunding Bonds (General Obligation Limited Tax)" together with the "Bond Purchase Agreement" and "Escrow Agreement" that you will be asked to approve. Approval of these documents is the final official action needed for sale of the bonds.

FINANCIAL IMPACT: The exact financial impact will not be known until the bonds are priced for sale on Thursday, September 5th.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Approval of the awarding resolution.

Motion by Commissioner Gawron, second by Commissioner Spataro to approve the Resolution Approving Sale of the City of Muskegon 2002 MTF Refunding Bonds (General Obligation Limited Tax), the "Bond Purchase Agreement" and "Escrow Agreement"

ROLL VOTE: Ayes: Schweifler, Spataro, Warmington, Buie, Gawron, Larson

Nays: None

Absent: Shepherd

MOTION PASSES

f. Transfer of Property from Lakefront LLC to City of Muskegon.
PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the Property Transfer Agreement between the City of Muskegon and Lakefront LLC to transfer property on the former Teledyne site for City right-of-way.

FINANCIAL IMPACT: The property is being donated to the City/LDFA.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the Property Transfer Agreement.

This item was removed from the agenda.

g. Resolution Pledging City's Full Faith and Credit to Smartzone Bonds. **FINANCE**

SUMMARY OF REQUEST: The Smartzone development contemplates public financing be used to construct the GVSU "Energy Center of Excellence." The City's Local Development Authority (LDFA) will be the issuer of the bonds (in the amount of \$4.725 million). However, since there is no current revenue stream for repayment, the bonds are only marketable with the City's pledge of its limited full faith and credit. The resolution is currently being drafted by bond counsel.

FINANCIAL IMPACT: It is anticipated that the bonds will be paid from tax increment revenue generated from development on the Smartzone site. In pledging its full faith and credit, the city covenants that if tax increment income falls short of the amount needed to make annual debt service payments, the City's General Fund will be required to make up the shortfall. The attached cashflow projection indicates the projected annual debt service amounts that the city is potentially at risk for. Also, it should be noted that a separate agreement with the Muskegon Community Foundation is being prepared under which that organization would provide a letter of credit for up to \$75,000 per year that could be called upon in the event of revenue shortfalls.

BUDGET ACTION REQUIRED: None at this time. The annual debt service costs will

be budgeted in future years as well until the bonds are retired.

STAFF RECOMMENDATION: Approval of the resolution.

Motion by Vice Mayor Buie, second by Commissioner Larson to approve the Resolution Pledging the City's Limited Tax Full Faith and Credit of the LDFA of the City of Muskegon Bonds, contingent upon the necessary approval and execution of the following documents: 1) Property Transfer Agreement for the Muskegon Lakeshore Smartzone between the City of Muskegon and the Muskegon LDFA and Lakefront LLC. 2) That there be a lease agreement between GVSU and the Muskegon LDFA for the Center of Energy Excellence Building and 3) that the work stage construction contract for the construction of the Center of Energy Excellence.

Motion by Vice Mayor Buie, second by Commissioner Larson to strike the aforementioned motion and move to approve the Resolution Pledging City's Limited Tax Full Faith and Credit of the LDFA of the City of Muskegon Bonds.

ROLL VOTE: Ayes: Warmington, Buie, Gawron, Larson, Schweifler, Spataro

Nays: None

Absent: Shepherd

MOTION PASSES

ADJOURNMENT: The Regular Commission Meeting for the City of Muskegon was adjourned at 7:4pm.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Gail Kunding".

Gail Kunding, MMC

AGENDA ITEM

**CITY COMMISSION MEETING
September 10, 2002**

TO: Honorable Mayor and City Commissioners
FROM: Community Relations Committee, Gail Kunding, City Clerk
DATE: September 4, 2002
SUBJECT: Resolution

SUMMARY OF REQUEST: To adopt the resolution marking the 215th anniversary of the drafting of the Constitution of the United States. A Constitution Week display will be open for public viewing at Muskegon Hackley Public Library.

BUDGET ACTION REQUIRED: None

FINANCIAL IMPACT: None

STAFF RECOMMENDATION: Adopt the resolution.

COMMITTEE RECOMMENDATION: Community Relations Committee recommended adoption of the resolution.



City of
Muskegon
State of Michigan

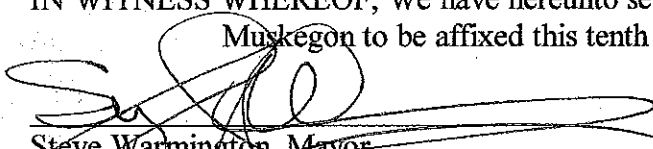
WHEREAS: September 17, 2002, marks the two hundred fifteenth anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention; and

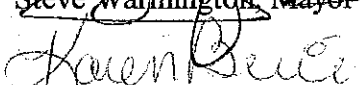
WHEREAS: It is fitting and proper to accord official recognition to this magnificent document and its memorable anniversary, and to the patriotic celebrations which will commemorate the occasion, and

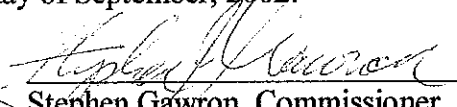
WHEREAS: Public Law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17 through 23 as Constitution Week,

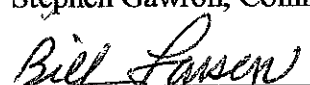
NOW, THEREFORE I, Steve Warmington, by virtue of the authority vested in me as Mayor of the City of Muskegon, and speaking on behalf of the City Commission, do hereby proclaim the week of September 17 through 23 as Constitution Week, And ask our citizens to reaffirm the ideals the Framers of the Constitution had in 1787 by vigilantly protecting the freedoms guaranteed to us through this guardian of our liberties, remembering that lost rights may never be regained.

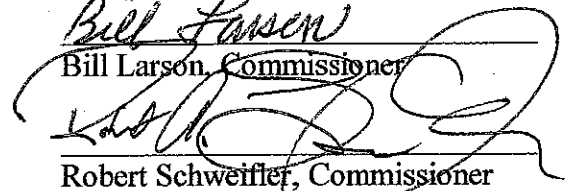
IN WITNESS WHEREOF, We have hereunto set our hands and caused the Seal of the City of Muskegon to be affixed this tenth day of September, 2002.

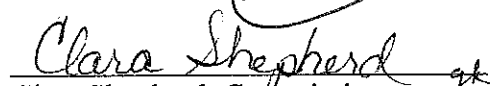

Steve Warmington, Mayor

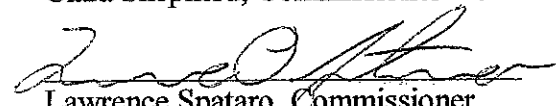

Karen Buie, Vice Mayor


Stephen Gawron, Commissioner


Bill Larson, Commissioner


Robert Schweifler, Commissioner


Clara Shepherd, Commissioner


Lawrence Spataro, Commissioner



AGENDA ITEM

**CITY COMMISSION MEETING
September 10, 2002**

TO: Honorable Mayor and City Commissioners
FROM: Community Relations Committee, Gail Kunding, City Clerk
DATE: September 4, 2002
SUBJECT: Resolution

SUMMARY OF REQUEST: To adopt the resolution recognizing September 11, 2002, as a day to mourn, reflect and rededicate ourselves to ending terrorism in commemoration of the anniversary of the terrorist attacks on our country. This resolution will be read at the September 11, 2002 event to be held at Hackley Park from Noon to 1:00 PM. Public is invited to attend.

BUDGET ACTION REQUIRED: None

FINANCIAL IMPACT: None

STAFF RECOMMENDATION: Adopt the resolution.

COMMITTEE RECOMMENDATION: Community Relations Committee recommended adoption of the resolution.

2002-101 (c)

WHEREAS, in an unprovoked and senseless act of terrorism, four civilian aircraft were hijacked on September 11, 2001, and crashed in New York City, Pennsylvania and the Pentagon; and

WHEREAS, innocent U.S. citizens of all heritages as well as visiting citizens of foreign nations were killed and injured as a result of these horrific acts; and

WHEREAS, while we as a Union still continue to recover from the unspeakable loss of so many innocent lives, the indomitable spirit of the United States has been revitalized and given way to numerous expressions of heroism and patriotism; and

WHEREAS, the threat of terrorism, destruction and senseless violence must be banished for any free society to exist; and

WHEREAS, the City of Muskegon shares in the grief and will commemorate the one-year anniversary of the September 11 tragedies;

NOW, THEREFORE, BE IT RESOLVED, by the City of Muskegon, that we extend our deepest condolences to the innocent victims of these unprovoked actions by terrorists, as well as to their families and their friends; and be it further

RESOLVED, that we salute the heroism of public safety and rescue workers, volunteers, local officials, and those who responded to these tragic events with courage, selfless compassion, determination, and skill; and be it further

RESOLVED, that we dedicate September 11, 2002, as a day to mourn, reflect and rededicate ourselves to ending terrorism in commemoration of the anniversary of the terrorist attacks; and be it further

RESOLVED, that we encourage all our citizens to honor the victims of September 11 by reaffirming their commitment to sustaining our newfound patriotism through volunteerism, community involvement, and service; and be it further

RESOLVED, that we as citizens dedicate our time, talents, and energy to lift one another up and foster a new level of understanding and awareness. Let us honor the memory of all those who died by being of service to one another and by building the "stronger, more perfect union" our founding fathers called for.

IN WITNESS WHEREOF, we hereunto set our hands and cause the seal of the City to be affixed this 10th day of September, 2002.

Steve Warmington, Mayor

Bill Larson, Commissioner

Karen Buie, Vice Mayor

Robert Schweifler, Commissioner

Stephen Gawron, Commissioner

Clara Shepherd, Commissioner

Lawrence Spataro, Commissioner

AGENDA ITEM

**CITY COMMISSION MEETING
September 10, 2002**

TO: Honorable Mayor and City Commissioners
FROM: Community Relations Committee, Gail Kunding, City Clerk
DATE: September 4, 2002
SUBJECT: Citizen's Police Review Board changes.

SUMMARY OF REQUEST: To approve the amendment as recommended from staff and the Community Relations Committee as follows:

- II. Organization and Membership
 - B. Initial appointment to the CPRB shall be as follows:
 - 1. Five members shall be appointed to serve two year terms.
 - 2. Four members shall be appointed to serve three year terms.

The following shall be removed from the policy:

No member shall serve on the CPRB for more than two consecutive full or partial terms.

The original members signing this agreement were contacted about the changes and four members indicated agreement with the changes and three did not respond.

BUDGET ACTION REQUIRED: None

FINANCIAL IMPACT: None

STAFF RECOMMENDATION: Approve the changes as indicated.

COMMITTEE RECOMMENDATION: Community Relations Committee recommended approval of the amendment.

To: Gail Kunding
Fr: Ken James
Re: Proposed CPRB Change/Update
Date: August 30, 2002

Gail I attached the info I sent to the Minority Coalition Members. Here is the status of their responses.

<u>Name:</u>	<u>Date:</u>	<u>Yes:</u>	<u>No:</u>	<u>Comments:</u>
Gus Gaynett				Gus is retired, new contact is Pat Glenn. Mailed info to her as an FYI.
William Muhammad	<u>8/26</u>	<u>X</u>		Good idea
Emanuel Harwood	<u>8/19</u>	<u>X</u>		
Rodney Brown	<u>8/29</u>	<u>X</u>		
Lois Williams	<u>8/26</u>	<u>X</u>		Still needs to inform NAACP Executive Board of proposed Change.
Rillistine Wilkins				Have not heard from
Louis Jones				Have not heard from

Sept 10th

Affirmative Action
231 724-6703
FAX 722-1214

Assessor
231 724-6708
FAX 726-5181

Cemetery
231 724-6783
FAX 726-5617

Civil Service
231 724-6716
FAX 724-4055

Clerk
231 724-6705
FAX 724-4178

Comm. & Neigh.
Services
231 724-6717
FAX 726-2501

Engineering
231 724-6707
FAX 727-6904

Finance
231 724-6713
FAX 724-6768

Fire Dept.
231 724-6792
FAX 724-6985

Income Tax
231 724-6770
FAX 724-6768

Info. Systems
231 724-6744
FAX 722-4301

Leisure Service
231 724-6704
FAX 724-1196

Manager's Office
231 724-6724
FAX 722-1214

Mayor's Office
231 724-6701
FAX 722-1214

Neigh. & Const.
Services
231 724-6715
FAX 726-2501

Planning/Zoning
231 724-6702
FAX 724-6790

Police Dept.
231 724-6750
FAX 722-5140

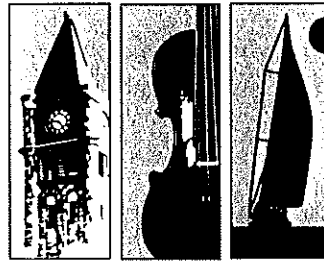
Public Works
231 724-4100
FAX 722-4188

Treasurer
231 724-6720
FAX 724-6768

Water Billing Dept.
231 724-6718
FAX 724-6768

Water Filtration
231 724-4106
FAX 755-8290

MUSKEGON



West Michigan's Shoreline City

TO: Minority Coalition Committee Members

FROM: Ken James, Affirmative Action Director 

DATE: August 14, 2002

RE: Proposed Change to the Citizen Police Review Board

On November 10th, 1998, the City of Muskegon and the Muskegon Minority Coalition signed a Letter of Understanding. Part of the agreement in the Letter of Understanding was the formation of a Citizen Police Review Board (CPRB). The CPRB was formed and has been functioning very well.

However, in the Letter of Understanding, under Section II: Organization and Membership, the language states, "*No member shall serve on the CPRB for more than two consecutive full or partial terms*". Unfortunately, that sentence results in the termination of the terms of **all** current members of the CPRB on December 31, 2002. To replace the *entire board* and start all over may not serve the best interest of the Citizens of Muskegon.

Therefore, The Community Relations Committee has recommended to the City Commission to eliminate the above referenced sentence and amend the Letter of Understanding as follows:

- Five members shall be appointed to serve two-year terms.
- Four members shall be appointed to serve three year terms

The City Commission plans to take formal action to adopt the proposed change at their September 10th 2002 meeting. Included with this memorandum is a letter from the Police Chief, the current make up of the Citizen Police Review Board, and the Letter of Understanding Document.

Please review the information and contact me with your comments no later than 5:00 P.M., Friday, August 30th.

Thank you.

C:
Bryon Mazade, City Manager

AGENDA ITEM

**CITY COMMISSION MEETING
September 10, 2002**

TO: Honorable Mayor and City Commissioners
FROM: Community Relations Committee, Gail Kunding, City Clerk
DATE: September 4, 2002
SUBJECT: Public Relations Committee

SUMMARY OF REQUEST: To approve the revisions to the Public Relations Committee Purpose/Communications Action Plan as outlined.

BUDGET ACTION REQUIRED: None

FINANCIAL IMPACT: None

STAFF RECOMMENDATION: Approve the revisions as indicated.

COMMITTEE RECOMMENDATION: Community Relations Committee recommended approval of the revisions as submitted.

PUBLIC RELATIONS COMMITTEE

PURPOSE

To create a positive City Image and to promote the City of Muskegon using the following methods including, but not limited to:

1. Identify positive changes, and /or recognizing the contributions of individuals, groups and businesses within the city.
2. Exploring positive marketing strategies.
3. Proposing special promotional projects.
4. Promote city services, programs and benefits to the community.
5. Develop links with the media to further working with all public relations networks.
6. Implement systems that will ensure effective communications of City related information, programs and policies.
7. Create an informed appreciation of the positive qualities of our city to inspire community pride, confidence and support.
8. Provide a calendar of events noting planned festivals, groundbreakings, significant meetings, etc.

MECHANICS

ENABLING LAW: Resolution of City Commission.
APPOINTED BY: Mayor/City Commission
MEETING: Monthly 2nd Wednesday @ 4:00 PM (City Hall Conference Room 103)
TERM: 4 Years (stagger appointments)

COMPOSITION

<u>TYPE</u>		<u>DESCRIPTION</u>
A	4	Persons with Marketing and/or Public relations background.
B	3	Citizens at large
C	2	City Commissioners

CURRENT MEMBERS

(Staff Liaison – Gail Kunding – 724=6705)

<u>TYPE</u>	<u>NAME</u>	<u>ADDRESS</u>	<u>ZIP</u>	<u>PHONE</u>	<u>TERM EXP.</u>
A					
A					
A					
A					
B					
B					
B					
C					
C					

PUBLIC RELATIONS COMMITTEE MEMBERS

John VanWyck 727-1246	1618 Palmer Muskegon, MI 49441	John.VanWyck@VERIZON.COM
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Bill Johanson 727-6522	2021 Hoyt St. Muskegon Heights, MI 49444	wbjohanson@comseenergy.com
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Mary O'Conner 722-4538	425 W. Western Ste. 200 Muskegon, MI 49440	mocconer@cfinc.org
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Steve Warrington 557-4027	1524 Lakeshore Muskegon, MI 49441	steve.warrington@postman.org
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Bryon Mazade 712-1804 pager	2193 Bluffton Muskegon, MI 49441	bryon.mazade@postman.org
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Peggy Parks 759-7500	1623 E. Harbour Towne Circle Muskegon, MI 49441	
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Roberta King 739-9341	3393 Fulton Ave. Muskegon, MI 49441	
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Randy Trestad 737-7777 Ext. 25 FLUID	143 W. Sherman Blvd. Muskegon, MI 49444	randi@fluid-agency.com
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Bill Loxterman 777-0341 MCC	221 S. Conareal Rd Muskegon, MI 49442	loxtersb@muskegoncc.mi.us
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FAX 777.0209

Gail Kunding 724-6721	933 Terrace Muskegon, MI 49440	gail.kunding@postman.org
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AGENDA ITEM

**CITY COMMISSION MEETING
September 10, 2002**

TO: Honorable Mayor and City Commissioners
FROM: Community Relations Committee, Gail Kunding, City Clerk
DATE: September 4, 2002
SUBJECT: Appointments to various boards/committees.

SUMMARY OF REQUEST: To approve the recommended appointments to the following:

Deborah A. Smith to the Equal Opportunity Committee to fill the vacancy left by the resignation of Glen Jenkins. The term will expire on 1/31/03.

Dardinella (Dolly) Hippchen to the Citizen's Police Review Board to fill the vacancy that will left upon the resignation of Juno Holcomb effective September 9, 2002. The term will expire on 1/31/03.

Appointment of members to the Public Relations Committee.

John VanWyck
Bill Johanson
Joan Gawron
Bill Loxterman
Randy Trygstad
Roberta King
Peggy Parks

Two City Commissioners
Staff – Gail Kunding, City Clerk

BUDGET ACTION REQUIRED: None

FINANCIAL IMPACT: None

STAFF RECOMMENDATION: Approve the appointments.

COMMITTEE RECOMMENDATION: Community Relations Committee recommended approval of the appointments..

Date: September 4, 2002
To: Honorable Mayor and City Commission
From: Community Relations Committee
City Clerk Gail Kunding
RE: Adoption of the City Commission Rules and
Procedures as amended.

SUMMARY OF REQUEST: To adopt the City Commission Rules and Procedures as amended.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION:. To adopt the Rules and Procedures.

COMMITTEE RECOMMENDATION: The Community Relations Committee recommended adoption of the amended Rules and Procedures.

CITY OF MUSKEGON

CITY COMMISSION

**RULES AND
PROCEDURES**

CONTENTS

RULES OF THE CITY COMMISSION

- A. Regular & Special Meetings
- B. Meeting Procedures
- C. Closed Meetings
- D. Voting & Discussion
- E. Citizen Participation
- F. Agenda
- G. Consent Agenda
- H. Recording of Meeting
- I. Miscellaneous
- J. Committee Assignments
- K. Manager Evaluation Process

GUIDELINES FOR CONDUCT

- A. Public Relations
- B. City Commission Relations with City Staff
- C. City Commission Relations with Appointed City Commissions and Committees and Commission Member Representation to other Agencies and Groups

RESOLUTION

A RESOLUTION OF THE CITY OF MUSKEGON ADOPTING RULES OF THE CITY COMMISSION FOR THE CONDUCT OF COMMISSION MEETINGS AND A CODE OF CONDUCT.

BE IT RESOLVED by the City Commission of the City of Muskegon that said Commission does hereby adopt certain rules of procedures and conduct as follows:

RULES OF THE CITY COMMISSION

A. REGULAR AND SPECIAL MEETINGS:

1. REGULAR MEETINGS

Regular meetings of the City Commission will be held on the second and fourth Tuesday of each month beginning at 5:30 p.m., local prevailing time, at the City Hall, 933 Terrace Street, Muskegon. Regular meetings may be rescheduled to other times by a vote of the Commission.

2. SPECIAL MEETINGS

A special meeting may be called by the Mayor or any of two (2) or more members of Commission and upon at least eighteen (18) hours notice to each member.

3. BUSINESS AT SPECIAL MEETINGS

No business shall be transacted at any special meeting of the Commission unless the same has been stated in the required notice of such meeting.

4. STUDY SESSION MEETINGS

The Study worksession meetings will be held on the Monday preceding the second Tuesday of each month at 5:30 p.m. in City Hall, 933 Terrace Street.

5. REGULAR AND SPECIAL MEETING NOTICE (POSTING) REQUIREMENTS.

- a) For regular meetings of the Commission, the Clerk shall post at the City Hall, within three (3) days after the first meeting of the Commission in each calendar year, a public notice stating the dates, times, and places of its regular meeting for the year.
- b) For a rescheduled regular or a special meeting, of the Commission, a public notice stating the date, time, place and reason of the meeting shall be posted in City Hall at least 18 hours before the meeting.

- c) However, such notice, as described in 5a and b above, is not required for a meeting of the Commission in emergency session in the event of a widespread natural disaster or a severe and imminent threat to the health, safety or welfare of the public when two-thirds of the members of the Commission determine that delay would be detrimental to the City's efforts in responding to the threat.

6. MAILING OF MEETING AGENDAS

Upon written request of an individual, organization, firm or corporation, and upon the requesting party's payments of an annual fee of not more than the reasonable estimated cost for printing and postage of such notices, the Clerk shall send to the requesting party by first class mail a copy of regular meeting agendas. Upon written request, the Clerk shall provide a copy of such notices of meetings to any newspaper published in the City of Muskegon and to any radio and television station located in Muskegon County free of charge.

7. MINUTES OF REGULAR AND SPECIAL MEETINGS

- a) A journal of the proceedings of each regular and special meeting will be kept in the English language by the Clerk and shall be signed by the City Clerk, upon approval of Commission.
- b) Unapproved minutes of regular or special meetings will be available for public inspection not more than eight business days after such meeting.
- c) Approved minutes will be available for public inspection not later than five business days after the meeting at which the minutes were approved.

B. MEETING PROCEDURES:

1. MEETINGS TO BE PUBLIC

All regular and special meetings of the City Commission shall be open to the public and citizens shall have a reasonable opportunity to be heard under such rules and regulations as the Commission may prescribe.

2. ORDER OF BUSINESS

An agenda for each Regular Commission meeting shall be prepared by the Mayor, City Manager or City Clerk in accordance with the following order of business:

- a. Call Meeting to Order/Welcome
- b. Prayer
- c. Pledge of Allegiance
- d. Roll Call
- e. Honors and Awards
- f. Consent Agenda

- g. Public Hearings
- h. Communications
- i. City Manager's Report
- j. Unfinished Business
- k. New Business
- l. Any Other Business
- m. Public Participation
- n. Adjournment

3. **QUORUM**

Four (4) members of the Commission in office at the time shall be a quorum for the transaction of business.

4. **PRESIDING OFFICER**

The presiding officer shall be responsible for enforcing the Rules of the City Commission, contained herein, as well as the Code of Conduct. The Mayor shall be the presiding officer of the Commission. In the absence of or disability of the Mayor, the Vice-Mayor shall be the presiding officer of the Commission. In the absence or disability of both, the Commission, may designate another of its members to serve as presiding officer during such absence or disability.

C. **CLOSED MEETINGS:**

1. **PURPOSE**

The City Commission may only meet in closed session for purposes defined in the Michigan Open meetings Act as follows:

- a) To consider the dismissal, suspension, or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member, or individual agent, when the named person requests a closed hearing.
- b) For strategy and negotiation sessions connected with the negotiation of a collective bargaining agreement or related issues when either negotiating party requests a closed hearing.
- c) To consider the purchase or lease of real property up to the time an option to purchase or lease that real property is obtained. This does not include the sale, lease or other conveyance of City property to others.
- d) To consult with its attorney regarding trial or settlement strategy in connection with specific pending litigation, but only when an open meeting would have a detrimental financial effect on the litigating or settlement position of the Commission.

- e) To review the specific contents of an application for employment or appointment to a public office when the candidate requests that the application remain confidential. All interviews by a public body for employment or appointment to a public office shall be held in an open meeting pursuant to this act.
- f) To consider material exempt from discussion or disclosure by state or federal statute.

2. CALLING CLOSED SESSIONS:

A two-thirds roll call vote of the Commission members elected and serving shall be required, except under Sections (a) and (b) above. The roll call vote shall be taken at an open meeting and the purpose for calling the closed session shall be entered into the minutes of the meeting at which the vote is taken.

3. MINUTES OF CLOSED MEETINGS

A separate set of minutes shall be taken by the Clerk or the designated Secretary at the closed session. These minutes will be retained by the Clerk of the Commission, shall not be available to the public, and shall be disclosed if required by a civil action. These minutes shall be kept for a period of one year from the date of the closed meeting.

4. CONFIDENTIALITY OF CLOSED MEETING INFORMATION

A City Commission member shall not divulge to an unauthorized person confidential information discussed in an executive session in advance of the time prescribed for its authorized release to the public by the City Commission. Commission members shall honor the confidentiality of the debate, discussion, and preliminary action taken in executive session, and be aware of the potential financial liability and/or harm to the reputation of the City by premature disclosure.

D. VOTING AND DISCUSSION:

1. ROLL CALL

In all roll call votes, the names of the members of the Commission shall be called. A vote upon all ordinance enactments, rezoning issues, and liquor license requests shall be taken by a roll call vote and entered upon the records.

2. RESULTS OF VOTING

In all cases where a vote is taken, the Chair or Clerk shall declare the result.

3. **DUTY TO VOTE**

Whenever a question is put before the Chair, every member shall vote, provided however, that no member shall be required to vote if:

- a) That member shall have a conflict of interest and shall state his/her conflict of interest, or
- b) That member shall state that he/she has inadequate information upon which to base a reasonably informed vote and shall state the particulars of the information desired before a reasonable informed vote can be cast.

(Absence from a prior meeting shall not constitute the basis of the lack of information referred to above)

If a member is precluded from voting pursuant to a conflict of interest, that member shall refrain from participating in the discussion on the issue.

4. **CONDUCT OF DISCUSSION**

The maker of the motion shall speak first; the supporter of the motion shall speak second. During Commission discussion and debate, no member shall speak until recognized for the purpose by the Chair. After such recognition the member shall confine discussion to the question at hand. Personal comments about other individuals should be avoided. When addressing other members of the Commission they should be addressed by title and/or last name but not by first name. No member should request to speak a second time on a motion as long as another is requesting recognition to speak for a first time.

5. **COMMISSION MEMBER REQUESTS FOR POSTPONEMENTS**

Requests for postponements on agenda items from members of Commission requires approval by a majority of Commission present.

6. **RULES OF PARLIAMENTARY PROCEDURE**

The rules of parliamentary practice as contained in Robert's Rules of Order, most recent edition, shall govern the Commission in all cases to which they are applicable, provided they are not in conflict with these Rules or with the Ordinances and Charter of the City of Muskegon.

7. **RECONSIDERATION OF MOTIONS**

When a question has been decided, it shall be in order for any Commission member who voted on the prevailing side of the question to move the reconsideration at the same meeting or at the next regularly scheduled meeting, provided no action has been taken as a result of the previous vote.

8. GENERAL CONSENSUS

General consent or consensus may be used to give direction and the minutes should indicate that a majority consented.

E. CITIZEN PARTICIPATION:

1. GENERAL

Each Commission meeting agenda shall provide for reserve time for audience participation, as requested.

2. REQUESTS TO SPEAK, LENGTH OF PRESENTATION - PUBLIC HEARINGS AND PUBLIC PARTICIPATION

Members of the public at the meeting shall not speak unless recognized by the chair. Members of the public shall be limited to speaking for a maximum of three (3) minutes during any public hearing or public comment. A person representing a group and speaking on behalf of the group shall be allowed ten (10) minutes to address Commission. They must first submit a written request form with the City Clerk prior to start of the meeting at which they wish to speak.

3. PERSONS ADDRESSING THE COMMISSION

Prior to addressing Commission, members of the public shall step up to the microphone/podium and state their name and address and, if appropriate, group affiliation. The Commission may in its discretion limit public comments to new information or matters not fully addressed at any previous meeting regarding the agenda item at issue.

4. DEVIATION

Either in his/her discretion, or upon the request of a member of the Commission, the Mayor may recognize a member of the audience who shall be permitted to address the Commission at a time other than audience participation; however, all other rules as provided herein shall apply.

5. REQUESTS TO SPEAK DURING PUBLIC PARTICIPATION.

- a. Any person who wishes to speak on a subject not on the printed agenda may speak at this time. All rules of conduct still apply.
- b. Candidates or any person(s) working for a candidate shall not be allowed to use public participation time for campaigning.

6. DISORDERLY CONDUCT AT MEETINGS.

Persons addressing the Commission shall make responsible comments and shall refrain from making personal, impertinent, slanderous or profane remarks. The Chairperson may call to order any person who is being disorderly by speaking when not recognized by the chair or otherwise disrupting the proceeding by failing to be germane, by speaking longer than the allotted time, or by speaking vulgarities. Such persons shall thereupon be seated until the Chair shall have determined whether the person is in order. If a person so engaged in presentation shall be called out of order, he or she shall not be permitted to speak at the same meeting, except upon special leave by the Commission. If the person shall continue to be disorderly and disrupt the meeting, the chair may order the Police Department to remove the person from the meeting.

F. **AGENDA:**

1. PREPARATION

The City Manager and City Clerk shall prepare an agenda for each regular or special meeting of the City Commission. The deadline for submitting items for Commission agenda is 4:00 p.m. on the Tuesday preceding the Tuesday of the Commission meeting to the City Clerk. Agenda items from Commission members should be submitted in writing by this same time to the City Manager. Requested items will appear on a meeting agenda within three meetings after request is made.

2. DISTRIBUTION

Agendas, ordinances and all related background material will be delivered to City Commission members at their requested location, the Thursday before the scheduled regular meeting, or at least 12 hours before a scheduled special meeting.

3. AGENDA MATERIAL

Department Heads and all others shall submit written requests for inclusion on the agenda to the City Clerk with all necessary supporting data. Written presentations shall be submitted by 4:00 p.m. on the Tuesday preceding the Tuesday Commission meeting for circulation with agendas. Agenda requests could be delayed to a later meeting if related information is not received by the City Clerk in a timely manner.

G. **CONSENT AGENDA:**

1. PURPOSE.

A consent agenda will be used to allow the City Commission to act on numerous administrative or non-controversial items at one time.

2. AGENDA ITEMS.

A consent agenda will be developed by the City Clerk and/or City Manager prior to the regular meeting. Items that could be included on this agenda include non-controversial items such as approval of minutes, payment of bills, approval of recognition resolutions, pay raises, etc. Any member of the Commission may request that an item be removed from the consent agenda and placed on the regular agenda for discussion.

H. RECORDING OF COMMISSION MEETINGS:

1. MEETINGS MAY BE RECORDED

All regular or special meetings of the City Commission may be recorded through the use of audio/visual electronic devices. Such recordings will be under the control and supervision of the City Clerk.

2. RETENTION OF RECORDS

Any recordings from Commission meetings may be retained by the City Clerk for a period of two (2) years from the date of the meeting.

I. MISCELLANEOUS:

1. AMENDMENTS TO RULES

The rules of the City Commission may be altered or amended by a majority vote of two-thirds of the entire Commission.

2. SUSPENSION OF RULES

The rules of the City Commission may be suspended for good cause for a specified portion of a meeting by a two-thirds majority of the entire Commission.

3. CONTROLLING AUTHORITY

These rules shall control, unless preempted by City Charter, State laws or the Court.

4. REVIEW OF CONSULTANTS

City Commission shall make an annual internal evaluation of consultants at the time of review of the City budget to determine if the services being provided are satisfactory and if judged to be inappropriate, will move to proceed with establishing a more formal review process.

5. RESOLUTIONS OF RECOGNITION

Requests for resolutions will be made and acted on at the Community Relations Committee meeting. All Commissioners will sign resolutions voted on and approved. As Mayor, the Mayor can sign any other resolutions.

J. COMMITTEE ASSIGNMENTS

1. ASSIGNMENTS

The Mayor may assign Commission members to any committee as is deemed necessary, with approval of the City Commission.

2. RESPONSIBILITIES

Commission member's responsibilities as committee members will be generally limited to policy and not the administration of a department or appointed organization.

K. CITY MANAGER EVALUATION PROCESS

The City Manager will be evaluated by the members of the City Commission before July 1st each year. Forms and materials will be sent out by the City Clerk and all completed forms will be returned to the City Clerk for compiling. A report will be generated by the City Clerk with the results of the evaluations. A meeting with the City Manager and City Commissioners will be scheduled to review the evaluations.

To: City Commission
From: City Clerk
Date: May 1, 2003
RE: City Manager Evaluation

Attached you will find the information and paperwork for your process of evaluating the City Manager.

Evaluation Form	The form has both an area for rating by number and a spot for writing your comments.
-----------------	--

Form Ratings	Displays the rating scale.
--------------	----------------------------

Procedures	Indicates the time frame for this process.
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The procedures indicate that you need to turn into me your completed forms by May 28, 2003. That would allow me time to compile the results and forward to you for your meeting with the city manager.

If you have any questions, please call me at 724-6721.

CITY MANAGER EVALUATION PROCEDURES

May 1 - 15

Evaluation forms sent to City Commission by no later than May 15th. Also included will be a letter with instructions and deadline date for turning forms in.

May 15 - 17

Reminder letter sent to commissioners with deadline date to turn in forms.

May 20 - 24

Reminder letter of due date for forms sent to commissioners.

May 28

Evaluation forms are due to the City Clerk.

1st week in June

Results compiled by City Clerk.
Copies of individual evaluation forms provided to City Manager.
Copies of compiled results forwarded to City Commission and City Manager.

City Worksession
June 9, 2003

Manager's evaluation.

Consideration of Manager's Wage & Benefit Package.

City Commission Meeting
June 10, 2003

Put on Agenda if necessary.

Original evaluations and copy of compiled report filed in City Manager's office.

City Manager Evaluation
Form Ratings

- | | |
|--------|-----------------------------|
| 1 – 2 | Performance Unsatisfactory. |
| 3 – 4 | Needs Improvement. |
| 5 – 6 | Satisfactory Performance. |
| 7 – 8 | Good Performance. |
| 9 – 10 | Excellent Performance. |

CONFIDENTIAL

CITY MANAGER PERFORMANCE EVALUATION

City of Muskegon, Michigan

Rate from 1-10
(10 being excellent)

Date: _____

Evaluator _____

Circle Rating

Responsibility or Characteristic

GENERAL ADMINISTRATION

1 2 3 4 5 6 7 8 9 10

Manpower Development: Does he appoint and train effective Subordinates? Is he able to recruit and retain quality employees?

1 2 3 4 5 6 7 8 9 10

Leadership: Does he motivate others to maximum performance? Is he respected as demanding but fair?

1 2 3 4 5 6 7 8 9 10

Supervision: Does he adequately supervise and direct the activities of the Department Heads and staff? Is he able to control the operational activities of the City through others? Is he available to his employees for guidance and counseling? Does he effectively develop Department Heads and staff people?

1 2 3 4 5 6 7 8 9 10

Job Organization: Does he delegate responsibility effectively? Does he use his time productively? Does he program activities in an orderly and systematic way?

1 2 3 4 5 6 7 8 9 10

Execution of Policy: Does he understand and comply with the overall policies, law and philosophy of the City? Do his efforts lead towards successful accomplishment of goals? Does he measure results against goal and take corrective action?

1 2 3 4 5 6 7 8 9 10

Planning: Does the Manager translate policies and objectives into specific and effective programs? Does the Manager independently recognize problems, develop relative facts, formulate alternate solutions and decide on appropriate recommendation?

1 2 3 4 5 6 7 8 9 10

Budget: Is the budget developed in a systematic and effective manner? Is the budget proposal for the Manager normally reasonable and appropriate? Does he carry out the budget satisfactorily and control expenses within the levels set in the budget?

1 2 3 4 5 6 7 8 9 10

Communication: Does he keep appropriate people informed? Does he present his thoughts in an orderly and understanding manner? Is he able to be persuasive?

1 2 3 4 5 6 7 8 9 10

Reporting: Does he submit accurate and complete staff reports on schedule? Do the reports adequately convey information on the operation of the City?

1 2 3 4 5 6 7 8 9 10

Commission Communication: Does the Manager provide the Commission with adequate information to make decisions?

1 2 3 4 5 6 7 8 9 10

Written Communication: How effective are the Manager's letters, memoranda and other forms of written information?

1 2 3 4 5 6 7 8 9 10

Response to Commission: Does the Manager respond in a positive way to suggestions and guidance from the Commission? Is the Manager attuned to the Commission's attitudes, feelings and needs?

1 2 3 4 5 6 7 8 9 10

Productivity: Can the Manager be depended on for sustained productive work? Does the Manager readily assume responsibility? Does the Manager meet time estimates within his control?

1 2 3 4 5 6 7 8 9 10

Stress Management: Is the Manager able to resolve problems under strain and unpleasant conditions? How well does the Manager tolerate conditions of uncertainty? Does the Manager respond well to stressful situations and adequately deal with the stress inherent to the position?

GENERAL ADMINISTRATION COMMENTS: _____

EXTERNAL RELATIONSHIPS

1 2 3 4 5 6 7 8 9 10

Community Relations: Is the Manager skillful in his dealings with the news media? Does he properly avoid politics and partisanship? Does he show an honest interest in the community? Does he properly convey the policies and programs of the City?

1 2 3 4 5 6 7 8 9 10

Community Reputation: What is the general attitude of the community to the Manager? Is he regarded as a man of high integrity and ability? Is his public credibility an asset or liability to the City?

1 2 3 4 5 6 7 8 9 10

Professional Reputation: How does the Manager stand among his colleagues? Does he deal effectively with other public managers? Is he respected by professional and staff representatives of other cities and counties?

Intergovernmental Relations: Does the Manager work effectively with federal, state, and other local government representatives? Is his relationship with other local government officials beneficial to the City? Is he able to facilitate cooperative efforts among various local agencies and the City?

EXTERNAL RELATIONSHIP COMMENTS: _____

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.

PERSONAL CHARACTERISTICS

1 2 3 4 5 6 7 8 9 10

Imagination: Does he show originality in approaching problems? Does he create effective solutions? Is he able to visualize the implications of various alternatives?

1 2 3 4 5 6 7 8 9 10

Objectivity: Is he unemotional and unbiased? Does he take a rational and impersonal viewpoint based on facts and qualified opinions? Is he able to divide his personal feelings from those which would most effectively convey the City's interest?

1 2 3 4 5 6 7 8 9 10

Drive: Is the Manager energetic and willing to spend the time necessary to do a good job? Does he have good initiative and is he a self-starter? Does he have good mental and physical stamina?

1 2 3 4 5 6 7 8 9 10

Judgment and Decisiveness: Is he able to reach quality decisions in a timely fashion? Are his decisions generally good? Does he exercise good judgment in making decisions and in his general conduct?

1 2 3 4 5 6 7 8 9 10

Attitude: Is he enthusiastic? Cooperative? Willing to adapt? Does he have an enthusiastic attitude toward the City, both professionally and personally?

1 2 3 4 5 6 7 8 9 10

Self Assurance: Is the Manager self assured of his abilities? Is he able to be honest with himself and take constructive criticism? Does he take responsibility for mistakes which are his? Is he confident enough to make decisions and take actions as may be required without undue supervision from the Commission?

PERSONAL CHARACTERISTICS COMMENTS: _____

OVERALL GENERAL COMMENTS

CITY OF MUSKEGON

GUIDELINES OF CONDUCT

A. PUBLIC RELATIONS

1. Members of Commission should refrain from argument with a member of the public or staff at Commission meetings since these arguments seldom resolve concerns and many times inflame feelings at a public meeting. Any concerns by a member of Commission over the behavior or work of a City employee during a Commission meeting should be directed to the City Manager to ensure the concern is addressed.

B. CITY COMMISSION RELATIONS WITH CITY STAFF

1. There shall be mutual respect from both Staff and Commission members of their respective roles and responsibilities when and if expressing criticism in public session.
2. Requests for information or questions by the City Commission shall be directed to the City Manager or the appropriate Department Head. All non-routine requests should be submitted to the City Manager's office. All complaints shall be submitted to the City Manager.
3. All written informational material requested by individual Commission members shall be submitted to the City Manager who will transmit them to all Commission members with the notation indicating which Commission member requested the information.
4. Commission shall not attempt to correct or influence Staff in the selection of employees, recommendations for the awarding of contracts, the selection of consultants, the processing of development applications or the granting of City licenses or permits.
5. Incoming mail clearly marked as personal shall not be opened when addressed to individual Commission members or staff unless requested. All other mail addressed to City offices for the Mayor or City Commission Members shall be opened by appropriate staff. The City Manager's office will advise City Commission members if they have received mail which must be acknowledged, in order that Commission may timely respond.
6. *A Commission member shall not direct Staff to initiate any action or prepare any report that is significant in nature or initiate any project or study without the approval of a majority of the City Commission. All such requests will be first directed to the City Manager.*

C. CITY COMMISSION RELATIONSHIP WITH APPOINTED CITY COMMISSIONS AND COMMITTEES, AND COMMISSION MEMBER REPRESENTATION TO OTHER AGENCIES AND GROUPS.

1. Members of the City Commission should not attempt to influence recommendations by City Commission appointed commissions or committees, or to influence or lobby individual appointed commission or committee members on any item under their consideration. It is important for appointed commissions and committees to be able to make objective recommendations to the City Commission on items before them. Members of City Commission that attempt to influence appointed commission positions on an item may prejudice or hinder their role in reviewing the appointed commission's or committee's recommendation as a member of the City Commission.
2. Individual City Commission members who are not members of an appointed commission or committee have the right to attend meetings but are cautioned about becoming involved in the meeting's discussion, except as a member of the public. City Commission members, however, may answer questions put to them or respond to information being provided. City Commissioners should not act so as to influence an appointed commission or committee by virtue of their holding the office of City Commissioner.
3. If a member of the City Commission represents the City before another governmental agency or organization, the City Commission member should first indicate the majority position as an opinion of the City Commission. Personal opinions and comments may be expressed only if the City Commission member clarifies that these statements do not represent the position of the City Commission.

Moved by Commissioner Shepherd, seconded by Commissioner Aslakson, to adopt the City Commission Rules and Procedures for the City of Muskegon.

Adopted the 25th day of May, 1999.

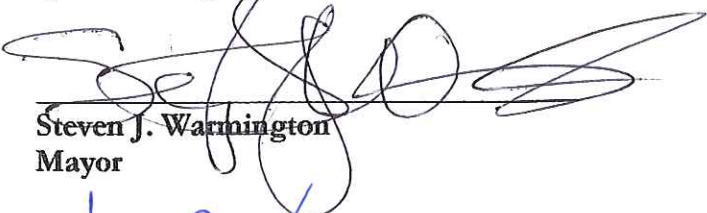
City Commission #99-45d

Amended 8-14-01 (Manager Eval.)

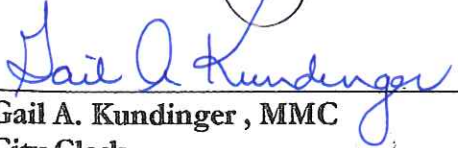
Amended 8-13-02 (Section E, # 5)

Adopted with amendments 9-10-02

Motion by Schweifler, seconded by Gawron, to adopt the City Commission Rules and Procedures for the City of Muskegon, as amended.



Steven J. Warmington
Mayor



Gail A. Kunderinger, MMC
City Clerk

Date: 8/29/02
To: Honorable Mayor and City Commission
From: Brett Kraley, Equipment Supervisor
RE: Dump Box/Underbody Purchase

SUMMARY OF REQUEST: Approval to purchase two Dump Box, Underbody Scraper and Tarp Systems for 2002 Plow Trucks (Installed), from Truck and Trailer Specialties for \$26,407.00 Each.

FINANCIAL IMPACT: Total Cost \$52,814.00

BUDGET ACTION REQUIRED: None. \$55,000 was budgeted for this purchase.

STAFF RECOMMENDATION: Approval to purchase Plow Truck Dump Box, Underbody Scraper and Tarp System from Truck and Trailer Specialties for \$52,814.00.

Memorandum

To: Robert Kuhn

From: Brett Kraley

Date: 09/03/02

Re: Dumpbox and Underbody Scrapers

The Equipment Division solicited bids to set up two plow trucks with underbody plows and dump boxes along with computer controlled salt distribution systems in July. We received two bids for these systems. They were Shults Equipment from Ithaca, Michigan and Truck & Trailer Specialties from Dutton, Michigan. Shults bid was \$55,925.00 and Truck & Trailers bid was \$52,814.00

I recommend that we accept the bid from Truck & Trailer Specialties as they have installed equipment for The City of Muskegon for the last several years and we have been more than satisfied with their work.

CITY COMMISSION MEETING
Tuesday September 10, 2002

TO: Honorable Mayor and City Commissioners

FROM: Anthony L. Kleibecker
Chief of Police

DATE: August 22, 2002

SUBJECT: Towing Bid-City of Muskegon

SUMMARY OF REQUEST:

Bids were solicited and have been accepted for the towing and impound service that is utilized by the City of Muskegon. This bid covers a three-year period commencing in September 2002 and ending in August 2005. Two local companies submitted bids. They are (1) Reliable Towing, 1288 Ninth Street, Muskegon; and (2) Central Towing, 874 Pulaski Avenue, Muskegon. A copy of the bid specifications is attached along with the bids received from both of the companies.

FINANCIAL IMPACT:

None.

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATIONS:

Staff has evaluated each bid. This evaluation included an on-site inspection of each facility to ensure compliance with the identified requirements. In our opinion, each of the towing services meets the requirements set forth in the specifications. Based upon the bid proposals, we recommend that Reliable Towing be awarded this contract. The bid proposals are attached.

Affirmative Action
724-6703

Assessor
724-6708

Cemetery
724-6783

Civil Service
724-6716

Clerk
724-6705

Engineering
724-6707

Finance
724-6713

Fire Dept.
724-6792

G. N. Services
724-6717

Inspections
724-6715

Leisure Service
724-6704

Manager's Office
724-6724

Mayor's Office
724-6701

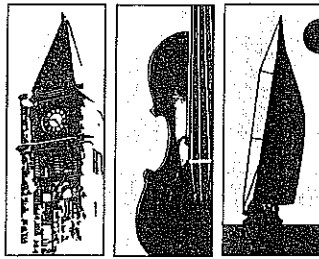
Planning/Zoning
724-6702

Police Dept.
724-6750

Public Works
726-4786

Treasurer
724-6720

MUSKEGON



West Michigan's Shoreline City

BID SPECIFICATIONS FOR MAINTENANCE AND OPERATION OF VEHICULAR TOWING SERVICE, IMPOUND SERVICE AND FACILITY CITY OF MUSKEGON, MICHIGAN

I. SCOPE OF WORK AND EQUIPMENT:

- (a) Provide vehicle towing service, impound service and facility for the City of Muskegon for a three-year period commencing the 1st day of September, 2002 and ending the 31st day of August, 2005, inclusive.
- (b) Operate vehicle towing service, impound service and facility seven (7) days a week, twenty-four (24) hours a day, in such a manner that bidder can be reached by telephone at all times by Central Police Dispatch, the Muskegon Police Department or the Department of Public Works.
- (c) Bidder must own and have in good operating condition at all times the following equipment:
 - (1) F.C.C.-licensed, radio dispatched wreckers;
 - (2) Set of dollies;
 - (3) Equipment for changing tires, air tanks for inflating tires, tools for lock-outs;
 - (4) Booster battery or cables for starting cars or trucks;
 - (5) Fire extinguisher, flares;
 - (6) Extra chains, pry bar, broom and shovel, bucket, oil dry;
 - (7) 2 standard wreckers fully equipped as specified herein and 1 large, heavy-duty wrecker capable of handling trucks, trailers, semi trailers, and other large vehicles, up to a gross weight of 50 tons;
 - (8) Power winch on each unit set forth in (7) above;
 - (9) A minimum of 100 feet of 3/8 inch cable per wrecker unit;
 - (10) Gross vehicle weight per wrecker unit rating of not less than 8,000 pounds, and the manufacturer's specifications for rated capacity of at least one ton.

Water Dept.
724-6719

II. LOCATION OF FACILITY:

- (a) The service must originate from within the corporate limits of the City of Muskegon, and the vehicle impound facility must be located within the corporate limits of the City of Muskegon.
- (b) The vehicle impound facility must contain a heated, secure building, and in addition, a fenced area able to accommodate up to 75 vehicles.
- (c) The vehicle impound facility must be located in a centralized location within the corporate limits of the City of Muskegon.

III. PERSONNEL QUALIFICATIONS:

- (a) The contractor shall provide to the Muskegon Police Department at the time of signing and agreement, the name, address, date of birth, and Michigan operators chauffeurs license number of all existing employees, and future employees as they are hired.
- (b) Every bidder, whether it be the business owner or operational manager (if not one and the same), must be a person of good character and reputation in the community. Every operator/driver shall be competent by reason of demonstrated experience or training, in the sole judgment of the City of Muskegon, to safely operate the type of tow truck used by the impound service.
- (c) Every operator/driver shall possess the ability to rig, move, pick up and transport vehicles without increasing the original damage, insofar as possible.
- (d) Every operator/driver shall be free from the influence of alcoholic beverages, narcotics, or dangerous drugs while on duty.
- (e) Every owner and operator shall be familiar with the ordinances, rules and regulations pertaining to tow trucks.

IV. OPERATIONAL AND RECORDKEEPING REQUIREMENTS:

The selected towing service will:

- (a) Maintain all required records and complete necessary forms for the State of Michigan, Muskegon Police Department and Department of Public Works.

City of Muskegon Towing Service Specifications

Page 3

July 16, 2002

- (b) Assume full responsibility for the vehicle and contents during towing and subsequent storage of the vehicle. The contractor will agree to hold harmless and indemnify the City of Muskegon against any claims for damage or loss to vehicles or contents. The contractor shall provide proof of insurance or bonding sufficient to meet these requirements and in a form acceptable to the City of Muskegon.
- (c) Carry comprehensive general liability insurance and vehicle liability insurance, including the coverage of all operations as a towing service and naming the City of Muskegon as co-insured in at least the following amounts:
 - (i) Comprehensive general liability insurance in an amount not less than \$500,000 for each occurrence;
 - (ii) Vehicle liability insurance in an amount not less than \$1,000,000 for each occurrence;
 - (iii) In addition to the insurance required in (i) and (ii) above, operator shall carry an umbrella policy of liability insurance covering any and all of such risks in an amount not less than \$1,000,000.
- (d) Operator shall carry and maintain in full force and effect, furnishing appropriate certificate therefor, workers compensation insurance with limits established under state law.
- (e) Be responsible for the holding of public auctions for abandoned vehicles, furnishing all documentation attendant to any sale at said auction, paying for the auctioneer and the public notice advertised in the local daily newspaper. Said auctions will be held under the supervision of the Muskegon Police Department.
- (f) Maintain all records relating to the disposition of impounded vehicles for a period of not less than four (4) years.
- (g) Bidders will specify their towing and storage rates in precise detail as required on the bid proposal, outlining any time frames or distances that would cause those rates to vary or change.

Towing and storage charges will not be subject to increase except upon prior approval granted by the Muskegon City Commission, following review and recommendation by the Muskegon Police Department and/or Department of Public Works.

V. AWARD OF BID:

The City of Muskegon reserves the right to reject any bid, regardless of its contents or amount, for any reason. The city may award the contract to any bidder, and is not bound to accept the low bid.

The City of Muskegon, by its award of bid, will appoint the successful bidder of the vehicular towing service, impound service and facility which will be utilized exclusively by the Muskegon Police Department and the Department of Public Works during the term of the contract or until the City revokes the appointment.

Any bidder submitting a bid fully understands that the City of Muskegon, by award of bid and subsequent contract, assumes no liability of any kind or nature to the successful bidder during the existence of its appointment as the City's towing service, impound service and facility, and that any payment for towing services or storage charges will be obtained from those persons, other than the City of Muskegon, who own or otherwise have an interest in any motor vehicle towed to or stored in the impound facility.

VI. CANCELLATION OF CONTRACT

The contract may be cancelled on the part of the City of Muskegon by giving forty-eight (48) hours written notification addressed to the contractor and sent by ordinary mail to the contractors address as shown on application. The contract may be cancelled if, in the sole judgment of the Chief of Police, the contractor has not performed according to the specifications.

The contract may be cancelled on the part of the contractor by giving sixty (60) days notice in writing to the Chief of Police.

BID PROPOSAL
TOWING SERVICE AND STORAGE OF AN IMPOUNDED VEHICLE
WITHIN THE CORPORATE LIMITS OF THE CITY OF MUSKEGON

	Sept. 1, 2002 thru August 31, 2003	Sept. 1, 2003 August 31, 2004	Sept. 1, 2004 thru August 31, 2005
Towing to impound facility	_____	_____	_____
Storage per day at facility	_____	_____	_____
Moped storage per day	_____	_____	_____
Towing of city vehicles to Muskegon locales (i.e. DPW, MPD, dealerships)	_____	_____	_____
Same as above for city vehicles 15 to 50 tons	_____	_____	_____
City vehicle flat tire change/exchange (DPW heavy equip- ment exempt)	_____	_____	_____

Dated: _____

Bidder: _____

Representing: _____

**Muskegon Police
Department**

Memo

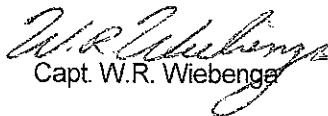
To: Chief Anthony L. Kleibecker
From: Capt. W.R. Wiebenga
CC:
Date: 08/12/02
Re: On-site visit ref. Towing Bids

Sir,

Per your request of Monday, 8/12/02, I have personally made a visit to both towing companies that have submitted bids for the towing contract to be awarded by the City of Muskegon.

I have found both companies, those being Reliable Towing and Central Towing, do in fact meet all minimum qualifications spelled out in the bid qualification sheet. It was further found that Central Towing has a storage yard which will hold over 200 vehicles. It was further found that the Reliable Towing storage yard located in the City of Muskegon would hold approximately 90 vehicles. It should be noted that in discussing this issue with the owner, a Mr. Tom Olson, it was learned that Reliable Towing has just opened a second storage yard in Muskegon Heights Industrial Park which will hold about the same amount of vehicles. Mr. Olson advised the new storage yard in the City of Muskegon Heights will be used for impounds from the City of Muskegon Heights which would free up the City of Muskegon yard for vehicles impounded in the City of Muskegon if in fact Reliable towing is awarded the bid.

Respectfully Submitted,


Capt. W.R. Wiebenga

RELIABLE TOWING, INC.

1288 Ninth Street • Muskegon, Michigan 49440 • Phone 231.722.1309 • Fax 231.725.8273

August 6, 2002

City of Muskegon Police Department
Muskegon City Commission
980 Jefferson Street
Muskegon MI 49440

Attn: Chief of Police Anthony Kleibecker & Staff

We'd like to thank you for allowing us the opportunity to participate in the bidding process for the towing contract for the City of Muskegon and tell you a little bit about our business.

Reliable Towing has been in business for fifty years and under the ownership of Thomas Olsen for the past 20 years. Our truck fleet consists of five regular wreckers; one flatbed; one medium duty; and one heavy-duty wrecker which is capable of towing tractor trailers, garbage packers, etc. We are centrally located in the City of Muskegon at 1288 Ninth Street. We have a large fenced in storage lot which holds up to 75 cars and also indoor heated storage for up to 30 cars. We've been working with law enforcement for twenty years.

Thank you again for your consideration.

Sincerely,



Thomas M. Olsen, Owner
Reliable Towing, Inc.

kso

BID PROPOSAL
TOWING SERVICE AND STORAGE OF AN IMPOUNDED VEHICLE
WITHIN THE CORPORATE LIMITS OF THE CITY OF MUSKEGON

	Sept. 1, 2002 thru August 31, 2003	Sept. 1, 2003 August 31, 2004	Sept. 1, 2004 thru August 31, 2005
Towing to impound facility	<u>40.00</u>	<u>45.00</u>	<u>45.00</u>
Storage per day at facility	<u>7.00</u>	<u>8.00</u>	<u>9.00</u>
Moped storage per day	<u>0</u>	<u>0</u>	<u>0</u>
Towing of city vehicles to Muskegon locales (i.e. DPW, MPD, dealerships)	<u>14.00</u>	<u>14.00</u>	<u>14.00</u>
Same as above for city vehicles 15 to 50 tons	<u>50.00</u>	<u>50.00</u>	<u>50.00</u>
City vehicle flat tire change/exchange (DPW heavy equip- ment exempt)	<u>0</u>	<u>0</u>	<u>0</u>
Dated: <u>8/6/02</u>	Bidder: <u>Thomas M. Ober</u>	Representing: <u>Reliable Towing Inc</u>	

IMPOUNDS OUTSIDE CITY. 500 PER MILE

TRACTOR TRAILER AND LARGE TRUCK IMPOUNDS

SEPT 1 2002 THRU	SEPT 1 2003	SEPT 1, 2004 THRU
AUG 31 2003	THRU AUG 31 2004	AUG 31 2005
120.00	120.00	120.00

RECOVERY RATE FOR SAME 7500 PER H.R.

Central Towing, Inc

BID PROPOSAL TOWING SERVICE AND STORAGE OF AN IMPOUNDED VEHICLE WITHIN THE CORPORATE LIMITS OF THE CITY OF MUSKEGON

Towing to impound facility	Sept. 1, 2002 thru August 31, 2003 <u>50.00</u>	Sept. 1, 2003 August 31, 2004 <u>53.00</u>	Sept. 1, 2004 thru August 31, 2005 <u>57.00</u>
Storage per day at facility	Sept. 1, 2002 thru August 31, 2003 <u>10.00</u>	Sept. 1, 2003 August 31, 2004 <u>11.00</u>	Sept. 1, 2004 thru August 31, 2005 <u>12.00</u>
Moped storage per day	Sept. 1, 2002 thru August 31, 2003 <u>3.00</u>	Sept. 1, 2003 August 31, 2004 <u>4.00</u>	Sept. 1, 2004 thru August 31, 2005 <u>5.00</u>
Towing of city vehicles to Muskegon locales (i.e. DPW, MPD, dealerships)	Sept. 1, 2002 thru August 31, 2003 <u>25.00</u>	Sept. 1, 2003 August 31, 2004 <u>25.00</u>	Sept. 1, 2004 thru August 31, 2005 <u>27.00</u>
Same as above for city vehicles 15 to 50 tons	<u>65.00</u>	<u>69.00</u>	<u>70.00</u>
City vehicle flat tire change/exchange (DPW heavy equip- ment exempt)	Sept. 1, 2002 thru August 31, 2003 <u>20.00</u>	Sept. 1, 2003 August 31, 2004 <u>20.00</u>	Sept. 1, 2004 thru August 31, 2005 <u>22.00</u>

Dated:

8-6-02

Bidder:

Representing:

Jeffrey W Felinski
Central Towing, Inc.

Commission Meeting Date: September 10, 2002

Date: August 26, 2002
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development *cbl*
RE: Twelve Month Extension to Complete Construction of Home

SUMMARY OF REQUEST:

To approve a twelve-month extension to allow Bantam Group to complete construction of a single-family home on Adams Avenue. The original agreement between the City and Bantam Group in 1999 stipulated that construction of the home was to be completed within 18 months. Due to the fact that the original client requesting Bantam Group to construct their house backed out, nothing was constructed on the property. The City has customarily granted extensions to parties who have shown that they are dedicated to completing construction and contributing to the beautification of the City's residential areas. Bantam Group has worked with staff to submit an alternative plan to complete construction of a home on the property and feels that the twelve month extension will allow enough time for this plan to be completed.

FINANCIAL IMPACT:

None.

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

Staff recommends approval of the time extension, as well as authorization for both the Mayor and the Clerk to sign the attached resolution and deed.

COMMITTEE RECOMMENDATION:

None.

Resolution No. 2002-101(j)

MUSKEGON CITY COMMISSION

**RESOLUTION APPROVING TWELVE MONTH EXTENSION TO COMPLETE
CONSTRUCTION OF A SINGLE-FAMILY HOME ON ADAMS Avenue**

WHEREAS, Bantam Group. has submitted a request for a time extension; and

WHEREAS, Bantam Group has submitted a construction plan to staff to complete construction of a home; and

WHEREAS, the completion of the new home will further enhance the ambiance of the City's residential area;

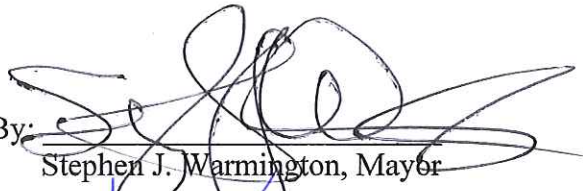
NOW THEREFORE BE IT RESOLVED, that BantamGroup be granted twelve months from this date to complete construction of a single-family home on Adams Avenue.

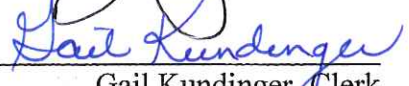
Adopted this 10th day of September, 2002

Ayes: Spataro, Warmington, Buie, Gawron, Larson, Schweifler

Nays: None

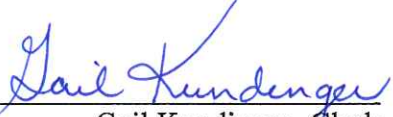
Absent Shepherd

By: 
Stephen J. Warmington, Mayor

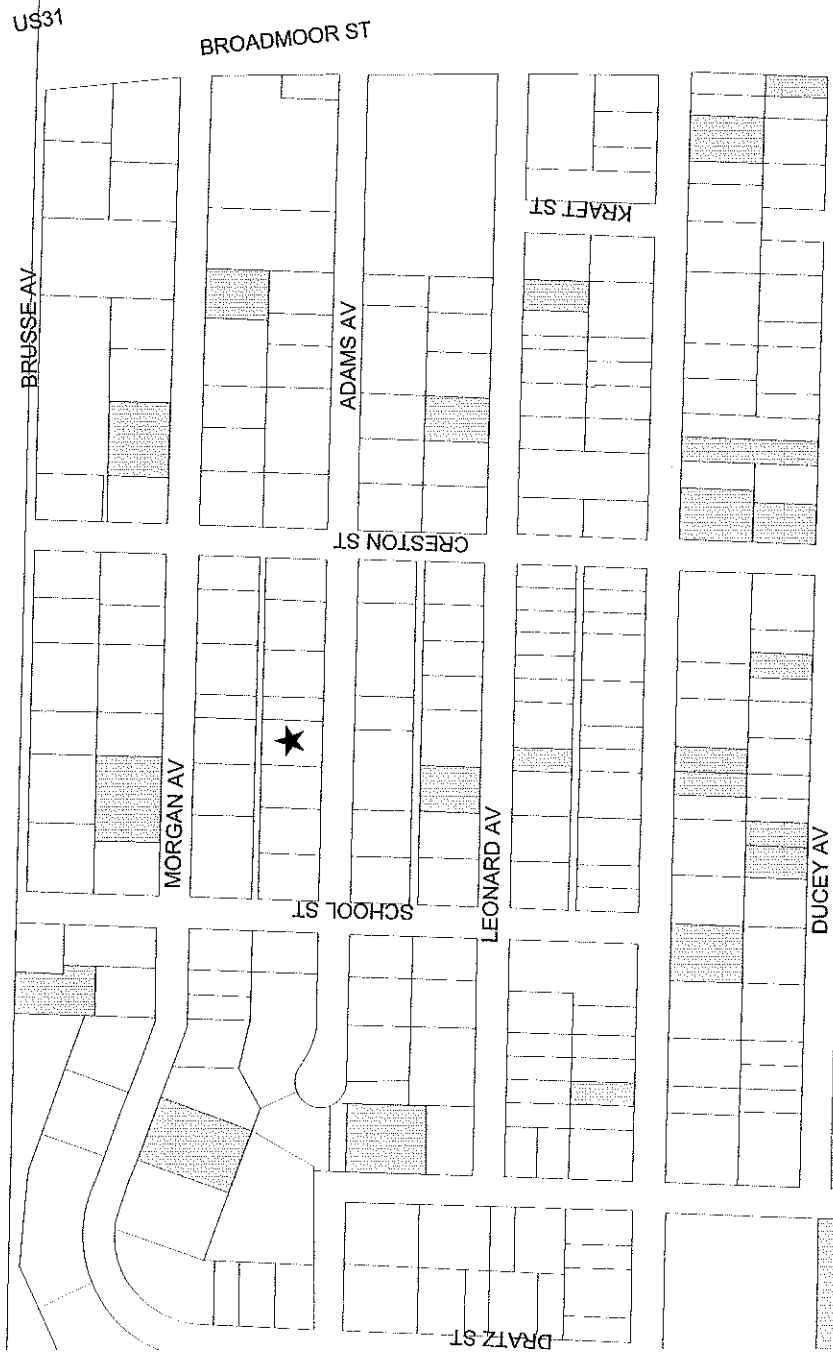
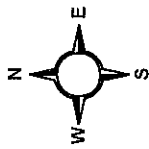
Attest: 
Gail Kunderger, Clerk

CERTIFICATION

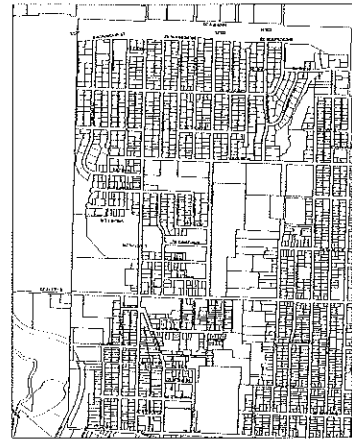
I hearby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, Michigan at a regular meeting held on September 10, 2002.

By: 
Gail Kunderger, Clerk

**Vacant Non-buildable Lot on Adams Avenue
Currently Owned by Bantam Group**



★ = Subject Property(ies)
to be granted extension



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

9-10-02
2002-101(j)

September 25, 2002

Ms. Gail A. Kunderinger
City Clerk
City of Muskegon
P.O. Box 536
Muskegon, MI 49443-0536

Dear Ms. Kunderinger:

Enclosed is an Affidavit for you to sign relating to resolution adopted on September 10, 2002, approving a twelve-month extension to complete construction of a single-family home on Adams Avenue. If you would please sign the affidavit, attach a fully executed copy of the resolution, and return the document to Lonna Anguilm, I would appreciate it.

If you would provide a copy to me, I would appreciate that.

Very truly yours,



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

Enclosure

c: Lonna Anguilm

AFFIDAVIT OF GAIL A. KUNDINGER

STATE OF MICHIGAN
COUNTY OF MUSKEGON

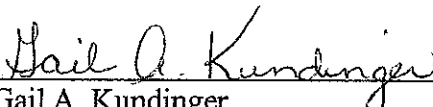
I, Gail A. Kunderinger, being duly sworn, state:

1. I am the City Clerk for the City of Muskegon.
2. City of Muskegon, by way of Quit-Claim Deed, transferred ownership of Lot 853

Urban Renewal Plat No. 4 to Bantam Group, Inc., recorded at Liber _____ Page _____.

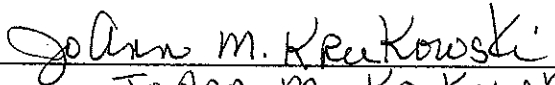
3. Pursuant to the Quit-Claim Deed, Bantam Group, Inc. had eighteen (18) months from the date of the deed (November 23, 1999) to complete construction of a single family home or the property would revert to the City of Muskegon free and clear of any claims of Bantam Group, Inc.

4. Bantam Group, Inc. has agreed to an extension of time, which City has agreed to consistent with the attached resolution.



Gail A. Kunderinger

Subscribed and sworn to before me
this 26 day of September, 2002



Jo Ann M. Kruckowski
Notary Public, Muskegon Co., MI
My commission expires: 5-13-2005

QUIT-CLAIM DEED

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF MUSKEGON, a municipal corporation, of 933 Terrace Street, Muskegon, Michigan 49440,

QUIT CLAIMS TO: BANTAM GROUP, INC., a Wisconsin corporation, of 1291 Wood Street, Muskegon, MI 49442,

the following described premises situated in the City of Muskegon, County of Muskegon, State of Michigan, to wit:

Lot 853, Urban Renewal Plat No. 4.

for the sum of Three Thousand Fifty (\$3,050) Dollars.

PROVIDED, HOWEVER, Grantee, or its assigns, shall substantially complete construction of a single-family home on the premises herein conveyed within eighteen (18) months after the date hereof. In default of such construction, title to the premises shall revert to the City of Muskegon free and clear of any claim of Grantee, or its assigns; and, in addition thereto, the City of Muskegon may retain the consideration for this conveyance free and clear of any claim of Grantee, or its assigns. "Complete construction" means: (1) issuance of a residential building permit by the City of Muskegon; and, (2) in the sole opinion of the City of Muskegon's Director of Inspections, substantial completion of the dwelling described in the said building permit. In the event of reversion of title of the above described premises, improvements made thereon shall become the property of the Grantor. Furthermore, Grantee has covenanted that the home shall be owner occupied for five (5) years from the date of this deed.

This deed is exempt from real estate transfer tax pursuant to the provisions of MCLA 207.505(h)(i) and MCLA 207.526 Sec. 6(h)(i).

Dated this 23rd day of November, 1999.

Signed in the presence of:

Linda Potter
Linda Potter

Gloria Coburn
Gloria Coburn

CITY OF MUSKEGON

By Fred J. Nielsen
Fred J. Nielsen, Its Mayor

and Gail A. Kunderger
Gail A. Kunderger, Its Clerk

STATE OF MICHIGAN
COUNTY OF MUSKEGON

The foregoing instrument was acknowledged before me this 23rd day of November, 1999, by FRED J. NIELSEN and GAIL A. KUNDINGER, Mayor and Clerk, respectively, of the CITY OF MUSKEGON, a municipal corporation, on behalf of the City.

PREPARED BY: G. Thomas Johnson, Parmenter O'Toole
175 W. Apple Ave., Muskegon, MI 49443-0786
WHEN RECORDED RETURN TO: Grantee
SEND SUBSEQUENT TAX BILLS TO: Grantee

Linda S. Potter
Linda S. Potter
Notary Public, Muskegon Co., MI
My commission expires: 7-25-02

Resolution No. 2002-101(j)

MUSKEGON CITY COMMISSION

**RESOLUTION APPROVING TWELVE MONTH EXTENSION TO COMPLETE
CONSTRUCTION OF A SINGLE-FAMILY HOME ON ADAMS Avenue**

WHEREAS, Bantam Group. has submitted a request for a time extension; and

WHEREAS, Bantam Group has submitted a construction plan to staff to complete construction of a home; and

WHEREAS, the completion of the new home will further enhance the ambiance of the City's residential area;

NOW THEREFORE BE IT RESOLVED, that Bantam Group be granted twelve months from this date to complete construction of a single-family home on Adams Avenue.

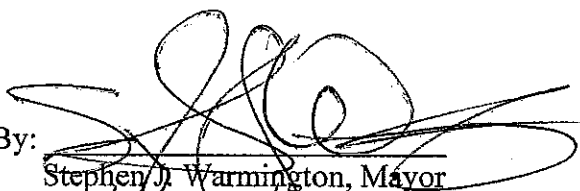
Adopted this 10th day of September, 2002

Ayes: Spataro, Warrington, Buie, Gawron, Larson, Schweifler

Nays: None

Absent Shepherd

By:


Stephen J. Warrington, Mayor

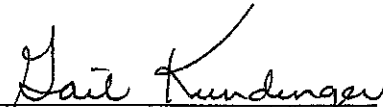
Attest:


Gail Kunderger, Clerk

CERTIFICATION

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, Michigan at a regular meeting held on September 10, 2002.

By:


Gail Kunderger, Clerk

Commission Meeting Date: September 10, 2002

Date: September 3, 2002
To: Honorable Mayor & City Commission
From: Planning & Economic Development Department *CBC*
RE: Sale of Buildable Vacant Lot on Oak Avenue

SUMMARY OF REQUEST:

To approve the sale of a vacant buildable lot at 1399 Oak Avenue (designated as parcel number 24-610-000-0076-00) described as URBAN RENEWAL PLAT NO 1 LOT 76 CITY OF MUSKEGON REVISED PLAT OF 1903 to Galloway Homes, L.L.C., of 6329 Red Rock Court, Muskegon, MI. The lot is 62 x 133.72 ft. and is being offered to Galloway Homes for \$7,501. They plans to use the land for the construction of a 1,260 sq. ft single-family home. The home will contain 3 bedrooms, a full basement, and a 2-stall attached garage. The appraised value of the lot is \$7,500 and the Galloway Homes submitted the only bid of \$7,501.

FINANCIAL IMPACT:

The sale of this lot for construction of a new home will generate additional tax revenue for the City and will place the property back on the City's tax rolls thus relieving the City of continued maintenance costs.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

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

COMMITTEE RECOMMENDATION:

Resolution No. 2002-101(k)

MUSKEGON CITY COMMISSION

RESOLUTION APPROVING THE SALE OF A BUILDABLE LOT AT 1399 OAK AVENUE
IN MARQUETTE NEIGHBORHOOD FOR \$7,501.

WHEREAS, Galloway Homes, L.L.C. has placed a \$400 deposit for the parcel designated as
parcel numbers 24-610-000-0076-00, located at 1399 Oak Avenue;

WHEREAS, Galloway Homes, L.L.C. has submitted the only bid of \$7,501 for the parcel
designated as parcel numbers 24-610-000-0076-00, located at 1399 Oak Avenue;

WHEREAS, the sale would generate additional tax revenue for the City and relieve the City of
further maintenance costs;

WHEREAS, the sale is consistent with City policy regarding the disposition of buildable lots;

NOW THEREFORE BE IT RESOLVED, that parcel number 24-610-000-0076-00, located at
1399 Oak Avenue be sold to the above-mentioned buyer.

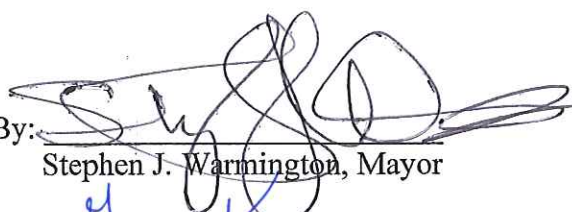
**URBAN RENEWAL PLAT NO 1, BLOCK 76 OF THE REVISED PLAT (OF 1903)
OF THE CITY OF MUSKEGON;**

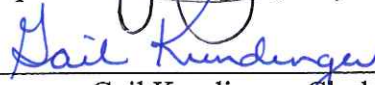
Adopted this 10th day of September, 2002

Ayes: Spataro, Warmington, Buie, Gawron, Larson, Schweifler

Nays: None

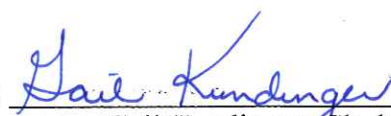
Absent Shepherd

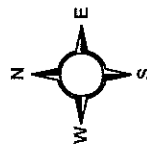
By: 
Stephen J. Warmington, Mayor

Attest: 
Gail Kunding, Clerk

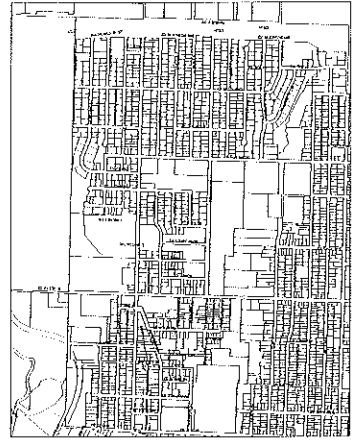
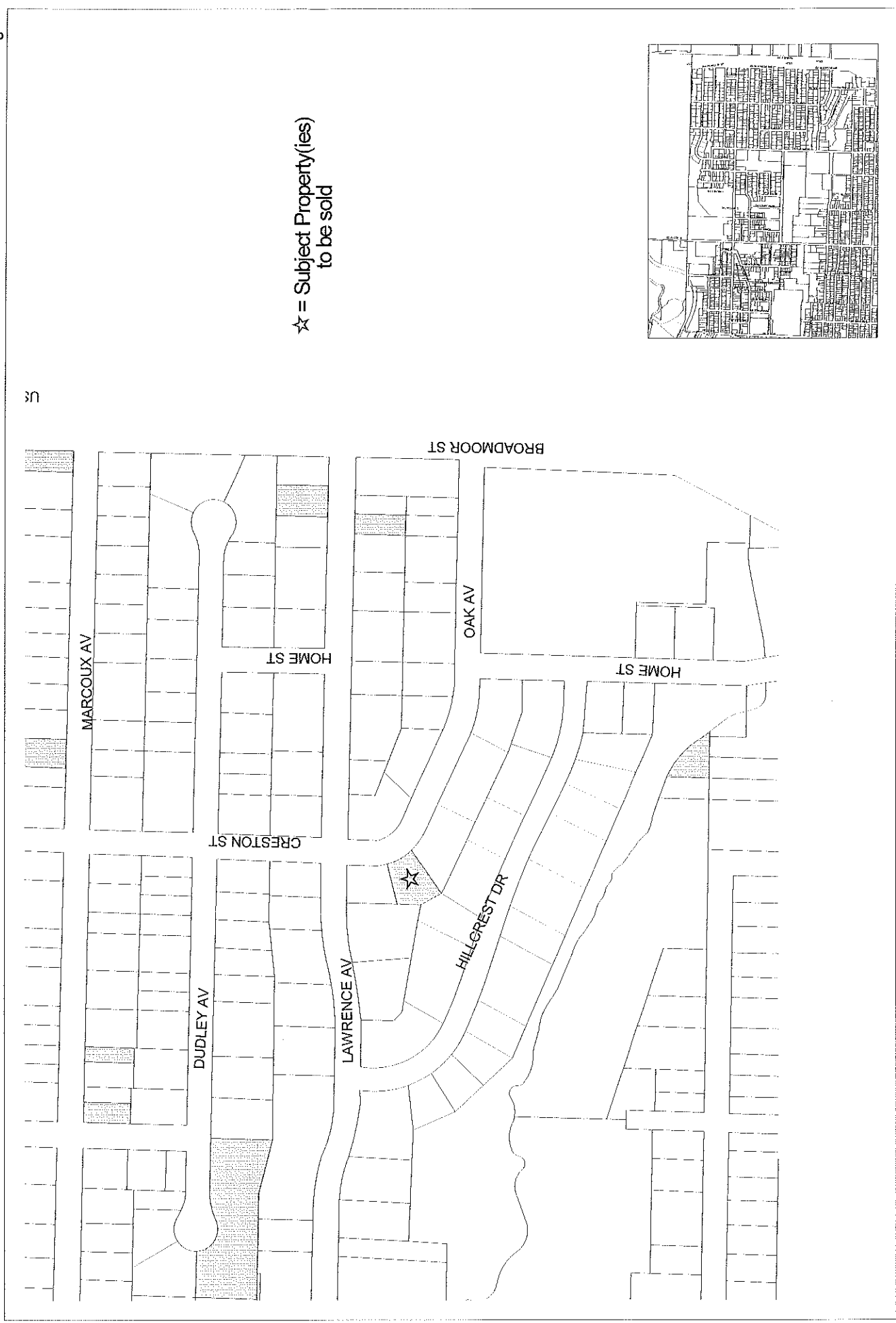
CERTIFICATION

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted
by the City Commission of the City of Muskegon, County of Muskegon, Michigan at a regular
meeting held on September 10, 2002.

By: 
Gail Kunding, Clerk



**Vacant Buildable City-Owned Lot
1399 Oak Avenue**



US

QUIT-CLAIM DEED

KNOW ALL MEN BY THESE PRESENTS: That the **CITY OF MUSKEGON**, a municipal corporation, of 933 Terrace Street, Muskegon, Michigan 49440,

QUIT CLAIMS to **GALLOWAY HOMES, L.L.C.**, a Michigan limited liability company, of 6329 Red Rock Court, Muskegon, MI 49444,

the following described premises situated in the City of Muskegon, County of Muskegon, State of Michigan, to wit:

CITY OF MUSKEGON URBAN RENEWAL PLAT NO. 1,
Lot 76
(1399 Oak Avenue)

for the sum of Seven Thousand Five Hundred One and no/100 Dollars (\$7,501.00).

PROVIDED, HOWEVER, Grantee, or its assigns, shall commence construction of one (1) single family home on the premises herein conveyed within eighteen (18) months after the date hereof. In default of such construction, title to the premises shall revert to the City of Muskegon free and clear of any claim of Grantee or its assigns. In addition, the City of Muskegon may retain the consideration for this conveyance free and clear of any claim of Grantee or its assigns. Buyer shall remove only those trees necessary for construction of the home and driveway. "Complete construction" means: (1) issuance of a residential building permit by the City of Muskegon; and, (2) in the sole opinion of the City of Muskegon's Director of Inspections, substantial completion of the dwelling described in the said building permit. In the event of reversion of title of the above described premises, improvements made thereon shall become the property of Grantor. Provided, further, that Grantee covenants that the parcel described above shall be improved with not more than one (1) single family home, and it shall be owner-occupied for five (5) years after the date of this deed. These covenants and conditions shall run with the land.

This deed is exempt from real estate transfer tax pursuant to the provisions of MCLA 207.505(h)(i) and MCLA 207.526 Sec. 6(h)(i).

Dated this 16th day of September, 2002.

Signed in the presence of:

Linda Potter
Linda Potter

Margaret M. Platt
Margaret M. Platt

CITY OF MUSKEGON

By [Signature]
Stephen J. Warmington, Its Mayor

and Gail A. Kunderger
Gail A. Kunderger, Its Clerk

STATE OF MICHIGAN
COUNTY OF MUSKEGON

The foregoing instrument was acknowledged before me this 16th day of September, 2002, by STEPHEN J. WARMINGTON and GAIL A. KUNDINGER, Mayor and Clerk, respectively, of the CITY OF MUSKEGON, a municipal corporation, on behalf of the City.

PREPARED BY: John C. Schrier
Parmenter O'Toole
175 W. Apple Avenue/P.O. Box 786
Muskegon, MI 49443-0786
Telephone: 231/722-1621

Linda S. Potter
Linda S. Potter, Notary Public
Muskegon County, Michigan
My Comm. Expires: 9-25-02

WHEN RECORDED RETURN TO: Grantees

SEND SUBSEQUENT TAX BILLS TO: Grantees

REAL ESTATE PURCHASE AGREEMENT

THIS AGREEMENT is made September 10, 2002, by and between the **CITY OF MUSKEGON**, a municipal corporation, with offices at 933 Terrace, Muskegon, Michigan 49440 (ASeller), and **GALLOWAY HOMES, L.L.C.**, a Michigan limited liability company, of 6329 Red Rock Court, Muskegon, MI 49444 ("Buyer").

1. **General Agreement and Description of Premises.** Seller agrees to sell, and Buyer agrees to buy, marketable record title of real estate, and all improvements thereon, with all beneficial easements, and with all of Seller's right, title and interest in all adjoining public ways, the real property located in the City of Muskegon, Muskegon County, Michigan ("Premises"), and specifically described as:

CITY OF MUSKEGON URBAN RENEWAL PLAT
NO. 1, LOT 76
(1399 Oak Avenue)

Subject to the reservations, restrictions and easements of record, provided said reservations, restrictions and easements of record are acceptable to Buyer upon disclosure and review of the same, and subject to any governmental inspections required by law.

2. **Purchase Price and Manner of Payment.** The purchase price for the Premises shall be Seven Thousand Five Hundred One and no/100 Dollars (\$7,501.00).

3. **Taxes and Assessments.** All taxes and assessments that are due and payable at the time of Closing shall be paid by Seller prior to or at Closing. All taxes and special assessments that become due and payable after Closing shall be the responsibility of Buyer.

4. **Title Insurance.** Seller agrees to deliver to Buyer's attorney, ten (10) days prior to closing, a commitment for title insurance, issued by Transnation Title Insurance Company, for an amount not less than the purchase price stated in this Agreement, guaranteeing title on the conditions required herein. In the event the reservations, restrictions or easements of record disclosed by said title commitment is, in the sole discretion of Buyer, deemed unreasonable, Seller shall have forty-five (45) days from the date Seller is notified in writing of such unreasonableness of restriction and such unmarketability of title, to remedy such objections. If Seller resolves such restrictions and remedies the title (by obtaining satisfactory title insurance or otherwise) within the time specified, Buyer agrees to complete this sale as herein provided, within ten (10) days of written notification thereof. If Seller fails to resolve such restrictions or remedy the title within the time above specified or fails to obtain satisfactory title insurance, this Agreement will be terminated at Buyer's option. The premium for the owner's title policy shall be paid by Seller.

5. **Covenant to Construct Improvements and Use.** Buyer acknowledges that, as part of the consideration inuring to the City, Buyer covenants and agrees to construct on the

premises a single-family home, up to all codes, within eighteen (18) months of the closing of this transaction. Buyer may only remove those trees necessary for construction of the home and driveway. The home shall be substantially completed within eighteen (18) months and, in the event said substantial completion has not occurred, or the restriction of this paragraph relating to tree removal is violated, in the sole judgment of the City, the property and all improvements then installed shall revert in title to the City, without any compensation or credit to Buyer. Buyer further covenants that the home shall be owner occupied for five (5) years after the closing. The covenants in this paragraph shall survive the closing and run with the land.

6. **Survey.** Buyer at its own expense may obtain a survey of the Premises, and Buyer or its surveyor or other agents may enter the Premises for that purpose prior to Closing. If no survey is obtained, Buyer agrees that Buyer is relying solely upon Buyer's own judgment as to the location, boundaries and area of the Premises and improvements thereon without regard to any representations that may have been made by Seller or any other person. In the event that a survey by a registered land surveyor made prior to closing discloses an encroachment or substantial variation from the presumed land boundaries or area, Seller shall have the option of effecting a remedy within thirty (30) days after disclosure, or tendering Buyer's deposit in full termination of this Purchase Agreement, and paying the cost of such survey. Buyer may elect to purchase the Premises subject to said encroachment or variation.

7. **Condition of Premises and Examination by Buyer.** NO IMPLIED WARRANTIES OF HABITABILITY, QUALITY, CONDITION, FITNESS FOR A PARTICULAR PURPOSE, OR ANY OTHER IMPLIED WARRANTIES SHALL OPERATE BETWEEN SELLER AND BUYER, AND BUYER EXPRESSLY WAIVES ANY AND ALL SUCH IMPLIED WARRANTIES. BUYER UNDERSTANDS AND AGREES THAT THE PREMISES ARE TAKEN "AS IS," SUBJECT TO THE EXPRESS COVENANTS, CONDITIONS AND/OR EXPRESS WARRANTIES CONTAINED IN THIS PURCHASE AGREEMENT. BUYER FURTHER SAYS THAT HE HAS PERSONALLY INSPECTED THE PREMISES AND IS SATISFIED WITH THE CONDITION OF THE LAND, AND THE BUILDINGS AND IMPROVEMENTS THEREON, AND THAT THE PROPERTY IS BEING PURCHASED AS A RESULT OF SUCH INSPECTION AND INVESTIGATION AND NOT DUE TO ANY REPRESENTATIONS MADE BY OR ON BEHALF OF SELLER. SELLER KNOWS OF NO HAZARDOUS SUBSTANCES OR CONTAMINATION, AND BUYER WAIVES ANY CLAIM AGAINST SELLER IN THE EVENT SUCH SUBSTANCES ARE FOUND.

8. **Real Estate Commission.** Buyer and Seller both acknowledge and agree that neither has dealt with any real estate agents, brokers or salespersons regarding this sale, and that no agent, broker, salesperson or other party is entitled to a real estate commission upon the closing of this sale. Buyer and Seller both agree to indemnify and hold the other harmless from any liability, including reasonable attorney fees, occasioned by reason of any person or entity asserting a claim for a real estate commission arising from actions taken by the other party.

9. **Closing.** The closing date of this sale shall be on or before _____, 2002 ("Closing"). The Closing shall be conducted at Transnation Title Insurance Company, 570 Seminole Road, Ste. 102, Muskegon, MI 49444. If necessary, the parties shall execute an IRS closing report at the Closing.

10. **Delivery of Deed.** Seller shall execute and deliver a quit claim deed to Buyer at Closing for the Premises.

11. **Affidavit of Title.** At the Closing, Seller shall deliver to Buyer an executed Affidavit of Title.

12. **Date of Possession.** Possession of Premises is to be delivered to Buyer by Seller on the date of Closing.

13. **Costs.** Seller shall be responsible to pay the Michigan transfer tax, if any, in the amount required by law. In addition, Seller shall be responsible to pay for the recording of any instrument that must be recorded to clear title to the Premises, to the extent required by this Agreement.

Buyer shall pay for the cost of recording the deed to be delivered at Closing.

14. **General Provisions.**

a. **Paragraph Headings.** The paragraph headings are inserted in this Agreement only for convenience.

b. **Pronouns.** When applicable, pronouns and relative words shall be read as plural, feminine or neuter.

c. **Merger.** It is understood and agreed that all understandings and agreements previously made between Buyer and Seller are merged into this Agreement, which alone fully and completely expresses the agreement of the parties.

d. **Governing Law.** This Agreement shall be interpreted and enforced pursuant to the laws of the State of Michigan.

e. **Successors.** All terms and conditions of this Agreement shall be binding upon the parties, their successors and assigns.

f. **Severability.** In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision(s) had never been contained herein.

g. **Survival of Representations and Warranties.** The representations, warranties, covenants and agreements contained in this Agreement and in any instrument provided for herein shall survive the Closing and continue in full force and effect after the consummation of this purchase and sale.

h. **Modification of the Agreement.** This Agreement shall not be amended except by a writing signed by Seller and Buyer.

The parties have executed this Real Estate Purchase Agreement the day and year first above written.

WITNESSES:

Linda Potter
Linda Potter

Margaret M. Platt
Margaret M. Platt

SELLER: CITY OF MUSKEGON

By [Signature]
Stephen J. Warmington, Mayor

Gail A. Kunderger
Gail A. Kunderger, Clerk

BUYER:

GALLOWAY HOMES, L.L.C., a Michigan
limited liability company

By [Signature]

Its _____

EIN No.: _____

Lonna Aguila
Lonna Aguila

[Signature]
Nora Griffith

TRANSNATION TITLE INSURANCE COMPANY
570 Seminole Road
Muskegon MI 49444

Date: September 25, 2002
Escrow Number: 421730

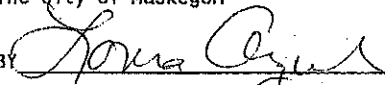
Property Address: 1399 Oak Avenue
Muskegon, Michigan 49442

	SELLER'S STATEMENT	
	DEBIT	CREDIT
Purchase Price	\$	\$ 7,501.00
EXISTING LOAN		
Deposit of earnest money	400.00	
CLOSING FEES	250.00	
OWNERS PREMIUM	190.00	
Real Estate Commission		
Sub Total	\$ 840.00	\$ 7,501.00
Amount due Seller	\$ 6,661.00	
TOTALS	\$ 7,501.00	\$ 7,501.00

The undersigned Sellers acknowledge Receipt of a copy of this statement and agree to the correctness thereof, and ratifies the disbursement of the funds as stated therein.

Seller(s) Signature(s):

The City of Muskegon

BY 
Lonna Anguilm, Assistant Planner

MUSKEGON REAL ESTATE BOARD
ADDENDUM TO BUY and SELL AGREEMENT

Date: September 25, 2002.

Office of Phone REALTOR, MUSKEGON, MI

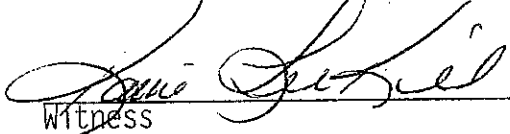
1. Addendum to Buy Sell Agreement dated covering property at 1399 Oak Avenue, Muskegon, Michigan 49442 and legally described as:

Lot 76, Muskegon Urban Renewal Plat No. 1, as recorded in Liber 19 of Plats, Page 6, Muskegon County Records.

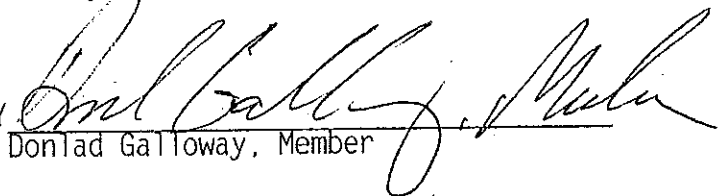
2. This Addendum to be an integral part of attached Buy and Sell Agreement, which is amended as follows:

The buyer has deposited \$400 with the seller. Seller will pay title company closing fee.

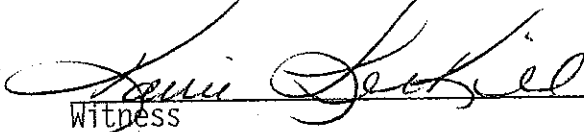
3. RECEIPT IS ACKNOWLEDGED BY BUYER of a copy of this Agreement.


Witness

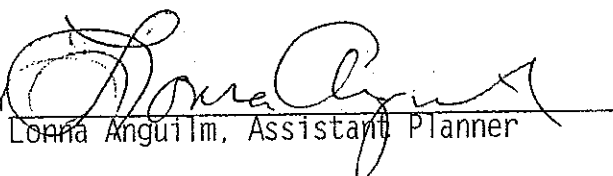
Galloway Homes, L.L.C.,

BY 
Donald Galloway, Member

4. RECEIPT IS ACKNOWLEDGED BY SELLER of a copy of this Agreement.


Witness

The City of Muskegon

BY 
Donna Anguillini, Assistant Planner

SURVEY WAIVER

Date: September 25, 2002

RE: 421730

To: TRANSNATION TITLE INSURANCE COMPANY

570 Seminole Road

Muskegon MI 49444

Property Address:

1399 Oak Avenue

Muskegon, Michigan 49442

County: Muskegon

We, the undersigned, purchasers and sellers, of the above captioned property, acknowledge we have been strongly advised by you to obtain a land survey showing the dimensions of the property and the location of all buildings situated thereon.

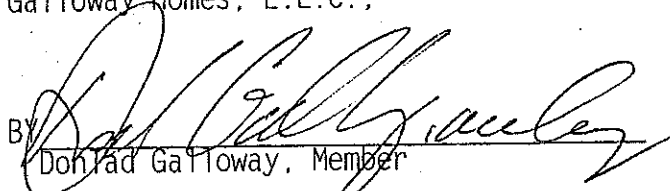
We have decided, completely of our own volition, not to obtain a survey and wish to complete the transaction without the recommended survey.

We hereby release TRANSNATION TITLE INSURANCE COMPANY and, its employees and/or agents, from any responsibility and/or liability concerning or pertaining to survey matters, including, but not limited to size of lot or land, location of boundary line, location of building and encroachments.

PURCHASER(S):

Galloway Homes, L.L.C.,

BY


Donald Galloway, Member

SELLER(S):

The City of Muskegon

BY


Lonna Anguilm, Assistant Planner

FILE # 421730

DATE: September 25th 2002

PROPERTY ADDRESS: 1399 Oak Avenue

The undersigned hereby acknowledge receipt of a Request to Rescind/Withdraw Homestead Exemption form (Michigan Department of Treasury Form No. 2602) as same is required by Public Act 237 of 1994.

Please check one of the following:

 The undersigned do not request Transnation Title Insurance Company to file the form on their behalf.

 The undersigned have fully and properly completed the forms and request that Transnation Title Insurance Company file the form with the appropriate local tax collecting unit. The undersigned acknowledge and agree that the Company will mail the form by first class mail, and that the Company shall not be liable in the event that any of the information provided on said form is inaccurate or incomplete, or in the event that said form is not received or properly processed by the local tax collecting unit.

SELLER(S) :

The City of Muskegon

BY

Lonna Anguilm Assistant Planner

AFFIDAVIT OF TITLE

STATE OF MICHIGAN
COUNTY OF Muskegon

Title Commitment # 421730

SS

That The City of Muskegon a Michigan Municipal Corporation being first duly sworn on oath says that they are the true and lawful owner(s) of the premises located at:

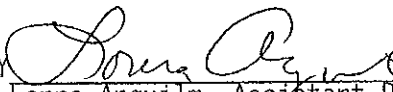
1399 Oak Avenue
Muskegon, Michigan 49442

AND

1. That on this date hereof there is no mechanic's lien on the property and that no work has been done, or materials furnished, out of which a mechanic's lien could ripen.
2. That no agreement is in effect which would adversely affect the title to the property such as a purchase agreement, lease, land contract, option, etc. other than the contract with the grantees in a certain deed of even date hereof.
3. That the parties in possession other than the affiant(s) are bona fide tenants only and have no other interest in the premises whatsoever.
4. That there are no judgments or liens against affiant(s), including income tax liens, adversely affecting the title to said property.
5. That there are no unpaid taxes, special assessments or water bills outstanding other than those shown on the closing statement.
6. That any overlooked, unknown, or misquoted taxes, special assessments, water bills, mortgage deficiencies, etc. shall be immediately paid by affiant(s) as soon as informed of such.

Seller(s):

The City of Muskegon

BY 
Lonna Anguilm, Assistant Planner

Subscribed and sworn to, before me a Notary Public, this 25th day of September, 2002


Notary Public _____ County _____
KARRIE LEE KIEL
My Commission Expires _____
Notary Public, Muskegon County, MI
My Commission Expires Jul 4, 2004

Commission Meeting Date: September 10, 2002

Date: September 3, 2002
To: Honorable Mayor & City Commission
From: Planning & Economic Development Department *CBC*
RE: Sale of Buildable Vacant Lot on Marcoux Avenue

SUMMARY OF REQUEST:

To approve the sale of a vacant buildable lot at 1436 Marcoux Avenue (designated as parcel number 24-611-000-0204-00) described as URBAN RENEWAL PLAT NO 2 LOT 204 CITY OF MUSKEGON REVISED PLAT OF 1903 to Galloway Homes, L.L.C., of 6329 Red Rock Court, Muskegon, MI. The lot is 72 x 131.85 ft. and is being offered to Galloway Homes for \$7,111. They plans to use the land for the construction of a 1,260 sq. ft single-family home. The home will contain 3 bedrooms, a full basement, and a 2-stall attached garage. The appraised value of the lot is \$7,000 and the Galloway Homes submitted the only bid of \$7,111.

FINANCIAL IMPACT:

The sale of this lot for construction of a new home will generate additional tax revenue for the City and will place the property back on the City's tax rolls thus relieving the City of continued maintenance costs.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

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

COMMITTEE RECOMMENDATION:

Resolution No. 2002-101(1)

MUSKEGON CITY COMMISSION

RESOLUTION APPROVING THE SALE OF A BUILDABLE LOT AT 1436 MARCOUX AVENUE IN MARQUETTE NEIGHBORHOOD FOR \$7,111.

WHEREAS, Galloway Homes, L.L.C. has placed a \$400 deposit for the parcel designated as parcel numbers 24-611-000-0204-00, located at 1436 Marcoux Avenue;

WHEREAS, Galloway Homes, L.L.C. has submitted the only bid of \$7,111 for the parcel designated as parcel numbers 24-611-000-0201-00, located at 1436 Marcoux Avenue;

WHEREAS, the sale would generate additional tax revenue for the City and relieve the City of further maintenance costs;

WHEREAS, the sale is consistent with City policy regarding the disposition of buildable lots;

NOW THEREFORE BE IT RESOLVED, that parcel number 24-611-000-0204-00, located at 1436 Marcoux Avenue be sold to the above-mentioned buyer.

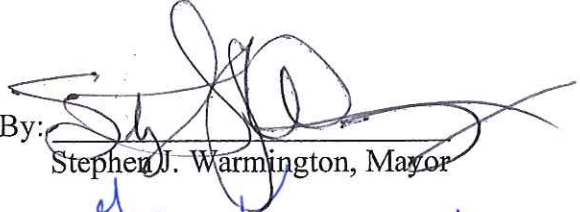
URBAN RENEWAL PLAT NO 2, BLOCK 204 OF THE REVISED PLAT (OF 1903) OF THE CITY OF MUSKEGON;

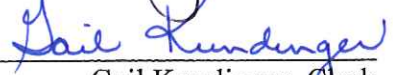
Adopted this 10th day of September, 2002

Ayes: Spataro, Warmington, Buie, Gawron, Larson, Schweifler

Nays: None

Absent: Shepherd

By: 
Stephen J. Warmington, Mayor

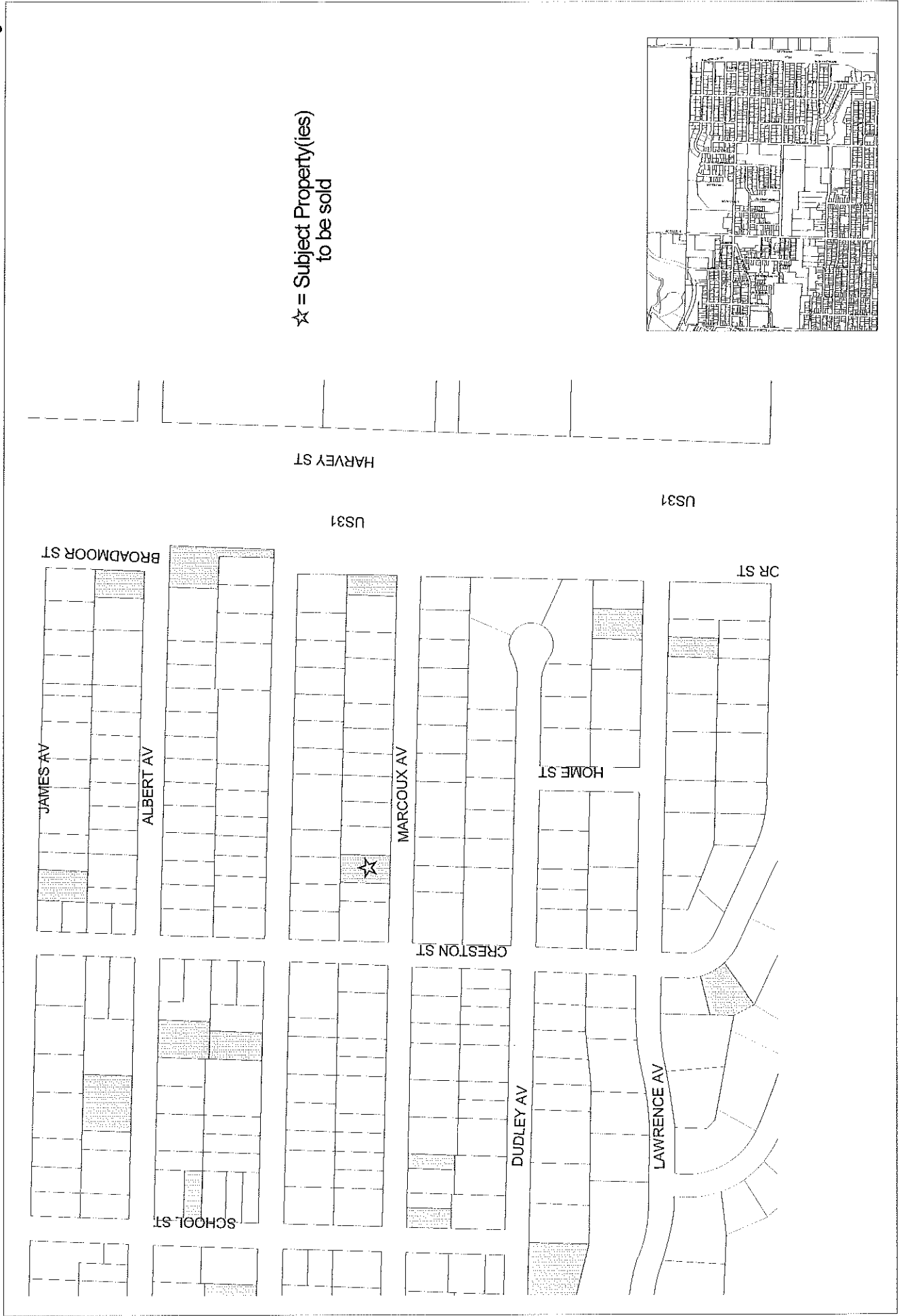
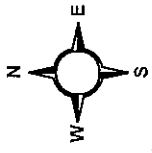
Attest: 
Gail Kunderinger, Clerk

CERTIFICATION

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, Michigan at a regular meeting held on September 10, 2002.

By: 
Gail Kunderinger, Clerk

Vacant Buildable City-Owned Lot 1436 Marcoux Avenue



QUIT-CLAIM DEED

KNOW ALL MEN BY THESE PRESENTS: That the **CITY OF MUSKEGON**, a municipal corporation, of 933 Terrace Street, Muskegon, Michigan 49440,

QUIT CLAIMS to **GALLOWAY HOMES, L.L.C.**, a Michigan limited liability company, of 6329 Red Rock Court, Muskegon, MI 49444,

the following described premises situated in the City of Muskegon, County of Muskegon, State of Michigan, to wit:

CITY OF MUSKEGON URBAN RENEWAL PLAT NO. 2,
Lot 204
(1436 Marcoux Avenue)

for the sum of Seven Thousand One Hundred Eleven and no/100 Dollars (\$7,111.00).

PROVIDED, HOWEVER, Grantee, or its assigns, shall commence construction of one (1) single family home on the premises herein conveyed within eighteen (18) months after the date hereof. In default of such construction, title to the premises shall revert to the City of Muskegon free and clear of any claim of Grantee or its assigns. In addition, the City of Muskegon may retain the consideration for this conveyance free and clear of any claim of Grantee or its assigns. Buyer shall remove only those trees necessary for construction of the home and driveway. "Complete construction" means: (1) issuance of a residential building permit by the City of Muskegon; and, (2) in the sole opinion of the City of Muskegon's Director of Inspections, substantial completion of the dwelling described in the said building permit. In the event of reversion of title of the above described premises, improvements made thereon shall become the property of Grantor. Provided, further, that Grantee covenants that the parcel described above shall be improved with not more than one (1) single family home, and it shall be owner-occupied for five (5) years after the date of this deed. These covenants and conditions shall run with the land.

This deed is exempt from real estate transfer tax pursuant to the provisions of MCLA 207.505(h)(i) and MCLA 207.526 Sec. 6(h)(i).

Dated this 16th day of September, 2002.

Signed in the presence of:

Linda Potter
Linda Potter

Margaret M. Platt
Margaret M. Platt

CITY OF MUSKEGON

By

Stephen J. Warmington, Its Mayor

and

Gail A. Kunding, Its Clerk

STATE OF MICHIGAN
COUNTY OF MUSKEGON

The foregoing instrument was acknowledged before me this 16th day of September, 2002, by STEPHEN J. WARMINGTON and GAIL A. KUNDINGER, Mayor and Clerk, respectively, of the CITY OF MUSKEGON, a municipal corporation, on behalf of the City.

PREPARED BY: John C. Schrier
Parmenter O'Toole
175 W. Apple Avenue/P.O. Box 786
Muskegon, MI 49443-0786
Telephone: 231/722-1621

Linda S. Potter
Linda S. Potter, Notary Public
Muskegon County, Michigan
My Comm. Expires: 9-25-02

WHEN RECORDED RETURN TO: Grantees

SEND SUBSEQUENT TAX BILLS TO: Grantees

REAL ESTATE PURCHASE AGREEMENT

THIS AGREEMENT is made September 10, 2002, by and between the **CITY OF MUSKEGON**, a municipal corporation, with offices at 933 Terrace, Muskegon, Michigan 49440 (ASeller $\equiv$), and **GALLOWAY HOMES, L.L.C.**, a Michigan limited liability company, of 6329 Red Rock Court, Muskegon, MI 49444 ("Buyer").

1. **General Agreement and Description of Premises.** Seller agrees to sell, and Buyer agrees to buy, marketable record title of real estate, and all improvements thereon, with all beneficial easements, and with all of Seller's right, title and interest in all adjoining public ways, the real property located in the City of Muskegon, Muskegon County, Michigan ("Premises"), and specifically described as:

CITY OF MUSKEGON URBAN RENEWAL PLAT
NO. 2, Lot 204
(1436 Marcoux Avenue)

Subject to the reservations, restrictions and easements of record, provided said reservations, restrictions and easements of record are acceptable to Buyer upon disclosure and review of the same, and subject to any governmental inspections required by law.

2. **Purchase Price and Manner of Payment.** The purchase price for the Premises shall be Seven Thousand One Hundred Eleven and no/100 Dollars (\$7,111.00).

3. **Taxes and Assessments.** All taxes and assessments that are due and payable at the time of Closing shall be paid by Seller prior to or at Closing. All taxes and special assessments that become due and payable after Closing shall be the responsibility of Buyer.

4. **Title Insurance.** Seller agrees to deliver to Buyer's attorney, ten (10) days prior to closing, a commitment for title insurance, issued by Transnation Title Insurance Company, for an amount not less than the purchase price stated in this Agreement, guaranteeing title on the conditions required herein. In the event the reservations, restrictions or easements of record disclosed by said title commitment is, in the sole discretion of Buyer, deemed unreasonable, Seller shall have forty-five (45) days from the date Seller is notified in writing of such unreasonableness of restriction and such unmarketability of title, to remedy such objections. If Seller resolves such restrictions and remedies the title (by obtaining satisfactory title insurance or otherwise) within the time specified, Buyer agrees to complete this sale as herein provided, within ten (10) days of written notification thereof. If Seller fails to resolve such restrictions or remedy the title within the time above specified or fails to obtain satisfactory title insurance, this Agreement will be terminated at Buyer's option. The premium for the owner's title policy shall be paid by Seller.

5. **Covenant to Construct Improvements and Use.** Buyer acknowledges that, as part of the consideration inuring to the City, Buyer covenants and agrees to construct on the

premises a single-family home, up to all codes, within eighteen (18) months of the closing of this transaction. Buyer may only remove those trees necessary for construction of the home and driveway. The home shall be substantially completed within eighteen (18) months and, in the event said substantial completion has not occurred, or the restriction of this paragraph relating to tree removal is violated, in the sole judgment of the City, the property and all improvements then installed shall revert in title to the City, without any compensation or credit to Buyer. Buyer further covenants that the home shall be owner occupied for five (5) years after the closing. The covenants in this paragraph shall survive the closing and run with the land.

6. **Survey.** Buyer at its own expense may obtain a survey of the Premises, and Buyer or its surveyor or other agents may enter the Premises for that purpose prior to Closing. If no survey is obtained, Buyer agrees that Buyer is relying solely upon Buyer's own judgment as to the location, boundaries and area of the Premises and improvements thereon without regard to any representations that may have been made by Seller or any other person. In the event that a survey by a registered land surveyor made prior to closing discloses an encroachment or substantial variation from the presumed land boundaries or area, Seller shall have the option of effecting a remedy within thirty (30) days after disclosure, or tendering Buyer's deposit in full termination of this Purchase Agreement, and paying the cost of such survey. Buyer may elect to purchase the Premises subject to said encroachment or variation.

7. **Condition of Premises and Examination by Buyer.** NO IMPLIED WARRANTIES OF HABITABILITY, QUALITY, CONDITION, FITNESS FOR A PARTICULAR PURPOSE, OR ANY OTHER IMPLIED WARRANTIES SHALL OPERATE BETWEEN SELLER AND BUYER, AND BUYER EXPRESSLY WAIVES ANY AND ALL SUCH IMPLIED WARRANTIES. BUYER UNDERSTANDS AND AGREES THAT THE PREMISES ARE TAKEN "AS IS," SUBJECT TO THE EXPRESS COVENANTS, CONDITIONS AND/OR EXPRESS WARRANTIES CONTAINED IN THIS PURCHASE AGREEMENT. BUYER FURTHER SAYS THAT HE HAS PERSONALLY INSPECTED THE PREMISES AND IS SATISFIED WITH THE CONDITION OF THE LAND, AND THE BUILDINGS AND IMPROVEMENTS THEREON, AND THAT THE PROPERTY IS BEING PURCHASED AS A RESULT OF SUCH INSPECTION AND INVESTIGATION AND NOT DUE TO ANY REPRESENTATIONS MADE BY OR ON BEHALF OF SELLER. SELLER KNOWS OF NO HAZARDOUS SUBSTANCES OR CONTAMINATION, AND BUYER WAIVES ANY CLAIM AGAINST SELLER IN THE EVENT SUCH SUBSTANCES ARE FOUND.

8. **Real Estate Commission.** Buyer and Seller both acknowledge and agree that neither has dealt with any real estate agents, brokers or salespersons regarding this sale, and that no agent, broker, salesperson or other party is entitled to a real estate commission upon the closing of this sale. Buyer and Seller both agree to indemnify and hold the other harmless from any liability, including reasonable attorney fees, occasioned by reason of any person or entity asserting a claim for a real estate commission arising from actions taken by the other party.

9. **Closing.** The closing date of this sale shall be on or before _____, 2002 ("Closing"). The Closing shall be conducted at Transnation Title Insurance Company, 570 Seminole Road, Ste. 102, Muskegon, MI 49444. If necessary, the parties shall execute an IRS closing report at the Closing.

10. **Delivery of Deed.** Seller shall execute and deliver a quit claim deed to Buyer at Closing for the Premises.

11. **Affidavit of Title.** At the Closing, Seller shall deliver to Buyer an executed Affidavit of Title.

12. **Date of Possession.** Possession of Premises is to be delivered to Buyer by Seller on the date of Closing.

13. **Costs.** Seller shall be responsible to pay the Michigan transfer tax, if any, in the amount required by law. In addition, Seller shall be responsible to pay for the recording of any instrument that must be recorded to clear title to the Premises, to the extent required by this Agreement.

Buyer shall pay for the cost of recording the deed to be delivered at Closing.

14. **General Provisions.**

a. **Paragraph Headings.** The paragraph headings are inserted in this Agreement only for convenience.

b. **Pronouns.** When applicable, pronouns and relative words shall be read as plural, feminine or neuter.

c. **Merger.** It is understood and agreed that all understandings and agreements previously made between Buyer and Seller are merged into this Agreement, which alone fully and completely expresses the agreement of the parties.

d. **Governing Law.** This Agreement shall be interpreted and enforced pursuant to the laws of the State of Michigan.

e. **Successors.** All terms and conditions of this Agreement shall be binding upon the parties, their successors and assigns.

f. **Severability.** In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision(s) had never been contained herein.

g. **Survival of Representations and Warranties.** The representations, warranties, covenants and agreements contained in this Agreement and in any instrument provided for herein shall survive the Closing and continue in full force and effect after the consummation of this purchase and sale.

h. **Modification of the Agreement.** This Agreement shall not be amended except by a writing signed by Seller and Buyer.

The parties have executed this Real Estate Purchase Agreement the day and year first above written.

WITNESSES:

Linda Potter
Linda Potter

Margaret M. Platt
Margaret M. Platt

SELLER: CITY OF MUSKEGON

By [Signature]
Stephen J. Warrington, Mayor

Gail A. Kunderger
Gail A. Kunderger, Clerk

BUYER:

GALLOWAY HOMES, L.L.C., a Michigan
limited liability company

By [Signature]

Its _____
EIN No.: _____

Lonna Anguila
Lonna Anguila

Hope Griffith
Hope Griffith

Clock

TRANSACTION TITLE INSURANCE COMPANY
570 Seminole Road
Muskegon MI 49444

Date: September 25, 2002
Escrow Number: 421731

Property Address: 1436 Marcoux Avenue
Muskegon, Michigan 49442

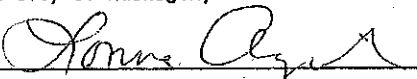
	SELLER'S STATEMENT	
	DEBIT	CREDIT
Purchase Price	\$	\$ 7,111.00
EXISTING LOAN		
Deposit of earnest money	400.00	
CLOSING FEES	250.00	
OWNERS PREMIUM	190.00	
Real Estate Commission		
Sub Total	\$ 840.00	\$ 7,111.00
Amount due Seller	\$ 6,271.00	
TOTALS	\$ 7,111.00	\$ 7,111.00

The undersigned Sellers acknowledge Receipt of a copy of this statement and agree to the correctness thereof, and ratifies the disbursement of the funds as stated therein.

Seller(s) Signature(s):

The City of Muskegon,

BY


Lonna Anguilm, Assistant Planner

AFFIDAVIT OF TITLE

STATE OF MICHIGAN

COUNTY OF Muskegon

SS

Title Commitment # 421731

That The City of Muskegon, a Michigan Municipal Corporation being first duly sworn on oath says that they are the true and lawful owner(s) of the premises located at:

1436 Marcoux Avenue
Muskegon, Michigan 49442

AND

1. That on this date hereof there is no mechanic's lien on the property and that no work has been done, or materials furnished, out of which a mechanic's lien could ripen.
2. That no agreement is in effect which would adversely affect the title to the property such as a purchase agreement, lease, land contract, option, etc. other than the contract with the grantees in a certain deed of even date hereof.
3. That the parties in possession other than the affiant(s) are bona fide tenants only and have no other interest in the premises whatsoever.
4. That there are no judgments or liens against affiant(s), including income tax liens, adversely affecting the title to said property.
5. That there are no unpaid taxes, special assessments or water bills outstanding other than those shown on the closing statement.
6. That any overlooked, unknown, or misquoted taxes, special assessments, water bills, mortgage deficiencies, etc. shall be immediately paid by affiant(s) as soon as informed of such.

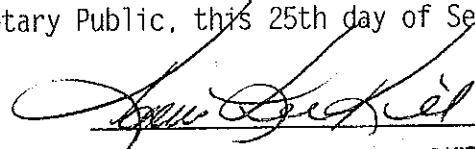
Seller(s):

The City of Muskegon.

BY


Lonna Anguilm, Assistant Planner

Subscribed and sworn to, before me a Notary Public, this 25th day of September, 2002


Notary Public KARRIE LEE KIEL
Notary Public, Muskegon County, MI. County
My Commission Expires Jul 4, 2004

FILE # 421731

DATE: September 25th 2002

PROPERTY ADDRESS: 1436 Marcoux Avenue

The undersigned hereby acknowledge receipt of a Request to Rescind/Withdraw Homestead Exemption form (Michigan Department of Treasury Form No. 2602) as same is required by Public Act 237 of 1994.

Please check one of the following:

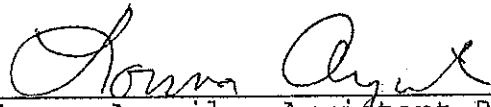
 The undersigned do not request Transnation Title Insurance Company to file the form on their behalf.

 The undersigned have fully and properly completed the forms and request that Transnation Title Insurance Company file the form with the appropriate local tax collecting unit. The undersigned acknowledge and agree that the Company will mail the form by first class mail, and that the Company shall not be liable in the event that any of the information provided on said form is inaccurate or incomplete, or in the event that said form is not received or properly processed by the local tax collecting unit.

SELLER(S):

The City of Muskegon,

BY


Lonna Anguilm, Assistant Planner

SURVEY WAIVER

Date: September 25, 2002

RE: 421731

To: TRANSNATION TITLE INSURANCE COMPANY
570 Seminole Road
Muskegon MI 49444

Property Address:
1436 Marcoux Avenue
Muskegon, Michigan 49442
County: Muskegon

We, the undersigned, purchasers and sellers, of the above captioned property, acknowledge we have been strongly advised by you to obtain a land survey showing the dimensions of the property and the location of all buildings situated thereon.

We have decided, completely of our own volition, not to obtain a survey and wish to complete the transaction without the recommended survey.

We hereby release TRANSNATION TITLE INSURANCE COMPANY and, its employees and/or agents, from any responsibility and/or liability concerning or pertaining to survey matters, including, but not limited to size of lot or land, location of boundary line, location of building and encroachments.

PURCHASER(S):

Galloway Homes, L.L.C.,

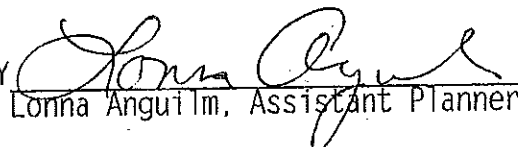
SELLER(S):

The City of Muskegon.

BY


Donald Galloway, Member

BY


Lonna Anguilm, Assistant Planner

MUSKEGON REAL ESTATE BOARD
ADDENDUM TO BUY and SELL AGREEMENT

Date: September 25, 2002.

Office of Phone REALTOR, MUSKEGON, MI

1. Addendum to Buy Sell Agreement dated covering property at 1436 Marcoux Avenue, Muskegon, Michigan 49442 and legally described as:

Lot 204, Muskegon Urban Renewal Plat No. 2, as recorded in Liber 19 of Plats, Page 13, Muskegon County Records.

2. This Addendum to be an integral part of attached Buy and Sell Agreement, which is amended as follows:

Buyer has given seller \$400 deposit. Seller will pay title company closing fee.

3. RECEIPT IS ACKNOWLEDGED BY BUYER of a copy of this Agreement.

Galloway Homes, L.L.C.,

BY Paul Galloway, member
Donald Galloway, Member

4. RECEIPT IS ACKNOWLEDGED BY SELLER of a copy of this Agreement.

The City of Muskegon,

BY Lonna Anguillm
Lonna Anguillm, Assistant Planner

Date: September 10, 2002

To: Honorable Mayor and City Commissioners

From: Finance Director

RE: 2003 Budget Adoption

SUMMARY OF REQUEST: This is the time set for a public hearing on the City's proposed budget for the year 2003. The proposed 2003 budget has been made available for public inspection at City Hall, Hackley Public Library and the City's website (www.shorelinecity.com) since September 1st. After hearing public comments, the City Commission may take action to adopt the 2003 budget with whatever changes or adjustments it deems necessary. In any event, City Charter requires the 2003 budget be adopted no later than September 25, 2002. The attached resolution is updated to reflect changes discussed at the 9/09/02 work session. Specifically: 1) \$15,000 is added to the Recreation budget for small grants and, 2) \$30,000 is deleted from Parks Maintenance to reflect anticipated shifting of responsibility for maintenance of Veteran's Memorial Park.

FINANCIAL IMPACT: The budget sets forth the priorities and overall financial plan for operations in the year 2003. As proposed, the budget includes no property tax increase.

BUDGET ACTION REQUIRED: Adoption of the attached budget resolution provides the legal appropriation authority necessary for City departments to conduct operations in 2003.

STAFF RECOMMENDATION: After receiving comments, close the public hearing and approve the proposed 2003 City of Muskegon Budget resolution that is attached. Also, approval of the 3rd Quarter 2002 Budget Reforecast as shown in the Budget Book is recommended at this time.

COMMITTEE RECOMMENDATION: The Committee of the Whole will review the budget at their September 9th work session.

CITY OF MUSKEGON
RESOLUTION OF APPROPRIATION
2003 BUDGET

2002-102(a)

WHEREAS, the City Manager has submitted a proposed Budget for 2003 in accordance with the City Charter and Michigan Public Act 621 of 1978 known as the "Uniform Budgeting and Accounting Act"; and,

WHEREAS, the 2003 proposed Budget has been reviewed by the City Commission following a public hearing for which due notice was given; NOW, THEREFORE, BE IT RESOLVED that the Budget for the City of Muskegon for the fiscal year beginning January 1, 2003 is hereby determined and adopted as follows:

GENERAL FUND

<u>FUND ACTIVITY NUMBER</u>	<u>FUND/ACTIVITY NAME</u>	<u>AMOUNT</u>
101-10101	City Commission	131,757
101-10102	City Promotions & Public Relations	45,572
101-10145	City Attorney	424,201
101-10172	City Manager	200,201
101-10875	Contributions to Outside Agencies	188,000
101-10891	Contingency and Bad Debt Expense	400,000
101-20173	Administration	170,384
101-20215	City Clerk & Elections	311,698
101-20220	Civil Service	214,011
101-20228	Affirmative Action	101,812
101-20744	Julia Hackley Internships	7,010
101-30202	Finance Administration	396,495
101-30205	Income Tax Administration	295,087
101-30209	Assessing Services	405,771
101-30248	Information Systems Administration	352,501
101-30253	City Treasurer	366,877
101-30851	Insurance Premiums	365,000
101-30906	Debt Retirement	212,006
101-30999	Transfers to Other Funds	1,110,000
101-40301	Police	7,428,845
101-50336	Fire	3,244,572
101-50387	Fire Safety Inspections	1,081,524
101-60265	City Hall Maintenance	278,980
101-60446	Community Event Support	93,972
101-60448	Street Lighting	520,000
101-60523	Sanitation	1,537,209
101-60528	Recycling	261,500
101-60550	Stormwater Management	55,550
101-60770	Senior Citizen Transit	55,373
101-70276	Cemeteries Maintenance	505,999
101-70585	Parking Operations	46,351
101-70751	Parks Maintenance	1,257,278
101-70752	Forestry	142,323
101-70757	McGraft Park Maintenance	54,036
101-70775	General & Inner City Recreation	513,849
101-70863	Farmers' Market and Flea Market	42,488
101-80387	Environmental Services	413,297
101-80400	Planning, Zoning and Economic Development	512,099
101-90000	Major Capital Improvements	85,000
	Grand Total General Fund Appropriations	<u>\$23,828,628</u>

OTHER BUDGETED FUNDS

<u>FUND ACTIVITY NUMBER</u>	<u>FUND/ACTIVITY NAME</u>	<u>AMOUNT</u>
202,204	Major Streets and State Trunklines	16,260,703
203	Local Streets	1,619,186
254	L.C. Walker Arena	874,081
264	Criminal Forfeitures	75,000
288	Local Development Finance Authority II	800,000
287	Local Development Finance Authority III (Smartzone)	2,185,000
260	Land Reutilization	1,000
285	Tree Replacement	3,000
305	TIFA Debt Service	50,000
306	Special Assessment Debt	110,000
394	Downtown Development Authority Debt	360,000

BE IT FURTHER RESOLVED that the revenues and other financing sources (including use of prior year balances) for Fiscal Year 2003 are estimated as follows:

GENERAL FUND

<u>FUND/ACTIVITY NAME</u>	<u>AMOUNT</u>
Taxes	\$ 13,316,693
Licenses and Permits	1,070,283
Federal Grants	80,000
State Grants	52,635
State Shared Revenue	5,550,302
Charges for Sales & Services	2,045,063
Interest & Rentals	295,600
Fines & Fees	356,200
Other Revenue	291,000
Other Financing Sources	700,000
Use of Prior Year's Fund Balance	<u>70,852</u>
 Total General Fund Revenue	
Appropriations	<u>\$23,828,628</u>

OTHER BUDGETED FUNDS

<u>FUND ACTIVITY NUMBER</u>	<u>FUND/ACTIVITY NAME</u>	<u>AMOUNT</u>
202,204	Major Streets and State Trunklines	16,260,703
203	Local Streets	1,619,186
254	L.C. Walker Arena	874,081
264	Criminal Forfeitures	75,000
288	Local Development Finance Authority II	800,000
287	Local Development Finance Authority III (Smartzone)	2,185,000
260	Land Reutilization	1,000
285	Tree Replacement	3,000
305	TIFA Debt Service	50,000
306	Special Assessment Debt	110,000
394	Downtown Development Authority Debt	360,000

BE IT FURTHER RESOLVED that the operating expense projections for the following non-budget funds are hereby approved:

<u>FUND ACTIVITY NUMBER</u>	<u>FUND/ACTIVITY NAME</u>	<u>AMOUNT</u>
404	Public Improvement Fund	\$ 435,000
403	Sidewalk Improvement Fund	1,078,345
482	State Grants Fund	2,848,434
584	Municipal Golf Course	220,000
590	Sewer	4,542,625
591	Water	12,488,196
594	Marina/Launch Ramp	574,492
661	Equipment	2,263,170
642	Public Service Building	555,382
643	Engineering Services Fund	690,226
677	General Insurance Fund	3,783,969

BE IT FURTHER RESOLVED, that there is hereby appropriated for said fiscal year the several amounts set forth above which, pursuant to the "Uniform Budget and Accounting Act", define the City of Muskegon's appropriation centers, and

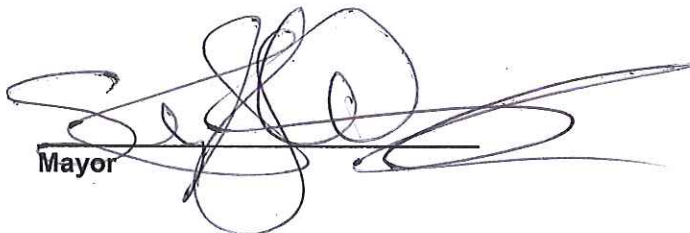
BE IT FURTHER RESOLVED, that the City Manager is hereby empowered to transfer appropriations within appropriation centers, and

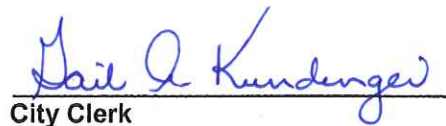
BE IT FURTHER RESOLVED, that there is hereby levied a general tax as herein fixed on each dollar of taxable valuation for the purposes herein outlined, said levy to be applied on all taxable real and personal property in the City of Muskegon as set forth in the assessment roll dated May 6, 2002:

<u>PURPOSE</u>	<u>MILLAGE (MILLS)</u>
General Operating	7.0000
Sanitation Service	3.0000
Promotion	<u>.0786</u>
Total	10.0786

At a regular meeting of the City Commission of the City of Muskegon, on the tenth Day of September 2002, the foregoing resolution was moved for adoption by Commissioner Schweifler. Commissioner Larson supported the motion.

Resolution declared adopted.


Mayor


City Clerk

**NOTICE OF HEARING
CITY OF MUSKEGON
2003 BUDGET**

Notice is hereby given that a Public Hearing will be held by the City Commission of the City of Muskegon on the proposed 2003 Budget of the City of Muskegon at 5:30 p.m., September 10, 2002, at the Muskegon City Hall Commission Chambers, located at 933 Terrace Street, Muskegon, Michigan.

THE PROPERTY TAX MILLAGE RATE PROPOSED TO BE LEVIED TO SUPPORT THE PROPOSED BUDGET WILL BE A SUBJECT OF THIS HEARING.

A copy of the proposed budget is available for public inspection in the office of the City Clerk, and the Hackley Public Library during regular business hours and through our web site at www.shorelinecity.com. All interested citizens will have the opportunity to give written and oral comments.

AMERICAN DISABILITY ACT POLICY FOR ACCESS TO OPEN MEETINGS OF THE CITY COMMISSION AND ANY OF ITS COMMITTEES OR SUBCOMMITTEES

The City of Muskegon will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities who want to attend the meeting, upon twenty-four (24) hours notice to the City of Muskegon. Individuals with disabilities requiring auxiliary aids or services should contact the City of Muskegon by writing or calling the following:

GAIL A. KUNDINGER, CMC
City Clerk
933 Terrace Street
Muskegon, MI 49440
(231) 724-6705
TDD: (231) 724-4172

Publish: September 2, 2002

NOTE: Must be 11 pt. Bold Face type.

ORIGINAL TO: County Clerk
COPY TO: Equalization Department
COPY TO: Each Township or City Clerk

MILLAGE REQUEST REPORT TO COUNTY BOARD OF COMMISSIONERS

County		2002 Taxable value as of 5-28-02
MUSKEGON		635,929,227
Local Government Unit		For LOCAL School Districts; 2002 Taxable value of NON-Homestead and Non-Qualified Agricultural Properties if a millage is Levied Against Them.
CITY OF MUSKEGON		

You must complete this form for each unit of government for which a property tax is levied. Penalty for non-filing is provided under MCL Sec 211.119. The following tax rates have been authorized for levy on the 2000 tax roll.

[illegible]

21412

Finance Director

Date _____

te
May 30, 2002

As the representatives for the local government unit named above, we certify that these requested tax levy rates have been reduced, if necessary to comply with the state constitution (Article 9, Section 31), and that the requested levy rates have also been reduced, if necessary, to comply with MCL Sections 211.24e and 211.34, or LOCAL school districts which levy a Supplemental (Hold Harmless) Millage 380.1211(3)

Signature: _____

Planet

17

Type Name

Gail Kudinger

Page

Date: May 30, 2002

Type Name

Gail Kuding

Page

Date: May 30, 2002

Under Truth in Taxation	11-20-04	11-20-04	Bryon Mazade	May 30, 2002
-------------------------	----------	----------	--------------	--------------

Under Truth in Taxation MCL Section 211.24e, the governing body may decide to levy a rate which will not exceed the maximum authorized rate allowed in column 9. The requirements of MCL 211.24e must be met prior to levying an operating levy which is larger than the base tax rate but not larger than the rate in column 9.

IMPOTANT: See instructions on the reverse side regarding where to find the millage rate used in column (6)

L-4028-IC (Rev. 3-96)

MUSKEGON COUNTY VALUES ONLY !!!

This form is issued under authority of Section 211.34d and 211.150, M.C.L. Filing of this form is mandatory. Failure to file is punishable under Section 211.

PAGE 2

2002 MILLAGE REDUCTION FRACTION COMPUTATION

Taxing Jurisdiction	2001 Taxable Value	2002 Taxable Value	Taxable Value of Losses	Taxable Value of Additions	(HEADLEE) L-4029 Column (6) Only 1.0000 or less	(T in A) L-4029 Column (8) Rollback Fraction	(T in T) Tax Rate Fraction Not Reported On L-4029
	As of 5/29/01	As of 5/28/02			2002 Millage Reduction Fraction		

CITIES

Montague	61,172,576	67,152,195	679,622	4,670,040	0.9991	1.0000	0.9682
Muskegon	631,680,652	636,929,227	48,332,205	40,506,876	1.0111	1.0000	0.9797
Muskegon Heights	114,191,694	117,258,607	3,739,173	4,265,100	1.0088	1.0000	0.9775
North Muskegon	110,043,333	116,502,768	1,058,339	2,937,700	0.9904	1.0000	0.9597
Norton Shores	618,469,485	665,043,790	18,023,015	37,068,895	0.9868	1.0000	0.9562
Roosevelt Park	96,115,684	98,890,885	2,618,338	1,876,200	0.9946	1.0000	0.9637
Whitetail	92,346,417	99,954,253	1,921,857	6,032,500	0.9936	1.0000	0.9628

CITIES TOTAL

1,724,019,841 1,800,731,735 76,372,549 97,357,311

**

**

**

MUSKEGON COUNTY

3,244,251,018 3,453,067,789 102,818,888 188,184,026 0.9930 1.0000 0.9622

VILLAGES

Casnovia	2,419,686	2,509,318	51,100	55,500	IC	IC	IC
Fruitport	22,093,417	23,048,825	387,506	435,208	0.9906	1.0000	0.9599
Lakewood Club	11,695,334	13,170,258	182,900	980,800	0.9747	1.0000	0.9445
Ravenna	20,921,881	21,727,579	670,568	597,600	0.9891	1.0000	0.9584

VILLAGES TOTAL

57,130,318 60,455,980 1,292,074 2,069,108

WHITE LAKE FIRE AUTHORITY

292,587,798 317,815,123 3,348,887 15,265,500 0.9866 1.0000 0.9560

WHITE LAKE COMMUNITY LIBRARY

304,762,093 332,290,359 3,466,722 18,300,300 0.9903 1.0000 0.9596

Date: August 27, 2002
To: Honorable Mayor and City Commissioners
From: Gail A. Kunding, City Clerk
RE: Liquor License Request
Pine Street Tavern, Inc.
978 Pine Street

SUMMARY OF REQUEST: The Liquor Control Commission seeks local recommendation on a request from Pine Street Tavern, Inc., to transfer ownership of the 2002 Class C licensed business with dance-entertainment permit from Brutters, Inc.

** Tabled from previous meeting*

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: The City Income Tax Department and the Treasurer's Office are recommending disapproval due to monies owed the City.

Muskegon Police Department

Anthony L. Kleibecker

Chief of Police



980 Jefferson Street P.O. Box 536 Muskegon Michigan 49443-0536
(231) 724-6750 (231) 722-5140 *fax*
www.muskegonpolice.com

July 26, 2002

To: The City Commission through the City Manager

From: *A. L. Kleibecker*
Anthony L. Kleibecker, Chief of Police

Re: Liquor License Transfer at 978 Pine Street

The Muskegon Police Department has received a request from the Michigan Liquor Control Commission for an investigation concerning 978 Pine Street. Applicants, Beverly & Lucky Berry are requesting to transfer ownership of 2002 Class C-SDM licensed business with Dance-Entertainment from Brutters, Inc.

Beverly and Lucky Berry of 2610 Pillion Rd., Twin Lake, MI. 49457, are representing Pine Street Tavern, Inc., 978 Pine Street, Muskegon, MI. 49442. The Berry's have experience in owning an alcohol service establishment. In years past they have owned and operated 978 Pine Street as an alcohol serving business. Currently they are in the process of a foreclosure of 978 Pine Street and have plans of operating that business again as an alcohol serving business.

We have searched MPD records and conducted a Criminal History Check and find no reason to deny this request.

TK/cmw

MEMO

To: Chief Tony Kleibecker

From: Det. Kurt Dykman

Date: 7-25-02

Re: Liquor License Transfer

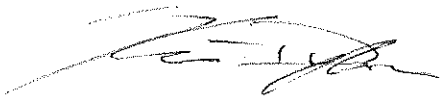
Chief Kleibecker,

The Muskegon Police Department has received a request from the Michigan Liquor Control Commission for an investigation from applicant Beverly & Lucky Berry of 2610 Pillon Rd., Twin Lake, MI. 49457, representing Pine Street Tavern, Inc., 978 Pine Street, Muskegon, MI. 49442.

Mr. & Mrs. Berry are requesting to transfer ownership of 2002 Class C-SDM licensed business with Dance-Entertainment from Brutters, Inc. The Berry's have experience in owning an alcohol service establishment. In years past they have owned and operated 978 Pine Street as an alcohol serving business. Currently they are in the process of a foreclosure of 978 Pine Street and have plans of operating that business again as an alcohol serving business.

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

Respectfully submitted,



Det. Kurt Dykman

data/common/PineSt

mailed 7-18-02
AA

Req ID # 187128

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

RESOLUTION

2002-103(a)

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

called to order by Mayor Warmington on September 10, 2002 at 5:30 P.M.

The following resolution was offered:

Moved by Vice-Mayor Buie and supported by Commissioner Spataro

That the request from PINE STREET TAVERN, INC. TO TRANSFER OWNERSHIP OF 2002 CLASS C LICENSED BUSINESS WITH DANCE-ENTERTAINMENT PERMIT, LOCATED AT 978 PINE, MUSKEGON, MI 49442, MUSKEGON COUNTY, FROM BRUTTERS, INC.

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 for issuance
(Recommended or not Recommended)

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 at a Regular
(Township Board, City or Village Council) (Regular or Special)

meeting held on September 10, 2002.
(Date)

SEAL

(Signed) Linda Potter
(Township, City or Village Clerk)
Linda Potter, Deputy City Clerk
933 Terrace
(Mailing address of Township, City or Village)
Muskegon, MI 49440

7-1802 mailed
AA

Michigan Department of Consumer & Industry Services
LIQUOR CONTROL COMMISSION
7150 Harris Drive
P.O. Box 30005
Lansing, Michigan 48909-7505

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

To: MUSKEGON POLICE DEPARTMENT
CHIEF OF POLICE
980 JEFFERSON STREET
PO BOX 536
MUSKEGON, MI 49443-0536

Date: July 11, 2002
REF#: 187128

Chief Law Enforcement Officer

Applicant:

PINE STREET TAVERN, INC. REQUESTS TO TRANSFER OWNERSHIP OF 2002 CLASS C-SDM
LICENSED BUSINESS WITH DANCE-ENTERTAINMENT PERMIT AND ~~OFFICIAL PERMIT (FOOD)~~,
LOCATED AT 978 PINE, MUSKEGON, MI 49442, MUSKEGON COUNTY, FROM BRUTTERS, INC.

*Cancel 7-1802
AA*

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.

If you have any questions, contact the Licensing Division at (517) 322-1400, after 10:00 a.m.

LC-1972 Rev. 9/17
4880-1658

sfs

POLICE INSPECTION REPORT ON LIQUOR LICENSE REQUEST

Req ID # 187128

(Authorized by 136.1217)

MICHIGAN LIQUOR CONTROL COMMISSION

7150 Harris Drive

P.O. Box 30005

Lansing, Michigan 48909-7505

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)

PINE STREET TAVERN, INC., 978 PINE, MUSKEGON, MI 49442, MUSKEGON COUNTY

REQUEST FOR:

REQUEST TO TRANSFER OWNERSHIP OF 2002 CLASS C-SDM LICENSED BUSINESS WITH DANCE-ENTERTAINMENT PERMIT AND OFFICIAL PERMIT (FOOD), FROM BRUTTERS, INC.

Cancel 7-18-02 AA

Section 1.**APPLICANT INFORMATION**APPLICANT #1: **NO FINGERPRINTS REQUIRED**
BEVERLY BERRY - STOCKHOLDERAPPLICANT #2: **NO FINGERPRINTS REQUIRED**
LUCKY BERRY - STOCKHOLDERHOME ADDRESS AND AREA CODE/PHONE NUMBER:
2610 PILLON ROAD
TWIN LAKE, MI 49457
H(231)744-4860HOME ADDRESS AND AREA CODE/PHONE NUMBER:
SAME ADDRESS & PHONE # AS BEVERLY

DATE OF BIRTH: 7-19-32

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:

DATE OF BIRTH: 4-19-40

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:

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**Can living quarters be reached from the inside of the establishment without going outside? ☐ Yes ☒ No

Does applicant intend to have dancing or entertainment?

☐ No ☒ Yes, complete LC-693N, Police Investigation Report: Dance/Entertainment PermitAre 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)

Signature (Sheriff or Chief of Police)

Date



STATE OF MICHIGAN
DEPARTMENT OF CONSUMER & INDUSTRY SERVICES
LIQUOR CONTROL COMMISSION
7150 Harris Drive
P.O. Box 30005
Lansing, MI 48909-7505

REQ ID: 187128

Mailed 7-18-02

AA

LOCAL LAW ENFORCEMENT AGENCY REPORT

DANCE/ENTERTAINMENT/TOPLESS ACTIVITY PERMIT
(Authorized by MCL 436.1916)

PINE STREET TAVERN, INC.

APPLICANT/LICENSEE

231. 744-4860

PHONE NUMBER

978 Pine St. Muskegon Muskegon Muskegon 49442
STREET ADDRESS CITY TOWNSHIP COUNTY ZIP

PERMIT(S) REQUESTED: DANCE ☒ ENTERTAINMENT ☒ TOPLESS ACTIVITY ☐

- The dance floor will not be less than 100 square feet, is clearly marked and well defined when there is dancing by customers. YES ☒ NO ☐ N/A ☐
- Describe the type of entertainment applicant/licensee will provide: N/A ☐
music/Karaoke
- Will this entertainment include topless activity? YES ☐ NO ☒ N/A ☐

LAW ENFORCEMENT RECOMMENDATION

DANCE PERMIT	YES ☒	NO ☐	N/A ☐
ENTERTAINMENT PERMIT	YES ☒	NO ☐	N/A ☐
TOPLESS ACTIVITY PERMIT	YES ☐	NO ☐	N/A ☒

REMARKS:

7-28-02

DATE SUBMITTED

A. L. Kline

OFFICER'S SIGNATURE

Muskegon Police
DEPARTMENT NAME

231. 724-6750
PHONE NUMBER

980 Jefferson St Muskegon
ADDRESS CITY

LIQUOR LICENSE REVIEW FORM

Business Name: Pine Street Tavern

AKA Business Name (if applicable): Brutters

Operator/Manager's Name: Beverly + Lucky Berry

Business Address: 978 Pine

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: August 6, 2002

Police Department 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/Inspection Services Compliance ☐ Remaining Defects _____

Department Signature Michelle L. Canon

Gail A. Kundinger, City Clerk
Liquor License Coordinator

LIQUOR LICENSE REVIEW FORM

Business Name: Pine Street Tavern

AKA Business Name (if applicable): Bratters

Operator/Manager's Name: Beverly & Lucky Berry

Business Address: 978 Pine

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: August 6, 2002

Police Department 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/Inspection Services Compliance ☒ Remaining Defects _____

Department Signature

Gail A. Kundinger

Gail A. Kundinger, City Clerk
Liquor License Coordinator

LIQUOR LICENSE REVIEW FORM

Business Name: Pine Street Tavern

AKA Business Name (if applicable): Brutters

Operator/Manager's Name: Beverly + Lucky Berry

Business Address: 978 Pine

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: August 6, 2002

Police Department 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/Inspection Services Compliance ☒ Remaining Defects _____

Department Signature Robert B. Leabine 7/29/02

Gail A. Kunderger, City Clerk
Liquor License Coordinator

mailed 7-18-02
AA

STATE OF MICHIGAN
DEPARTMENT OF CONSUMER & INDUSTRY SERVICES
LIQUOR CONTROL COMMISSION
7150 Harris Drive
P.O. Box 30005
Lansing, MI 48909-7505

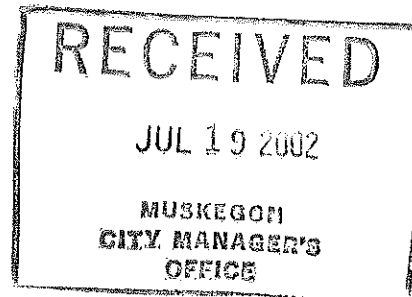
LOCAL APPROVAL NOTICE

(Authorized by MCL 436.1501(2) and MAC 1105(2)(d))

Req ID: 187128

Date: July 11, 2002

To: MUSKEGON CITY COMMISSION
933 TERRACE STREET
PO BOX 536
MUSKEGON, MI 49443-0536



Applicant: PINE STREET TAVERN, INC.

Home Address And Phone No:
BEVERLY BERRY & LUCKY BERRY, 2610 PILLON ROAD, TWIN LAKE, MI 49457 H(231)744-4860

Local Legislative approval is required for new and transferring On-Premises licenses by MCL 436. 1501 of the Michigan Liquor Control Code of 1998. Local approval is also required for DANCE, ENTERTAINMENT, DANCE-ENTERTAINMENT OR TOPLESS ACTIVITY permits by authority of MCL 436.1916.

For your convenience a resolution form is enclosed that includes a description of the licensing transaction requiring approval. The clerk should complete the resolution certifying that your decision of approval or disapproval of the application was made at an official meeting. **Please return the completed resolution to the Liquor Control Commission as soon as possible.**

If you have any questions, please contact the On-Premise Section of the Licensing Division as (517) -322-1400.

**PLEASE COMPLETE ENCLOSED RESOLUTION AND RETURN
TO THE LIQUOR CONTROL COMMISSION AT ABOVE ADDRESS**

sfs

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

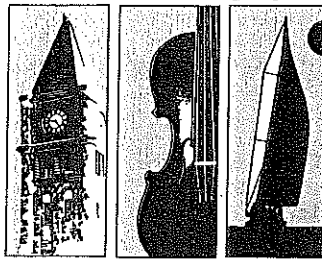
Public Works Dept.
(231)724-4100
FAX: (231)722-4188

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

August 5, 2002

Beverly & Lucky Berry
2610 Pillion Road
Twin Lake, MI 49457

Dear Beverly & Lucky Berry:

I have received your liquor license request from the Police Department. I am preparing to send it to the City Commission, however I do not have approval from the following departments:

City Income Tax
Treasurer's Office
Clerk's Office

Please let me know if you want this presented to the City Commission with these departments recommending disapproval or if you want to wait until you get their approval.

If you have any questions, please call me at 724-6705.

Thank you,

Linda Potter

Linda Potter
Deputy City 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
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)724-6758
FAX: (231)722-5140

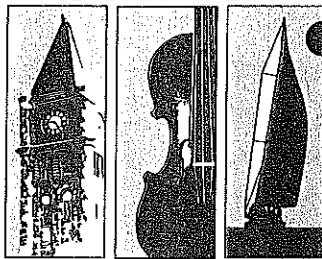
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FAX: (231)722-4188

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

August 21, 2002

Beverly & Lucky Berry
2610 Pillon Road
Twin Lake, MI 49457

Dear Beverly & Lucky Berry:

This letter is to inform you that your request to transfer ownership of the 2002 Class C-SDM licensed business with dance-entertainment permit from Brutters, Inc. will be presented to the City Commission on August 27, 2002. This meeting begins at 5:30 p.m. and is located in the Commission Chambers, 933 Terrace, Muskegon, MI.

The transfer is being recommended for denial by the Treasurer and City Income Tax Departments due to money owed the City.

This request has also been sent to the Angell 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.

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

Sincerely,

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
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

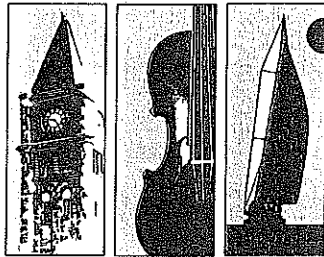
Public Works Dept.
(231)724-4100
FAX: (231)722-4188

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

August 21, 2002

Mr. Fred Woods, President
Angell Neighborhood Association
1083 Williams
Muskegon, MI 49442

Dear Mr. Woods:

We have received a request from the Liquor Control Commission reference Pine Street Tavern, Inc., 978 Pine, desire to transfer ownership of the 2002 Class C-SDM License. A SDM license permits the sale of beer and wine for consumption off the premises only; and a Class C license permits the sale of beer, wine, or liquor for consumption on the licensed premises. On Tuesday, August 27, 2002, 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. You may send these comments to 933 Terrace, Muskegon, MI 49440 or attend the City Commission Meeting on August 27, 2002, at 5:30 p.m. in the Commission Chambers.

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

Sincerely,

Linda Potter

Linda Potter
Deputy Clerk

LIQUOR LICENSE REVIEW FORM

David Bowen
attorney
pro se

Business Name: Pine Street Tavern

AKA Business Name (if applicable): Brutters

Operator/Manager's Name: Beverly + Lucky Berry

Business Address: 978 Pine

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: August 6, 2002

Police Department Approved ☐ Denied ☐ No Action Needed ☐

Income Tax Approved ☐ Owing ☒ Amount: approximately \$1,500 plus Penalties & Interest

Treasurer Approved ☐ Owing ☐ Amount: _____

Zoning Approved ☐ Denied ☐ Pending ZBA ☐

Clerk's Approved ☐ Owing ☐ Amount: _____

Fire/Inspection Services Compliance ☐ Remaining Defects _____

Department Signature Denise [Signature]

Gail A. Kunder, City Clerk
Liquor License Coordinator

LIQUOR LICENSE REVIEW FORM

Business Name: Pine Street Tavern

AKA Business Name (if applicable): Brutters

Operator/Manager's Name: Beverly + Lucky Berry

Business Address: 978 Pine

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: August 6, 2002

Police Department Approved ☐ Denied ☐ No Action Needed ☐

Income Tax Approved ☐ Owing ☐ Amount: _____

Treasurer Approved ☐ Owing ☒ Amount: \$322.51

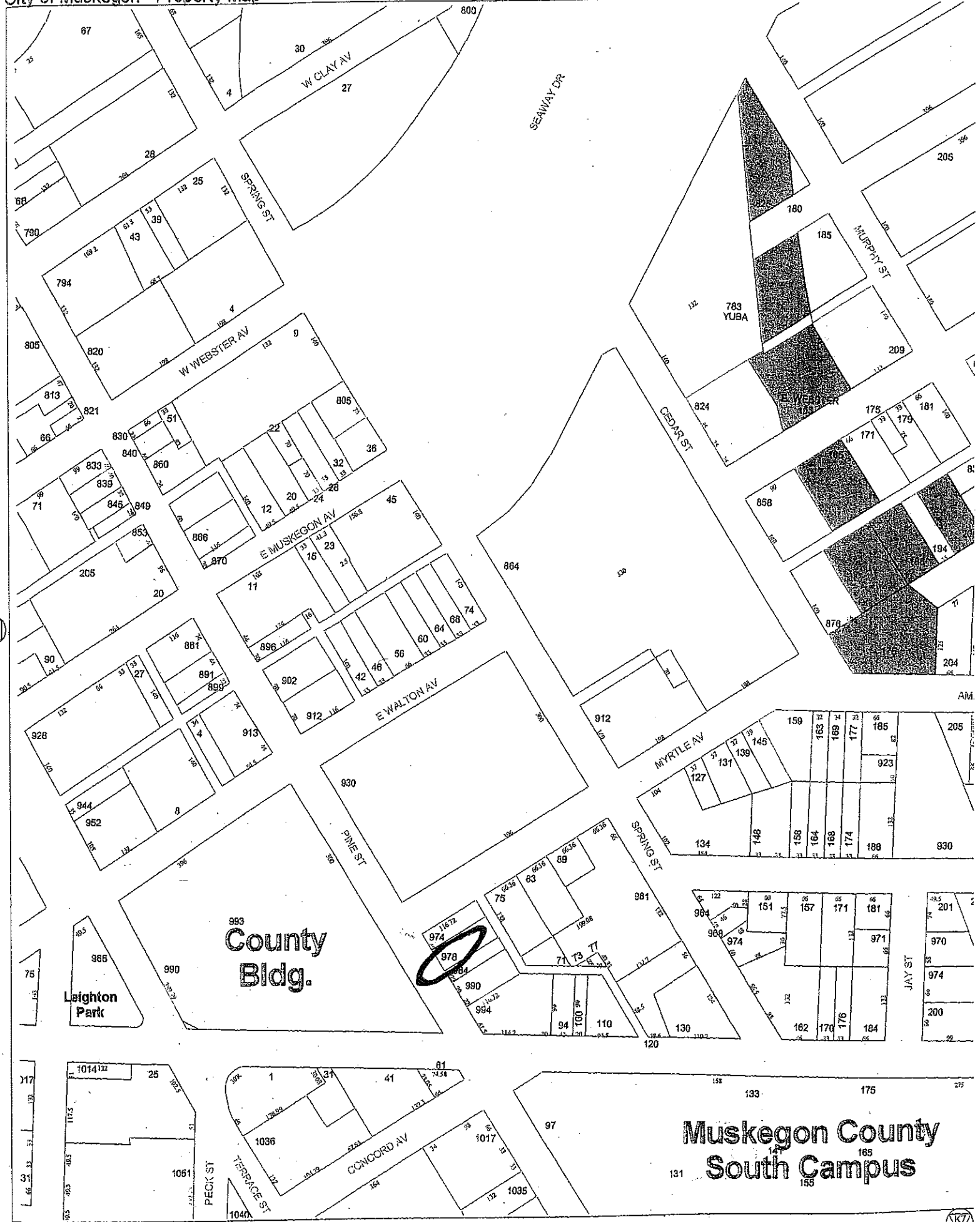
Zoning Approved ☐ Denied ☐ Pending ZBA ☐

Clerk's Approved ☐ Owing ☐ Amount: _____

Fire/Inspection Services Compliance ☐ Remaining Defects _____

Department Signature _____

Gail A. Kunder, City Clerk
Liquor License Coordinator



Muskegon County
South Campus

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

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

Cemetery Department
(231)724-6763
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

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Mayor's Office
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FAX: (231)724-6790

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

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



West Michigan's Shoreline

September 11, 2002

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

REF: #187128
978 Pine
Muskegon, MI 49442

To Whom It May Concern:

Enclosed is the resolution, police inspection report (LC-1800), and the local law enforcement agency report for the liquor license change request mentioned above.

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

Sincerely,

Linda Potter
Deputy Clerk

Enc.

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
1. Article Addressed to: <i>Liquor Control Commission</i> <i>7150 Harris</i> <i>PO Box 30005</i> <i>Lansing, MI 48909-7505</i>		A. Received by (Please Print Name) <i>[Signature]</i> Date of Delivery MAIL & DELIVERY SERVICES AGENT FOR STATE OF MICHIGAN	
2. Article Number (Copy from service label) <i>7000 0520 0013 9483 9937</i>		C. Signature <i>SEP 12 2002</i>	
3. Service Type ☒ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.		D. Is delivery address different from item 1? ☐ Yes ☒ No If YES, <i>PO BOX 30005</i> <i>LANSING, MICHIGAN 48909</i>	
4. Restricted Delivery? (Extra Fee) ☐ Yes ☒ No			
PS Form 3811 July 1999 Domestic Return Receipt 102595-00-M-0362			

LUCKY L. BERRY 01-00
BEVERLY J. BERRY
B600 560 549 303 B600 085 385 569
2610 PILLON RD.
TWIN LAKE, MI 49457

2775

7/25/02
DATE

74-8326/2427
BRANCH 1

PAY TO THE
ORDER OF

City of Muskegon

\$ 250.00

Two Hundred Fifty Dollars

DOLLARS

Security
Features
Detailed on
Back.

SERVICE
Federal Credit Union
Muskegon, MI

FOR

License Transfer Beverly J. Berry

⑆ 272483264⑆0007093550015⑈

2775

© HARLAND

AGENDA ITEM NO. _____
CITY COMMISSION MEETING _____

TO: HONORABLE MAYOR AND CITY COMMISSIONERS

FROM: Kenneth D. Grant, Income Tax Administrator

DATE: September 5, 2002

RE: Donation check off for 2002 Individual Income Tax Return forms.

SUMMARY OF REQUEST:

Approval to use 2002 Income Tax donations to purchase materials for the Chamber of Commerce's Community Development Committee for a Muskegon area beautification program. The name of the donation program will be the Muskegon Area Beautification Program.

FINANCIAL IMPACT:

Estimated dollar amount to be donated is \$1,500 to \$2,500.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Approval recommended

COMMITTEE RECOMMENDATION:

Affirmative Action
231/724-6703
FAX/722-1214

Assessor
231/724-6708
FAX/726-5181

Cemetery
231/724-6783
FAX/726-5617

Civil Service
231/724-6716
FAX/724-4055

Clerk
231/724-6705
FAX/724-4178

Comm. & Neigh.
Services
231/724-6717
FAX/726-2501

Engineering
231/724-6707
FAX/727-6904

Finance
231/724-6713
FAX/724-6768

Fire Dept.
231/724-6792
FAX/724-6985

Income Tax
231/724-6770
FAX/724-6768

Info. Systems
231/724-6744
FAX/722-4301

Leisure Service
231/724-6704
FAX/724-1196

Manager's Office
231/724-6724
FAX/722-1214

Mayor's Office
231/724-6701
FAX/722-1214

Neigh. & Const.
Services
231/724-6715
FAX/726-2501

Planning/Zoning
231/724-6702
FAX/724-6790

Police Dept.
231/724-6750
FAX/722-5140

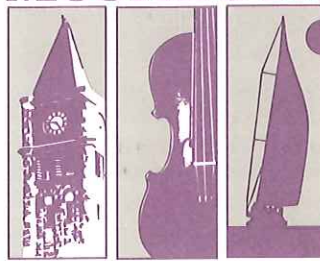
Public Works
231/724-4100
FAX/722-4188

Treasurer
231/724-6720
FAX/724-6768

Water Billing Dept.
231/724-6718
FAX/724-6768

Water Filtration
231/724-4106
FAX/755-5290

MUSKEGON



West Michigan's Shoreline City

September 5, 2002

Dear City Commissioners,

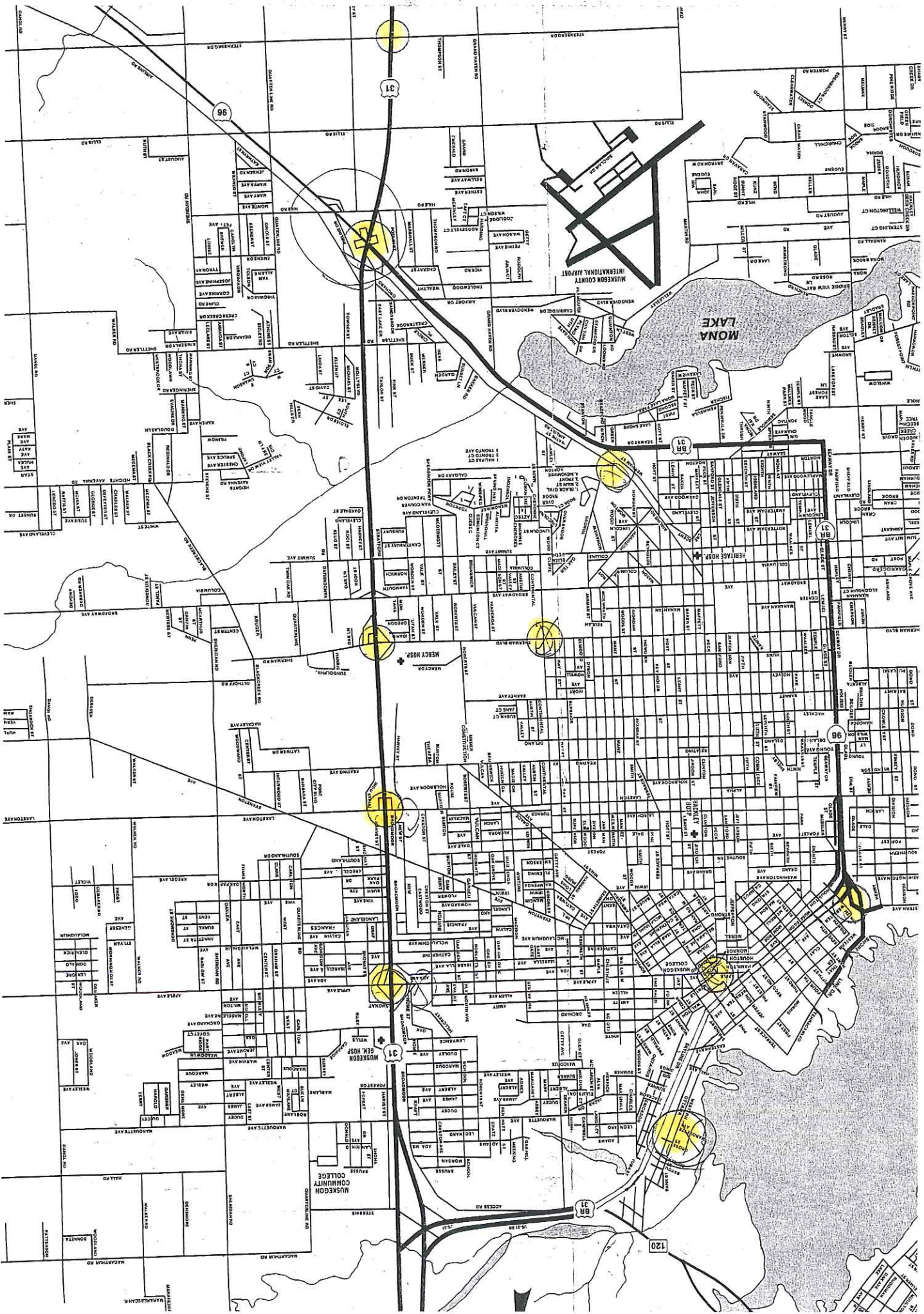
Every year our department attempts to find a donation program or event that appeals to residents and non-residents. It is important that the program appeal to non-residents because they represent over 75% of all of our contributions. Each year approximately 600 people donate their refunds. The average amount donated each year is about \$2,500.00. Our donation programs serve a dual purpose:

- 1) To generate money for programs and/or events that not only benefits the city but the entire community.
- 2) To save the city money by reducing the number of checks written and using less postage.

The Income Tax Department requests the authorization from the City Commissioners to designate Muskegon Area Beautification Program as the 2002-refund donations check off. The funds generated from our donations will be given to the Chamber of Commerce's Community Development Committee to purchase materials and supplies for an area wide beautification program. Volunteers will provide all of the labor to plant flowers, clean up, and etc. in selected areas and entrance points throughout the community (see enclosed map).

Thanks for you consideration,

Kenneth D. Grant
Income Tax Administrator



Date: August 27, 2002

To: Honorable Mayor and City Commissioners

From: Finance Director

RE: Resolution Pledging City's Full Faith and Credit to Smartzone Bonds

SUMMARY OF REQUEST: The Smartzone development contemplates public financing be used to construct the GVSU "Energy Center of Excellence." The city's Local Development Authority (LDFA) will be the issuer of the bonds (in the amount of ~~\$4.655~~ 4.125 million). However, since there is no current revenue stream for repayment, the bonds are only marketable with the City's pledge of its limited full faith and credit. The resolution is currently being drafted by bond counsel.

FINANCIAL IMPACT: It is anticipated that the bonds will be paid from tax increment revenue generated from development on the Smartzone site. In pledging its full faith and credit, the city covenants that if tax increment income falls short of the amount needed to make annual debt service payments, the City's General Fund will be required to make up the shortfall. The attached cashflow projection indicates the projected annual debt service amounts that the city is potentially at risk for. Also, it should be noted that a separate agreement with the Muskegon Community Foundation is being prepared under which that organization would provide a letter of credit for up to \$75,000 per year that could be called upon in the event of revenue shortfalls.

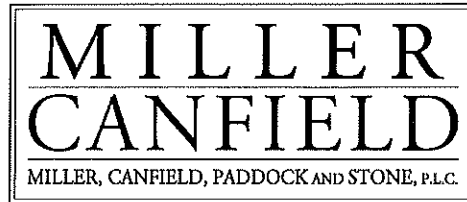
BUDGET ACTION REQUIRED: None at this time. The annual debt service costs will be budgeted in future years as well until the bonds are retired.

STAFF RECOMMENDATION: Approval of the attached resolution.

COMMITTEE RECOMMENDATION: None.

Founded in 1852
by Sidney Davy Miller

150
YEARS
1852-2002



MICHIGAN: Ann Arbor
Detroit • Grand Rapids
Howell • Kalamazoo
Lansing • Monroe • Troy

New York, N.Y.
Washington, D.C.
CANADA: Windsor, ON
POLAND: Gdynia
Katowice • Warsaw

PATRICK F. MCGOW
TEL: (313) 496-7684
FAX: (313) 496-8450
E-MAIL: mcgow@millercanfield.com

150 West Jefferson, Suite 2500
Detroit, Michigan 48226
TEL: (313) 963-6420
FAX: (313) 496-7500
www.millercanfield.com

AFFILIATED OFFICE:
Pensacola, FL

August 22, 2002

Mr. Timothy J. Paul, Finance Director
City of Muskegon
933 Terrace St
PO Box 536
Muskegon, MI 49443-0536

Re: \$4,655,000 Local Development Finance Authority of the City of
Muskegon, Local Development Bonds (Limited Tax General Obligation),
Series 2002A and 2002B

Dear Tim:

As you requested, I have enclosed a Bond Authorizing Resolution to be considered for approval by the LDFA Board at its meeting on August 27th and a Resolution Pledging Limited Tax Full Faith and Credit to be considered for approval by the City Commission at its meeting on August 27th. The LDFA Bond Authorizing Resolution authorizes the issuance of bonds in to acquire, construct, furnish and equip the Technology Center for Grand Valley State University as proposed in the SmartZone Agreement.

The Bonds will be issued in two series, with Series A in the amount of \$3,425,000 (75%), and Series B in the amount of \$1,230,000 (25%). The Series A Bonds will be issued on a tax-exempt basis and the Series B Bonds will be issued on a taxable basis. The allocation of 75% to the tax-exempt Bonds is based on our telephone conversations and representations made by GVSU as to the expected "private use" of the Technology Center.

The Bond specifications have been prepared based upon the projections and specifications prepared by Warren Creamer of Robert W. Baird & Co. Since we are required to file a long form application with the Department of Treasury, we are required to have the bond terms in the Bond Resolution.

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

Tim Paul

-2-

August 22, 2002

The Bonds are payable primarily from tax increment revenues of the LDFA and secondarily as a limited tax obligation of the City. Once the bonds are issued, if there are not sufficient tax increment revenues to pay the debt service for any reason, the City would need to provide the funds from its General Fund or other available funds. The limited tax pledge of the City obligates the City to levy taxes up to its charter tax rate limitations to pay the debt service on the bonds. Since there may be no taxable development in the LDFA District at the time the LDFA issues bonds, the City is essentially promising to pay the bonds out of its General Fund as a general obligation of the City if there are not sufficient tax increment revenues.

Finally, I have also enclosed a form of notice to be posted by the City Clerk in the location in the City Hall where other public notices and meeting notices are published. Under the Revised Municipal Finance Act, Act 34, Public Acts of Michigan, 2001, as amended, when a municipality pledges its full faith and credit for bonds issued after October 1, 2002 where there was no election or referendum requirement, as is the case with these Bonds, there must be a special notice posted in anticipation of the meeting where the limited tax pledge will be made. After the meeting we will be sending you a certificate for the Clerk indicating that the notice was posted prior to the meeting.

After adoption of the enclosed Resolutions, I will need you to send me four certified copies of each Resolution. We will need to file the Resolutions with the Department of Treasury along with the signed Treasury applications and filing fee. The Department of Treasury has up to 30 Business Days to act upon the applications upon receipt. After we have received the approval from the Department of Treasury, the LDFA would be able to mail a preliminary official statement to market the Bonds.

I plan on being in attendance at the LDFA meeting at noon and the City Commission meeting at 5:30 p.m. on August 27th. If you have further questions, please feel free to give me a call.

Very truly yours,

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

By: _____
Patrick F. McGow

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

Tim Paul

-3-

August 22, 2002

Enclosures

Cc: (w/ encl.)

Bryon Mazade

Warren M. Creamer, III

Joel L. Piell, Esq.

Donald D. Nystrom, Esq.

DELIB:2344819.1\063684-00031

City of Muskegon Local Development Finance Authority Projected Tax Incremental Revenues and Debt Service Coverage Page 4 of 4



Fiscal Years Ended or Ending December 31	Captured Values	Total		Total		Total		Taxable		Tax Exempt		Total		Verification of "1 to 5 Rule"	Excess (Shortfall)
		School Tax Increment Revenues	Non-School Tax Increment Revenues	School Tax Increment Revenues	Non-School Tax Increment Revenues	Interest Rate	Interest	Principal	Interest Rate	Interest	Capitalized Interest	Debt Service on the Bonds	Compliance	Coverage	
2003	\$0	\$0	\$0	\$0	\$0										\$0
2004	\$547,866	\$0	\$11,660	\$11,660	\$0		\$79,145			\$153,877	(\$233,022)	\$0		1.00x	\$11,660
2005	\$3,097,866	\$0	\$38,795	\$38,795	\$0		\$79,145			\$153,877	(\$233,022)	\$0		1.55x	\$38,795
2006	\$12,199,666	\$81,904	\$151,613	\$233,516	\$356,445	4.25%	\$79,145	\$70,000	2.70%	\$153,877	\$0	\$233,022	20.00%	1.14x	\$43,423
2007	\$18,244,366	\$117,367	\$239,078	\$356,445	\$483,076	4.55%	\$78,720	\$70,000	3.00%	\$151,987	\$0	\$313,022	20.00%	1.62x	\$172,368
2008	\$24,502,366	\$154,259	\$328,816	\$483,076	\$500,405	4.85%	\$78,265	\$70,000	3.33%	\$149,887	\$0	\$308,152	20.00%	1.70x	\$192,253
2009	\$25,177,366	\$157,224	\$343,181	\$500,405	\$517,736	5.20%	\$77,760	\$70,000	3.56%	\$147,556	\$0	\$305,336	20.00%	1.83x	\$212,400
2010	\$25,652,366	\$160,189	\$357,547	\$517,736	\$529,276	5.65%	\$77,260	\$70,000	3.77%	\$145,064	\$0	\$307,324	21.25%	1.88x	\$271,952
2011	\$25,627,366	\$180,228	\$399,047	\$579,276	\$579,276	5.80%	\$76,413	\$140,000	3.88%	\$142,425	\$0	\$308,838	45.00%	1.80x	\$329,566
2012	\$27,202,366	\$234,096	\$494,307	\$728,404	\$812,821	6.00%	\$74,093	\$180,000	3.98%	\$136,983	\$0	\$451,086	60.00%	1.80x	\$391,735
2013	\$27,877,366	\$262,972	\$549,849	\$812,821	\$900,939	6.10%	\$70,493	\$225,000	4.15%	\$129,829	\$0	\$505,322	76.25%	1.78x	\$395,618
2014	\$28,552,366	\$293,276	\$607,663	\$900,939	\$900,939	6.20%	\$65,613	\$230,000	4.28%	\$120,492	\$0	\$501,104	82.50%	1.80x	\$399,949
2015	\$28,552,366	\$293,276	\$607,663	\$900,939	\$900,939	6.30%	\$60,343	\$240,000	4.41%	\$110,648	\$0	\$500,990	87.50%	1.78x	\$396,203
2016	\$28,552,366	\$293,276	\$607,663	\$900,939	\$900,939	6.40%	\$54,593	\$255,000	4.51%	\$100,064	\$0	\$502,156	91.25%	1.79x	\$398,764
2017	\$28,552,366	\$293,276	\$607,663	\$900,939	\$900,939	6.60%	\$42,093	\$275,000	4.71%	\$78,347	\$0	\$503,439	96.25%	1.81x	\$397,500
2018	\$28,552,366	\$293,276	\$607,663	\$900,939	\$900,939	6.75%	\$27,128	\$180,000	4.91%	\$49,686	\$0	\$498,227	100.00%	1.86x	\$402,713
2019	\$28,552,366	\$293,276	\$607,663	\$900,939	\$900,939	6.80%	\$17,340	\$195,000	5.09%	\$31,579	\$0	\$323,919	90.16%	1.88x	\$284,413
2020	\$28,552,366	\$0	\$607,663	\$607,663	\$607,663	6.80%	\$11,900	\$205,000	5.13%	\$21,654	\$0	\$323,554	95.08%	1.88x	\$284,109
2021	\$28,552,366	\$0	\$607,663	\$607,663	\$607,663	6.80%	\$6,120	\$215,000	5.18%	\$11,137	\$0	\$322,257	100.00%	1.89x	\$285,406
2022	\$28,552,366	\$0	\$607,663	\$607,663	\$607,663										
2023	\$28,552,366	\$0	\$607,663	\$607,663	\$607,663										
2024	\$28,552,366	\$0	\$607,663	\$607,663	\$607,663										
2025	\$28,552,366	\$0	\$607,663	\$607,663	\$607,663										
							\$1,319,783	\$3,425,000		\$2,487,535	(\$699,066)	\$7,763,251			

Source: City of Muskegon

MEETING NOTICE
City Commission, City of Muskegon
County of Muskegon, State of Michigan

At the regular meeting of the City Commission of the City of Muskegon, Michigan to be held on August 27, 2002 at 5:30 o'clock p.m. prevailing Eastern Time, at 933 Terrace Street, Muskegon, Michigan, the Commission will consider a resolution pledging the City's full faith and credit to the limited tax general obligation bonds to be issued by the Local Development Finance Authority of the City of Muskegon.

This notice is given pursuant to the requirements of Section 308, Act 34, Public Acts of Michigan, 2001, as amended.

Gail Kunderinger
City Clerk

posted in
entrance way
8/23/02 @ 3³⁰ pm
gk
+ also
bulletin Board

**Resolution Pledging Limited Tax Full Faith and Credit on
Local Development Finance Authority of the City of Muskegon Bonds**

City of Muskegon
County of Muskegon, Michigan
2002-104(g)

Minutes of a regular meeting of the City Commission of the City of Muskegon, County of Muskegon, Michigan (the "City"), held on September 10, 2002, at 5:30 o'clock p.m., Eastern Daylight Time.

PRESENT: Members Schweifler, Spataro, Warmington, Buie, Gawron, Larson

ABSENT: Members Shepherd

The following preamble and resolution were offered by Member Buie
and supported by Member Larson:

WHEREAS, in April, 2002, the Local Development Finance Authority of the City of Muskegon (the "Authority"), the City, the Michigan Economic Development Corporation and Grand Valley State University (the "University") entered into the Muskegon Lakeshore SmartZone Agreement (the "SmartZone Agreement") designating the Muskegon Lakeshore SmartZone District as a certified technology park pursuant to Act 281, Public Act of Michigan, 1986, as amended (the "Act"); and

WHEREAS, the Authority has adopted a bond authorizing resolution (the "Bond Resolution") authorizing the issuance of its \$3,465,000 Local Development Bonds, Series 2002A (Limited Tax General Obligation) and its \$1,260,000 Local Development Bonds, Series 2002B (Limited Tax General Obligation) (Taxable) (collectively, the "Bonds") which bonds are to be issued in anticipation of the receipt of tax increment revenues for the purpose of paying part of the costs to acquire, construct, furnish and equip the Technology Center as proposed in the SmartZone Agreement (the "Project") in the Authority's Muskegon Lakeshore SmartZone District in accordance with the Act;

AND WHEREAS, Section 14(2) of the Act provides that the City may pledge its full faith and credit for the payment of the Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City hereby irrevocably pledges its full faith and credit and resources to the payment of the aforesaid Bonds. If at any time the Debt Retirement Fund, as more fully described in the Bond Resolution, is insufficient to pay the principal of and interest on the

Bonds as the same become due, the City, upon written notification by the Authority's Chairperson or Treasurer, shall as a first budget obligation advance from its available funds a sufficient amount to pay said principal and interest, or in the event of insufficiency of the City's general funds, levy ad valorem taxes on all taxable property within the boundaries of the City in an amount sufficient to pay said principal and interest, provided that such tax levy shall be within applicable charter, statutory and constitutional limitations.

2. The City hereby covenants to take all action within its control to the extent permitted by law necessary to maintain the exclusion of the interest on the Series 2002A Bonds from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), including but not limited to, actions relating to the rebate of arbitrage earnings and the expenditure and investment of proceeds of the Series 2002A Bonds and moneys deemed to be proceeds of the Series 2002A Bonds.

3. The City hereby finds that the accomplishment and completion of the Project is in the best interest of the health and welfare of the City, is in the furtherance of the purposes of the Act and constitutes a public purpose. The City expressly approves obtaining and using funds derived from the proceeds of the Bonds to finance the Project.

4. The City hereby designates Miller, Canfield, Paddock and Stone, P.L.C. as Bond Counsel with respect to the Bonds and directs Bond Counsel to prepare all appropriate documents as shall be necessary or appropriate in connection with the issuance of such Bonds. The legal fees of Miller, Canfield, Paddock and Stone, P.L.C. shall be paid from the proceeds of the sale of such Bonds. The City hereby acknowledges and consents to Bond Counsel's representation of Robert W. Baird & Co. Incorporated and the University in unrelated matters.

5. The City hereby designates the Bonds as "qualified tax exempt obligations" for the purpose of deduction of interest expense by financial institutions.

6. The City agrees to enter into a continuing disclosure undertaking for the benefit of the holders and beneficial owners of the Bonds in accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, and the City Manager and Finance Director are each hereby authorized to execute such undertaking prior to delivery of the Bonds.

7. The Mayor, City Manager, City Clerk and Finance Director and other officers, agents and employees of the City each is authorized and directed to take all other actions necessary or advisable, and to make such other filings, applications or request for waivers with the Michigan Department of Treasury or with other parties, to enable the sale and delivery of the Bonds as contemplated in the Bond Resolution.

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

AYES: Members Warmington, Buie, Gawron, Larson, Schweifler, Spataro

NAYS: Members None

RESOLUTION DECLARED ADOPTED.

Dail Q. Kundergei
City Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, State of Michigan, at a regular meeting held on September 10, 2002, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Dail Q. Kundergei
City Clerk

DELIB:2344860,2063684-00031

AGENDA Item No. _____

MUSKEGON CITY COMMISSION MEETING – September 10 , 2002

To: Honorable Mayor and City Commissioners
From: Planning Department *B*
Date: September 4, 2002
Subject: Lakefront and Downtown Plan amendments

SUMMARY OF REQUEST

To accept the citizen report regarding recommendations to amend the City's Lakeshore and Downtown Plans, subplans of the City's Master Land Use Plan.

FINANCIAL IMPACT

Some matching funds for grants may be required. The proposed 2003 budget has some funds allocated for a grant match for a downtown circulation and design study.

BUDGET ACTION REQUIRED

none

RECOMMENDATION

The Planning Commission and staff recommend adopting the report with immediate action to amend the respective plans, ordinance and land use map to address citizen concerns regarding land use and community development.

* can we
(perkin website)
per commission request

(call CBC + Jim Maurer)
do set it up

CITY OF MUSKEGON
MUSKEGON COUNTY, MICHIGAN

RESOLUTION NO. 2002-104(b)

WHEREAS, City Planning staff worked with local community groups to obtain significant citizen input regarding amending the Downtown and Lakeshore Plans , and;

WHEREAS, the general citizenry and business community were represented in this effort, and;

WHEREAS, after several meetings and a great deal of consensus-building the attached citizen's report was generated, and;

WHEREAS, the Planning Commission held a public hearing on the report and adopted it;

NOW, THEREFORE, BE IT RESOLVED that the citizen's Lakeshore and Downtown Plan report is hereby also ratified by this City Commission.

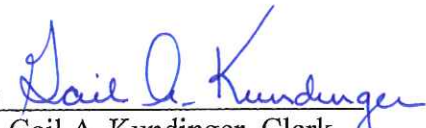
Adopted this 10th day of September, 2002.

Ayes: Gawron, Larson, Schweifler, Spataro, Warmington, Buie

Nays: None

Absent: Shepherd

By 
Steve J. Warmington, Mayor

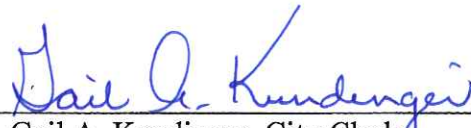
Attest 
Gail A. Kunding, Clerk

CERTIFICATION
2002-104(b)

This resolution was adopted at a regular meeting of the City Commission, held on September 10, 2002. 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. Kunderinger, City Clerk

Preface

History

In 1997 the city adopted an updated Master Land Use Plan. The previous plan was 1970's vintage and was in dire need of an update. A Master Plan is a land use policy document. By law, city land use and development decisions must be consistent with the Master Plan. The 1997 planning process took nearly two years to complete and involved a good deal of public input. Soon after the overall Master Plan was developed, it was determined that there should be more of a focus on the waterfront and the downtown. The Downtown/Lakeshore Redevelopment Plan (1997) and the Waterfront Redevelopment Sub-Plan (1999) were written as sibling documents to the Master Plan to provide more focus for those areas.

Plan Updates

Any viable, defensible plan needs periodic updates. Most professionals recommend that plans be reviewed at least every five years. Because Muskegon has many prospects and challenges in its redevelopment, the need for timely and thorough updates is probably even more critical. In addition to updating the plans, there has also been concern expressed that our plan(s) still do not provide enough detail to guide major development, especially on the waterfront and the Lakeshore Drive corridor, west of the Sappi Plant.

The basic information in our existing plans is still a good working foundation. Proposed changes to the plans will be processed as amendments to the original plans. The language of the old document will be edited to both clarify community intent and provide more direction to decision-makers and developers. The attached summary of public input will be drawn upon to amend the plans.

Process

In the fall of 2001 the "Turn-Back" Committee, an ad hoc committee of the Muskegon Heritage Association, and several Neighborhood Associations sponsored a series of community meetings in conjunction with the Planning Commission and City Planning Department. The purpose of the meetings was to gather information from the public to update the Downtown Lakeshore and Waterfront Redevelopment Plans. The "downtown" was loosely identified as those areas with more intense and diverse development--from the Causeway to Cole's Bakery with a southern boundary of Monroe and Walton Avenues. The "lakeshore area" was loosely defined west of Cole's Bakery with Harrison, Palmer and Grand Avenues being the southern boundary. The area west of Cole's was viewed as primarily residential and recreational.

All large property owners, business interests, and about one-third of all households in the study areas were invited to participate in these "brainstorming" sessions (472 contacts). Public notices were also published. Ninety-five individuals participated in the sessions, the focus of which was to first to identify concerns about development, then to document strategies to address those concerns.

Public Comment Summary

I. Overview

A Master Land Use Plan typically focuses on land use and community design. While listening to meeting participants, it became clear that perhaps community efforts should span beyond pure land use planning and address neighborhood and community development issues. Social issues like blight, crime, and racism are real problems that need to be addressed. Considering land use and design apart from these realities will not properly foster healthy neighborhoods.

II. Community Vision

A. Leadership Vision (taken from the City of Muskegon's Mission statement)

In general, the vision for the city as outlined by the City Commission is to maintain the city as a "Premier Shoreline City." When the City staff and Commission were asked what makes a premier city, the vision was further defined by outlining the following:

- Community diversity. Diversity meaning, "different" or "variety". In the context of building a desirable city, diversity relates to not only a healthy mix of racial, ethnic groups and socio-economic levels, but also to a variety of choices in housing, employment, shopping, transportation, educational, recreational and cultural opportunities.
- Leadership. Leadership comes in many forms and strong communities draw on leadership from the public sector, businesses, churches, human service groups, and neighborhoods. Building a sense of community pride and leadership in youth is also an important part of the vision.
- Sustain existing resources: Existing community resources include everything from natural, cultural, historical and recreational amenities to economic, educational and human resources.
- Collaboration: Successful communities maintain a high quality of life through teamwork and collaboration. Representatives of business groups, human service interests, cultural entities, educational institutions and various levels of governments must work together to build and keep healthy communities.
- Enhancement of residential neighborhoods, infrastructure and community facilities. This includes everything from aggressive capital improvement plans, to consistent code enforcement, to diverse leisure service programming. The city needs to be viewed as a collection of neighborhoods and business centers with various needs and characters, all under the umbrella of one unit of government.

B. Downtown Neighborhood Vision

Residents of the downtown were asked what they wanted to see in their neighborhoods and the downtown. The following is a summary of recurring themes among the participants.

In 2015, the downtown and connecting neighborhoods are diverse, vibrant and exciting places to be. Muskegon has become a focal point for the region offering events, services, shops and dining not found elsewhere in the county. Homeowners eagerly seek downtown neighborhoods to be close to downtown services and activities. Homes and business properties are preserved and well kept. Residents represent

various age groups, socio-economic backgrounds, cultural and racial heritages. This variety is also reflected in thriving establishments of the downtown. Locally owned and operated shops and dining establishments offer a wide range of ethnic and specialty products that draw customers from throughout the county. Local establishments hire and train local residents, which help strengthen community bonds. People are attracted to the downtown for its unique blend of entertainment, dining and specialty stores. Large converted historical structures house businesses and residents and add to the character of the area. These mixed-use establishments contribute to a high level of downtown activity.

City streets are clean, safe and attractive places to be. People like to linger and mingle downtown. Pedestrians stroll along the waterfront and through the downtown to admire the beauty and ambiance of lakefront views and the Heritage District. New developments fit in well with historic buildings. Business and residential areas are laced with beautiful plantings and outdoor amenities like seating, bike racks, fountains, kiosks, interpretive plaques, and sculpture. Bikers, joggers and walkers have attractive paths to enjoy and carriages and trolleys safely share the road with cars. While cars are accommodated downtown, they do not dominate the environment. Institutions like schools and churches continue to be strong and dynamic parts of the community.

Landmark homes, as well as quaint bungalows, are admired for their charm. There is a good mix of housing opportunities, including high quality, affordable apartments, condominiums, cottage-like homes for smaller households, and stately homes for larger families.

C. Lakeshore Neighborhood Vision

Residents outside of the downtown and adjacent to the lakeshore were asked what they wanted to see in their neighborhoods, on the waterfront, and in neighborhood business areas. The following is a summary of recurring themes among the participants.

In 2015, the lakefront and connecting neighborhoods maintain the charm and small-town coziness that has been a part of neighborhood living for decades. Beach, marina and boating centers remain a strong part of coastal character. New developments are tucked among older developments and do not impose upon neighborhoods or the shoreline. Older homes are well-kept and primarily owner-occupied. Residents represent various age groups, socio-economic backgrounds, cultural and racial heritages.

Locally owned and operated shops and dining establishments thrive and serve both the year-round and seasonal populations. The quaint village character of the Lakeside business district is maintained and enhanced. Local establishments hire and train local residents, which help strengthen community bonds.

Everyone enjoys the ambiance of free, beautiful public beaches, water, and sunsets. The area is a regional focal point for recreational activity. Tomorrow's children will enjoy the same activities and pleasant waterside scenes, as did their great-grandparents.

City streets are clean, safe and attractive places to be. People like to linger and mingle in the area. Pedestrians stroll through beautiful neighborhoods and along the waterfront on a well-established trail system to admire the splendor of lakefront views. Business and residential areas are laced with beautiful plantings and outdoor amenities like seating, bike racks, and interpretive plaques.

The single-family nature of existing neighborhoods remains strong and desirable. Some new housing choices are provided in the area to offer a variety of housing opportunities for various household and life-stage needs, including small pockets of quality, affordable apartments, limited low-density condominiums, and townhouses. Mixed-use housing and small-scale commercial developments are

integrated in diverse and well-designed clusters. New single-family developments follow traditional city patterns and function as interactive neighborhoods.

Alternative modes of transportation are encouraged and expanded. Sidewalks, non-motorized trail connections and other amenities are well developed which reduce dependency on the automobile.

D. The Shared Vision

City leadership, and all residents of Muskegon share a common desire to have healthy neighborhoods. A common theme heard by staff clearly ties to the function of a "traditional" neighborhood: *"watchwords for neighbors are mutual support and respect. People look out for one another and neighbors often become surrogate parents and mentors for the youth of the neighborhood. Through cultural interaction, established neighborhood standards, and formal recreational and school functions, children learn self-respect, community pride and the sense of responsibility they need to become happy and productive adults. They want to return to the neighborhoods in which they grew up. In general, residents are very proud of their community."*

III. Issues, Opportunities and Strategies

The following section, in table format, is a compilation of a significant amount of community input. The comments of initial brainstorming sessions were recorded and reported back to the participants for refinement (e.g., corrections, additions). Participants then identified general categories that their comments could be grouped into to better organize the collective thoughts of the group. Once a subcommittee of participants edited the comments, this distillation was presented to all original participants for ratification. The primary purpose of this summary of issues, opportunities and strategies is to provide a clear frame of reference of community desires. Neighborhood groups, City Commissioners, appointed boards and commissions, and city staff can use this as a focal point for our collective efforts to build and maintain healthy neighborhoods in this premiere waterfront city.

Land Use, Downtown Issues

1. Participants were concerned that long-established single-family districts are being encroached upon or transitioned into commercial or multi-family uses.
2. Housing stock continues to be reduced in the central city.
3. There was concern that public access to the waterfront not be lost in development and redevelopment projects.
4. Because the City of Muskegon is a working city with strong residential areas, there are concerns that tourist-oriented businesses might get out of balance with non-tourist residents and businesses.
5. When asked what kinds of uses they thought were inappropriate downtown participants indicated:
 - Heavy Industry
 - Trucking
 - Pawn shops
 - Rent to own
 - Tattoo Parlor
 - Junk yards
 - Aggregate on Lakeshore
 - Chain restaurants
 - Single family conversions to multi-family
 - Casino
 - Over-sized parking lots
 - Check cash shops
 - Adult entertainment
 - Tire store
 - Commercial Storage
 - Strips of storage bldgs.

Land Use, Lakeshore Issues

1. There was concern that the single-family/cottage nature of residential waterfront areas would be significantly altered or overwhelmed by a concentration of poorly placed, high-density, high-rise development outside the downtown. Downtown areas are more appropriate for higher density development. Appropriate densities for residential uses need to be determined for the entire Lakeshore area.
2. Various forms of residential development need to be encouraged in appropriate areas of the Lakeshore. The scale and nature of new development, especially residential, need to blend with the scale of the majority of existing contiguous development. Each new waterfront development should be carefully evaluated on a case-by-case basis.
3. Long-established, stable single-family neighborhoods should not be encroached upon or transitioned into commercial or multi-family uses.
4. There was a fear that Pere Marquette and other contiguous areas (Channel Park, Lighthouse Park, and Beechwood Park) may be infiltrated by year-round, permanent commercial ventures. The land is dedicated Charter Park and should remain so. Existing seasonal businesses have not realized the profit margin they hoped for and additional permanent structures should be prohibited, especially if an established business area (Lakeside) struggles to maintain support.
5. The use (or misuse) of Planned Unit developments and other "flexible" zoning techniques within the Lakeshore area that fundamentally change the character of a single family neighborhood require careful scrutiny by staff and the public.
6. If Lakeshore industrial uses phase out, there should be a thoughtful reuse plan for the property that considers the context of the area.
7. The Muskegon Lake and adjacent aquatic habitat promotes an important fishery. Land use decisions that strip vegetation from the shores negatively impacts the fishery and should be prevented.

<u>Land Use, Downtown Opportunities</u>	<u>Land Use, Lakeshore Opportunities</u>
1. To redevelop vacant sites. 2. To rehabilitate old industrial structures for housing and mixed uses. 3. To develop the downtown into a specialty shop, restaurant and entertainment center. 4. To integrate good public access to the waterfront in cohesive design.	1. Access and proximity to the waterfront and resources of Muskegon Lake and Lake Michigan. 2. To develop new single-family and low density residential development. 3. To consolidate aggregate operations on the east end of Muskegon Lake. 4. To improve alternative and non-motorized transportation. 5. To negotiate waterfront access as part of new development. 6. Development potential of the McCracken peninsula.
<u>Land Use, Downtown Strategies</u>	<u>Land Use, Lakeshore Strategies</u>
1. Except for the designated Port Zone, relocate waterfront industry out of the study area. 2. Institute flexible zoning districts that promote mixed use of residential, commercial and office uses. Promote mixed-use developments that have first-floor service or retail uses with office and/or residential uses on upper floors. 3. Place townhouses, condominiums and other high-density, middle to high income housing near the downtown waterfront where the scale of such development fits with the downtown skyline rather than scattering it along the coastline outside of the downtown. Promote some higher density housing along Western to promote a 24-hour presence of human activity. 4. Prevent the transition of single-family homes to multiple units by downzoning areas of the city, especially in the downtown. 5. Consolidate commercial uses along Western Avenue, Pine Avenue, and Third Street. 6. Limit the density of office uses on Western Avenue to promote a 24-hour downtown. 7. Move activities into the downtown that will benefit downtown neighborhoods (e.g., the farmer's market).	1. Amend the Planned Unit Development standards of the ordinance to provide more guidelines for appropriate application. 2. Downzone the paper mill to at least an I-1 designation only if there is an indication that the mill being phased out. This would prevent heavy industry from occupying the waterfront. Since the property is large enough to be its own enclave, staff should work with the property owners to discuss a mixed use development for the site that could include light and clean industrial, commercial and/or residential development. Natural shoreline in that area should be preserved and/or restored. 3. Any recreational development on the Amoco Property should promote a natural buffer strip. 4. Assess zoning of the Lakeshore corridor and consider downzoning business areas and rezoning some business to multi-family designations where appropriate. 5. Assess existing waterfront districts for an appropriate mix of land uses. 6. Existing marina establishments should be maintained. Dockage and slips on Muskegon Lake are a premium and should not be transitioned into other uses, especially those that are not water-compatible. Preserve existing publicly accessible slips on Muskegon Lake.

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| | <ol style="list-style-type: none">7. Clarify zoning district regulations to differentiate uses and protect waterfront, Lakeshore and neighborhood character.8. Businesses located on or adjacent to the waterfront should be water-dependent. Legitimate water-dependent uses include marinas, commercial fisheries, docks, restaurants or other facilities that require waterfront ambience.9. Relocate aggregate operations in Lakeside to the east end of Muskegon Lake where water dependent industrial uses are consolidating.10. Increase access to the water through better use of existing access and acquiring additional access where feasible.11. Explore seasonal uses for Pere Marquette under a multi-use pavilion that could also be used for recreational functions (e.g., dances) |
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<u>Housing, Downtown Issues</u>	<u>Housing, Lakeshore Issues</u>
1. High-speed commercial traffic is not compatible with the nature of downtown neighborhoods (i.e., small yards setbacks, higher density design). 2. Many neighborhoods are cramped for parking because the city was laid out well before society become dependent on automobiles. Many homes lack driveways and alley access is limited. Congestion is aggravated by home conversions to apartments. 3. The concentration, quality and proliferation of rental housing. There is also a concern over not having a healthy mix of housing.	1. A large portion of the housing stock is well over 50 years old and may need updates and/or significant maintenance. Older citizens or first time home-owners may not have the resources to make such home improvements. 2. The quaint single-family nature of the neighborhoods could be jeopardized by intensive, high-scale residential development. 3. There are limited senior housing opportunities in the neighborhood. When a senior wishes to move from their single-family home they have to leave the area. 4. Evidence of blight is showing more in the single-family neighborhoods.
<u>Housing, Downtown Opportunities</u>	<u>Housing, Lakeshore Opportunities</u>
1. The downtown has affordable housing choices. 2. Downtown housing is within walking distance of cultural and business activities.	1. The waterfront and lake is a significant amenity which keeps the desirability, and therefore property values of the area strong. 2. The area has an inherent high standard of property maintenance.
<u>Housing, Downtown Strategies</u>	<u>Housing, Lakeshore Strategies</u>
1. Make sure in-fill homes are of high quality and are consistent with the character of the downtown. 2. Build infill homes or move homes on vacant city lots. 3. Investigate "point-of-sale" inspections with special attention to land contract sales. This program may be as simple as requiring proof of a home inspection by a certified professional for major items like foundations, furnaces, opening windows and roofs. 4. Strengthen housing code enforcement to prevent deterioration of homes. Hold owner-occupied homes to rental standards. 5. Increase the frequency of rental inspections from once every four years to at least once every two years. 6. Investigate the use of shared garage space or parking areas in those areas with limited on-site parking (e.g., the notion of "mews" of British design). 7. Investigate the adaptive reuse of large homes not viable for single family development on a limited basis for offices, cottage industry and studios.	1. Amend the Planned Unit Development standards of the ordinance to provide more guidelines for appropriate application of high-density housing. 2. Assess zoning of the Lakeshore Drive corridor and consider downzoning business areas and rezoning some business to multi-family designations where appropriate. 3. Assess existing waterfront districts for an appropriate mix of land uses 4. Additional multi-family development near Lakeshore areas outside the downtown should be low-level, low to moderate-density, and appropriately placed near the water, but not adjacent to it.

<u>Community & Economic Development, Downtown Issues</u>	<u>Community & Economic Development, Lakeshore Issues</u>
- As with many other urban centers, the City of Muskegon has experienced: - A significant out-migration of residents to the suburbs. - Retail abandonment as fringe and highway interchange malls replaced or displaced downtown business areas; - Economic displacement as industry automation, migration and consolidation required fewer workers; - Maintenance challenges of aging water, sewer, street and public utilities systems. - Despite a certain level of disinvestment in the City since the 1950s, service demands have increased. The growing need for reinvestment can outstrip resources. - There is a lack of business density and geographic definition to the central business district. There are too many vacant buildings and lots. There is a need for more unique shops and services to serve residents and tourists, particularly near the waterfront.	- Business areas should be confined to the existing concentrations between Estes Ave. and McCracken. High-impact businesses should locate outside of the neighborhood business district in B-4, General Business zones. - Measures need to be taken to fill economic gaps when waterfront industry relocates or gets phased out. - Lakeside business and tourist activities are relatively isolated from the Downtown. - Blight and empty storefronts in the Lakeside Business District.
<u>Community & Economic Development, Downtown Opportunities</u>	<u>Community & Economic Development, Lakeshore Opportunities</u>
- The City can capitalize on the fact that it is situated on the largest inland lake in West Michigan, with a deep-water port, that has access to Lake Michigan. - There are large areas of waterfront land available for redevelopment. - The history of Muskegon shows the community and its waterfront has evolved significantly since its incorporation some 133 years ago (1869). Nearly seven generations later, it is still a unique community with regionally significant assets. This includes an historical character and downtown that cannot be duplicated by suburban counterparts.	- The City of Muskegon can capitalize on the fact that it is the largest city on Michigan's west coast. Its character includes a unique blend of waterfront resort and urban entertainment. - There are several talented artists in the focus area and throughout the City whose talents could draw activity to the City. - The City has a great deal of existing infrastructure including public water, sewer, stormwater and a parks system. Full-time public safety and public works personnel are equipped to assist with regional level events (festivals, etc.).

Community & Economic Development, Downtown Opportunities

4. The City's natural and cultural assets have regional significance. The city is home to:

- Cultural assets like the Frauenthal Center, County Museum and associated facilities (Hackley/Hume homes, fire barn).
- Muskegon Museum of Art
- National Historic sites like the Hackley Library and Hackley Administration building;
- Walker Arena and Muskegon Fury hockey team;
- Hackley Hospital and Mercy General Health Partners;
- Community Foundation for Muskegon County;
- Heritage Landing and the historic Union Depot

- Grand Valley State University's Water Research Institute, Baker College and Muskegon Community College;
- Regional offices for national human service groups like United Way, Red Cross, YMCA, and Goodwill;
- Hackley Park, the farmer's market, boat launches and public marinas;
- A host of special events like Summer Celebration, Cherry County Playhouse, Shoreline Spectacular, and AVP Volleyball.
- Commercial tourism like the Silversides, the Port City Princess, and the Milwaukee Clipper.

Community & Economic Development, Downtown Strategies

1. The downtown should be developed and marketed to set it apart from the suburban offerings of strip malls and department stores. Focus on the development of specialty or niche businesses.
2. Build on the existing downtown cultural center. Arts, entertainment and regular events like "Parties in the Park" provide a focus for the downtown. Special events like Summer Celebration bring an excitement to the downtown.
3. Promote convention business development in the downtown.
4. Work with neighborhood and business groups to develop consistent design themes for the downtown. The effort should include recommendations for:
 - The location of street furniture, kiosks, formal bus stops, shelters and picnic tables.
 - Fixtures that are consistent and fit the historic nature of the downtown including street signs, streetlights, fencing, etc.
5. Concentrate regional-draw businesses around the arts and entertainment centers on Western Avenue.
6. Promote neighborhood service businesses in the Third Street and Pine Street Corridors.
7. Consider increased police presence as the downtown blossoms. Foot, bike, golf-cart shuttles and horse patrol should be considered.
8. Define the types of uses that will receive any additional Renaissance Zone designations and tie their designation to property-owner performance guarantees.
9. Provide better/more public access to Muskegon Lake, including tie-ups for small power and non-motorized boats, especially near downtown.
10. Provide more of a draw for boaters docking near the downtown (small shops, convenience stores, etc.).
11. Investigate the merits of water-taxi or water shuttle services to destinations along the City's shoreline.

Community & Economic Development, Lakeshore Strategies

1. Target the Lakeside business district for business development assistance. Link technical assistance resources with the business owners association to assist them with development and design issues.
2. Promote connections between the Lakeside area and the Downtown area on entertainment and waterfront activities that might be centered in either district (e.g., shuttles, boat transportation, programming).
3. Investigate the potential of drawing boaters more into business areas. Perhaps more transient docks are warranted.
5. Develop a better design for seasonal cart and kiosk businesses at Pere Marquette.
6. Promote development that can accommodate local artists and promote unique products and crafts of the area.
7. Promote an antique mall for Lakeside Business District.
8. Consider developing a water shuttle to the North side of the channel.
9. Promote winter recreation and tourist attractions by co-marketing with the county and other municipalities.
10. Engage in holistic marketing to promote all features, attractions and amenities to make the City a destination.
11. Consider the use of business incentives and tax capturing techniques to upgrade the Lakeside business district.

<u>Design and Amenities, Downtown Issues</u>	<u>Design and Amenities, Lakeshore Issues</u>
1. Lack of neighborhood continuity. The presence of the wide, one-way, and relatively high-speed corridors of Muskegon and Webster aggravate the situation. Downtown neighborhoods need to be reintegrated with the central business district with the redesign of the Muskegon and Webster corridors. 2. Concerns with the waterfront being built-up to the point where Muskegon Lake cannot be seen. Residents were concerned with public access to Muskegon Lake and thought structures should be placed as a backdrop and not impose upon or block the waterfront. 3. Poorly lit areas and streetlights which are maintained or out of scale/context with the nature of the neighborhood. 4. Providing more low-cost recreation and entertainment for downtown residents (seniors and youth in particular). Regional parks and other general recreational offerings are outside of the downtown and not easily accessible by downtown residents. 5. Poorly maintained city property (most notably, vacant lots). 6. Failure to replace or maintain elements of downtown design (e.g., banners, Christmas decorations, and street landscaping).	1. Reduction of the public's visual and physical access to the water from development design that is not well thought-out. 2. Dock and marine service facilities in poor repair detract visually from the shoreline. Scrapped or obsolete equipment litters the coast. 3. Unmaintained seawalls, broken concrete and unmaintained docks which detract from the visual beauty of the coastline create a poor image for the City. 4. There was concern that development of new boat slips not encroach upon the navigable waters of Muskegon Lake. 5. In some areas along the business district and bike trail lighting is poorly maintained, glaring or non-existent. 6. Lack of organized beautification/design efforts for the Lakeside Business District. 7. Permanent dock with appropriate parking and access for the Milwaukee Clipper.
<u>Design and Amenities, Downtown Opportunities</u>	<u>Design and Amenities, Lakeshore Opportunities</u>
1. There are many redevelopment opportunities downtown that can incorporate outstanding design features as part of the redevelopment. 2. There are several unique and impressive facilities and structures that provide an existing urban fabric on which to build.	1. The backdrops of Lake Michigan and Muskegon Lake can be accentuated with good design. 2. The waterfront offers a theme that can unite elements of the community.
<u>Design and Amenities, Downtown Strategies</u>	<u>Design and Amenities, Lakeshore Strategies</u>
1. Incorporate design standards in zoning regulations that address building facades, pedestrian access, street furniture and non-motorized vehicle access. 2. Make design ties north/south from downtown neighborhoods to the Muskegon Lake shoreline. 3. Eliminate the artificial hills on the waterfront.	1. Start a streetscape beautification plan with the Lakeside businesses to include façade improvement and street amenities (e.g., kiosks, street furniture, etc.). 2. Consider the adoption of a Harbor Ordinance, which could regulate the condition of docks, seawalls and other shoreline infrastructure.

Preservation, Downtown Issues

1. The need to revitalize the historic, quiet nature and high quality of downtown neighborhoods by paying particular attention to:
 - Neighborhood design (e.g., streetlights, architecture, and general beautification).
 - Code enforcement on poorly maintained properties before they deteriorate and get demolished.
 - Protecting and rehabilitating historic structures rather than demolishing them.
 - Infrastructure upgrades.
 - Pedestrian-friendly and public transit-responsive services.
 - Chronic public safety and image concerns like street corner drug deals, solicitation and gang activity.
 - Empty storefronts.
 - Undesirable or poorly suited land uses downtown (e.g., warehousing and businesses with high outdoor storage requirements).
 - Needed recruiting for service businesses (e.g., grocery).
2. The deterioration and lack of use or misuse of unique structures, e.g., the Century Club, and "grand old houses" having been cut-up for multi-family units which further crowd neighborhoods. The condition of structures on the Pine and Third Street corridors is of particular concern.

Preservation, Lakeshore Issues

1. Muskegon Lake is a prime fishery that has been diminished by development. Currently, the percentage mix of relatively undisturbed aquatic and shoreline habitat is on the lower end of what is considered healthy for a good fishery.
2. Dredge and fill around Muskegon Lake can re-suspend contaminants and destroy aquatic life.
3. The amount and quality of public access to Muskegon Lake and Lake Michigan is of concern. Public facilities need to be maintained and protected. Additional access opportunities need to be developed whenever feasible through enhancing existing access or acquiring new access as available.
4. Waterfront habitat in the City should be preserved where practical.
5. Although the environmental quality of the area is greatly improved from the 1950's. There are lingering issues with sediment contamination, stormwater runoff and damage to remaining habitat.
6. Muskegon Lake becomes a sink of contaminants as streams, groundwater and stormwater carry pollutants to the receiving body (i.e., contaminants in Ruddiman Creek).
7. The "ovals" vegetation at Pere Marquette Park should be protected to prevent blowing sand to residential areas.

Preservation, Downtown Opportunities

1. Historic tax credits for structures in historic districts are an excellent means to promote rehabilitation.
2. There are many unique local businesses we could promote. Some of the suggested businesses include:

Antique shop	Aquarium	Artists lofts/shops
Bakery	Professional sports	Bike Rental Places
Bingo Hall	Brew Pub	Casino
Coffee house	Convention/Vocational center	
Cross Lake Ferry	Dance Club	Deli
Dive shop	Drug Store	Dry Cleaner
Ethnic and local restaurants		Financial institutions
Food Courts	Florist	Fresh fish shop
Gas Station (fringe)	Gift Shops	Gift Shops/Boutiques
Grocery Store	Gym	Ice Cream parlor
I-Max Theatre	Indoor Carnival	
Indoor farmer's market & flea		
Motel	Movie Theater	Office Bldgs
Photographers	Pool hall (classy)	Reception facility
Sidewalk Café	Spa	Specialty Clothing
Specialty shops	Sports Bar	Subway
Tailor	Water taxi	Marine recreational industries

3. Participants were asked about key sites for development and redevelopment

Anaconda (Westran) site	Apple & Pine (Dobben)
Area at Terrace/Western	Boiler Works
Carpenter Bros. Property	Century Club
City Parking Ramp	Clay & 9 th & 8 th
Clay & Eastern	Clay & Spring
Ginnian Tire Area	Mart Dock
Leighton Park	Lower Western to Ninth
Medical Arts Center	Michcon site
Muskegon Mall	North end, Witt Buick
Old Bishop/Heethuis Bldg & vacant lot	Old small train station
Ottawa Ave.	Parking lot east of the Hume
Richards Park	Seaway and Eastern (off towers)
Shaw Walker Building	SPX Building
St. Joe's property, Monroe St.	Stable property on Clay
Street development of West end of Henry to Downtown	
Teledyne Medical Arts Center	Pine St. - Apple to Western
Empty Lots on Muskegon & Webster	Excess lands from Shoreline Drive
Farmers Market to Ninth & Western	Fisherman's Landing

Preservation, Lakeshore Opportunities

1. West Michigan is one of the *few places in the entire world* with freshwater dune systems. Muskegon is a city tucked into the dunes and against Lake Michigan. Quality of life in the City is very high, in part because of its geographic location.
2. The city's entire Lake Michigan shoreline, over two miles worth, is held in public ownership. Everyone can enjoy the ambiance of beautiful beaches, water and sunsets for free.
3. Muskegon Lake is a 4,100-acre water body with many commercial and recreational opportunities. Further, the U.S. Fish and Wildlife Service classifies the Muskegon Lake, Muskegon River, and associated wetlands as a significant national wetland system. This resource niche gives Muskegon economic and community development options many other cities simply do not have.

Foundry property at end of Western Seaway and Eastern (off towers) Shaw Walker Building Third St. Corridor Street development of West end of Henry to Downtown Pine St. – Apple to Western St. Joe's property, Monroe St. Further devel.of Heritage Landing.	4. Take advantage of existing ambiance, historic structures, horse and carriage service, etc. 5. Young people are coming back downtown, buying homes and fixing them up. 6. Beauty and presence of historic buildings like the redevelopment of the Amazon. 7. Private initiatives that enhance the downtown (e.g., Monet Garden).
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Preservation, Downtown Strategies

1. Continue to relocate saved historic homes in the infill areas downtown.
2. Reevaluate historic district boundaries and educate owners about their rights and responsibilities.
3. Use historic tax credits to promote rehabilitation.
4. Be more assertive about reutilizing key Western Street structures like the Heethuis/Bishop building.
5. Promote the designation of single-property historic districts.
6. Establish programs and regulations that better protect historic resources.
7. Clarify and strengthen codes to better address blight issues. Work more diligently to clean problem properties, including trash in yards, dilapidated homes and junk cars.
8. Focus rehabilitation efforts on older homes in the downtown. Provide incentives to stimulate additional reinvestment in homes.
9. Develop an aggressive tree replacement and enhancement program for the downtown, especially along the Muskegon and Webster Avenue corridors.
10. Tie the neighborhood, cultural amenities and waterfront together with marked walkways, kiosks, landscaping, signs, and interpretive plaques.
11. Identify significant view lines and enhance or preserve them.
12. Continue promoting the influx of new residents downtown.

Preservation, Lakeshore Strategies

1. Enhance and preserve water quality through the use of natural vegetative buffers along the shoreline. Also limit direct discharge of stormwater.
2. Continue with cross-community and intergovernmental cooperation to address concerns with Ryerson and Ruddiman Creeks.
3. Work with state fisheries officials and the County Conservation Office to augment and protect fish habitat in Muskegon Lake.
4. Encourage the use of Michigan Department of Natural Resources hearing process to discuss concerns with dredging, filling, coastal armoring and encroachments on navigable waters.
5. Large-scale or mixed use developments should be guided with incentives and design standards that protect and enhance natural amenities including aquatic and shoreline habitat so the Muskegon Lake fishery is not diminished.
6. Work with the Water Research Institute to monitor and improve water quality.
7. Stay educated on environmental studies and clean-up needs. Work with other organizations and the state to facilitate clean-up of such sites.
8. Limit armoring of the coastline to existing established facilities. Encourage use of alternative or "soft shoreline" stabilization methods. Additional transition of any natural shoreline should be carefully evaluated.
9. Become familiar with the Michigan Department of Natural Resources fisheries standards and manage waterfront resources.
10. Promote the use of native landscaping species to prevent invasive species from intruding on the ecosystem.
11. Increase the level of access to the Muskegon Lake waterfront by better utilizing the land already held in public ownership.
12. Consider an additional historic district for segments of Lakeshore Drive.

Transportation, Downtown Issues

1. Safety, noise, speed, vibrations and isolation problems associated with a major trunkline cutting through the downtown neighborhood (Muskegon and Webster). Truck traffic, privacy, small front yards, and lack of trees along the corridors are also of concern.
2. The changes to Muskegon and Webster Avenues after the completion of Shoreline Drive. The general consensus was to step down the function of the street and turn them back into two-way, local service streets.
3. The ability of Shoreline Drive and the downtown to accommodate an increasing number of special events and increasing attendance at special events. Residents are particularly concerned about:
 - Adequate public safety resources (fire, ambulance and police) and their ability to respond in a crowded environment.
 - Congestion and poor vehicular and pedestrian circulation;
 - The invasive nature of some of the events on the neighborhood (e.g., trespass, noise, illegal parking).
 - Adequate, well-placed and well designed parking areas.
 - Adequacy of the route/design for truck traffic.
4. Shoreline Drive's design creates a barrier between the central business district, its neighborhoods, and the waterfront.
5. There are conflict points between pedestrians and cars along north/south streets as people try to access the waterfront, especially on 9th street.

Transportation, Lakeshore Issues

1. Lakeshore Drive is the primary access to a growing peninsula. With truck traffic and additional residential development there needs to be care not to overly congest the area. East of Lincoln Avenue the issue is compounded by the fact that the road narrows and there is limited or no shoulder.
2. The amount, location and design of parking areas in the Lakeside Business area has been an issue in the past. Thoughtful design needs to be employed in new development and redevelopment to improve this situation.
3. Beach Street is very congested at Lakeshore Drive. A bottleneck is created at peak use times.
4. Truck traffic often totally blocks Lakeshore Drive. As development increases this hazard will become more of a problem.
5. Heavy truck traffic down Lakeshore disrupts the neighborhoods, and the ambiance of the area.
6. From Laketon Avenue to Country Club Drive, the sidewalk is inadequate for a bike and pedestrian use.

Transportation, Downtown Opportunities

1. Downtown neighborhoods can be strengthened by new developments when Shoreline Drive is complete. There is an opportunity to integrate the downtown with the shoreline and the neighborhoods with commercial activity during this process.

Transportation, Lakeshore Opportunities

1. Development of the bike trail west of Laketon Avenue.
2. The presence of water offers the opportunity for various modes of water transportation.

Transportation, Downtown Strategies

1. Assemble a design team (e.g. engineer, urban designer, transportation planner) to work with neighborhood representatives, city staff, commercial interests and Michigan Department of Transportation to retool the Muskegon and Webster corridors and revitalize urban neighborhoods. Consider:
 - Start the process with a design group that actively involves the residents and business representatives. This process should serve as the foundation for design efforts.
 - Two lanes of traffic, two-way with two lanes of parking in select areas.
 - Restrict access to Muskegon Avenue where it meets Shoreline Drive.
 - "Bump-out" terraces in various areas to improve neighborhood design and calm traffic.
 - Narrow the streets.
 - De-sync traffic lights, remove some signals and provide 4-way stops in residential stretches of the corridor.
 - Create a small scale internal loop to cross-link neighborhoods with commercial districts and the shoreline.
 - Expand terraces in select spots and plant street trees in bump-out areas.
 - Provide boulevard islands along parts of the stretch.
 - Limit truck traffic on the corridors. Create truck routes and weight limits throughout the city.
 - Provide a traffic calming transition between the residential and business areas of both the Muskegon and Webster corridors, such as, curbing bump-outs or pavement narrowing in the residential area that may not be applied in the commercial area.
2. Perform a comprehensive downtown traffic study that evaluates traffic patterns, (especially all one-ways downtown) in light of Shoreline Drive being completed.
3. Evaluate problem intersections like the Pine and Clay intersection and the

Transportation, Lakeshore Strategies

1. The design of parking areas along Lakeshore should promote shared parking and design connections for foot traffic among facilities.
2. Do not locate parking lots adjacent to the water. Design parking so it does not isolate people from the water or block waterfront views.
3. Investigate the use of other modes of transportation to limit congestion during summer events at Pere Marquette Park.
4. Consider a turn-lane where Edgewater Street connects with Lakeshore Drive.
5. Help facilitate common or shared parking agreements among Lakeside merchants.
6. Review on-street parking policies and spaces. Consider working with the paper mill to redesign staging areas to keep trucks from using the main thoroughfare as a maneuvering lane and docking area.
7. Encourage the reduction of truck traffic on Lakeshore Drive from gravel transport by facilitating the relocation of Lakeside gravel operations to the east of the lake.
8. Provide signs on common truck routes to prevent truckers confusion or misdirection.
9. Limit high-density residential and commercial development along Lakeshore Drive to limit concentrations of high-volume traffic since opportunities to expand the roadway are limited.
10. Provide well-designed pedestrian crossings in the Lakeside business district, particularly along marina/business district interfaces where boaters may want to cross Lakeshore to business establishments. Consider pedestrian right-of-way walks like those found in coastal communities along the east coast.
11. Use traffic calming techniques and design to slow traffic along the Lakeshore corridor, especially near business and marina areas.

Spring and Webster intersection. - Investigate the needs of alternative transportation, including expanded bus service, shuttles, trolleys, boaters and bikers. Pay particular attention to crossings and overpasses over Shoreline Drive to connect the central business district and its neighborhoods to the waterfront. Look to Chicago and Duluth as models for doing this. - Provide alternative transportation amenities throughout the downtown like bus-stops, cab stands, marked walking or jogging routes. Pay special attention to a connection between the downtown and the High School. - The design of parking areas in the downtown should promote consolidated, shared parking and parking decks or ramps where appropriate.	- Investigate realigning Lakeshore Drive by the paper mill to make room for maneuvering and loading areas off the public right-of-way. - Consider an extra lane at Beach Street to separate right and left turning movements. - Consider seasonal traffic control at the Beach, Lakeshore Drive intersection.
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AGENDA ITEM

CITY COMMISSION MEETING August 12, 2002

TO: MAYOR AND CITY COMMISSIONERS
FROM: Bryon L. Mazade, City Manager
DATE: August 7, 2002
RE: Travel Request – NLC Convention in Salt Lake City

SUMMARY OF REQUEST

Commission Shepherd is requesting to attend the National League of Cities Congress of Cities Convention in Salt Lake City in order to participate in meetings of the NLC's Community and Economic Development Committee, on which she serves.

FINANCIAL IMPACT

Conference Registration -	\$335.00
Hotel	- \$750.00
Airfare	- \$450.00
Meals & Misc.	- \$250.00
Estimated Total	- \$1,785.00

BUDGET ACTION REQUIRED

None

STAFF RECOMMENDATION

To approve the request.

COMMITTEE RECOMMENDATION

Affirmative Action
231/724-6703
FAX/722-1214

Assessor
231/724-6708
FAX/726-5181

Cemetery
231/724-6783
FAX/726-5617

Civil Service
231/724-6716
FAX/724-4055

Clerk
231/724-6705
FAX/724-4178

Comm. & Neigh.
Services
231/724-6717
FAX/726-2501

Engineering
231/724-6707
FAX/727-6904

Finance
231/724-6713
FAX/724-6768

Fire Dept.
231/724-6792
FAX/724-6985

Income Tax
231/724-6770
FAX/724-6768

Info. Systems
231/724-6744
FAX/722-4301

Leisure Service
231/724-6704
FAX/724-1196

Manager's Office
231/724-6724
FAX/722-1214

Mayor's Office
231/724-6701
FAX/722-1214

Neigh. & Const.
Services
231/724-6715
FAX/726-2501

Planning/Zoning
231/724-6702
FAX/724-6790

Police Dept.
231/724-6750
FAX/722-5140

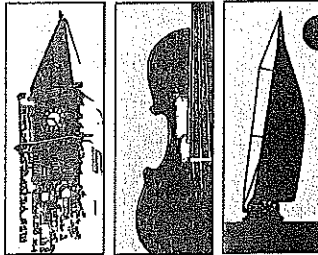
Public Works
231/724-4100
FAX/722-4188

Treasurer
231/724-6720
FAX/724-6768

Water Billing Dept.
231/724-6718
FAX/724-6768

Water Filtration
231/724-4106
FAX/755-5290

MUSKEGON



West Michigan's Shoreline City

MEMORANDUM

TO: MAYOR AND CITY COMMISSIONERS

FROM: Clara Shepherd, City Commissioner

DATE: August 5, 2002

RE: Attendance at NLC Conference

I am requesting your approval to attend the NLC's Congress of Cities Conference in Salt Lake City, Utah on December 3-7, 2002. It is important for me to attend this conference as a part of my membership on the NLC's Community & Economic Development (CED) Steering Committee. The policy proposals for this committee will be considered during the conference.

Thank you for considering this request.

To strengthen
and promote
cities as centers
of opportunity,
leadership, and
governance.



**National League of
Cities**

1301 Pennsylvania Ave., N.W.
Washington, D.C. 20004-1763
202-626-3000
Fax: 202-626-3043
www.nlc.org

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July 15, 2002

MEMORANDUM

To: Clara Shepherd, Council Member
City of Muskegon, Michigan

From: Ruth Hopkins, CED Policy Committee Chair
City of Prairie Village, Kansas

Subject: 2002 July *Policy Informer*

I am pleased to be able to send you the July issue of the *Policy Informer*. It contains a brief report of the activities of the spring 2002 meeting of the Community and Economic Development (CED) Steering Committee. The *Informer* also highlights the activities of the six other NLC Steering Committees.

You are encouraged to read the brief report of the committee's progress on the three priorities the CED Policy Committee identified in March. Any suggestions, questions or concerns can be directed to Pam Kondé, the NLC Senior Policy Analyst, who staffs CED, at (202) 626-3068 or konde@nlc.org

At the upcoming October meeting of the steering committee, members will complete the 2002 Policy Agenda set for them by the CED Policy Committee at the Congressional City Conference in Washington D.C. in March. In addition, the committee will also consider any proposals put forward by NLC Direct Member Cities, State Municipal Leagues or individual city officials. An invitation to make such proposals will be extended in a mailing shortly and such proposals are due August 9th. As a Policy Committee member you will have an opportunity to consider, debate and vote on the policy proposals and resolutions on Wednesday, December 4th beginning at 9:00 a.m. at the Congress of Cities in Salt Lake City, Utah.

Thanks for your continuing role in ensuring that NLC's positions on federal policy accurately represent the views of cities.

Past Presidents: Clarence E. Anthony, Mayor, South Bay, Florida • Glende E. Hood, Mayor, Orlando, Florida • William H. Hudnut, III, Councilman, Village of Chevy Chase, Maryland • Sharpo James, Mayor, Newark, New Jersey • Brian J. O'Neill, Councilman, Philadelphia, Pennsylvania • Cathy Reynolds, Councilwoman-at-Large, Denver, Colorado • **Directors:** Jerry Bamberg, Commissioner, Covington, Kentucky • Brenda S. Barger, Mayor, Watertown, South Dakota • Kenneth Barr, Mayor, Fort Worth, Texas • Sally D. Beala, Mayor, Centerville, Ohio • Threet W. Brown, Councilman, East Point, Georgia • Michael S. Buehlhorn, Village President, Swansea, Illinois • Steve Burkholder, Mayor, Lakewood, Colorado • Charles J. Canfield, Mayor, Rochester, Minnesota • Catherine E. Connolly, Executive Director, League of Arizona Cities and Towns • Jim Dattley, Mayor, Little Rock, Arkansas • Alex G. Fekete, Mayor, Pembroke Pines, Florida • Samuel J. Ferrell, Mayor, Greenacres, Florida • Carolyn L. Floyd, Mayor, Kodiak, Alaska • Timothy M. Fulkerson, Mayor, New Castle, Pennsylvania • Ed Garza, Mayor, San Antonio, Texas • Kathleen A. Gaylord, Mayor, South St. Paul, Minnesota • George D. Goodman, Executive Director, Michigan Municipal League • Michael A. Guido, Mayor, Dearborn, Michigan • Larry Halor, Council Member, Richland, Washington • Scott A. Hancock, Executive Director, Maryland Municipal League • George R. Harvell, Jr., Mayor, Millington, Tennessee • John Hailman, Mayor, West Hollywood, California • Joseph Hilson, Mayor Pro Tem, Hayward, California • Joycelyn V. Johnson, Alderman, Winston-Salem, North Carolina • Christopher G. Lockwood, Executive Director, Maine Municipal Association • Sonya L. Margerum, Mayor, West Lafayette, Indiana • Gary Markenson, Executive Director, Missouri Municipal League • Brenda Allison Oliver, Mayor, Sylva, North Carolina • George Parks, Executive Director, Wyoming Association of Municipalities • T. J. Patterson, Council Member, Lubbock, Texas • Joe Pisciotte, Council Member, Wichita, Kansas • Mario Lopez Rogers, Vice Mayor, Avondale, Arizona • Perry Roquemore, Executive Director, Alabama League of Municipalities • Ann Simank, Councilmember, Oklahoma City, Oklahoma • Alicia D. Smilde, Council Member, Seline, Michigan • Daniel Soza, Council Member, Saginaw, Michigan • W. Glenn Steckman, III, Councilman, Ocean City, Maryland • Frank Sturzl, Executive Director, Texas Municipal League • Vera White-Reynolds, Council Member, Harrisburg, Pennsylvania • Billy D. Williams, Council Member, Florence, South Carolina

79th Congress of Cities & Exposition • December 3-7, 2002
Salt Palace Convention Center • Salt Lake City, Utah

THE RIGHT PLACE THE RIGHT TIME for America's Cities

National League of Cities



S A L T L A K E C I T Y

THE RIGHT PLACE, THE RIGHT TIME for America's Cities

Visit NLC website at
www.nlc.org for
updates, changes, and
conference details.



July, 2002

Dear Local Official:

I am excited to invite
you to Salt Lake City,
Utah, for the National
League of Cities 79th

Congress of Cities & Exposition - The Right Place, the Right Time for America's Cities. This is both an exciting and a very challenging time to be an elected official in America's cities. The program we have planned reflects the time we live in and deals directly with issues facing our cities. This year's program will provide you with many opportunities to learn more about what your colleagues in other cities are doing, what products and services are available to your city, and for you to share your own ideas and lessons.

As you review the offerings and examine the many educational seminars, workshop sessions, and networking opportunities available at this year's Congress of Cities & Exposition, you will find an abundance of riches. I encourage you to visit the NLC website often for updates on the many workshops and events being planned for all delegates. For those of you who have never attended an NLC Congress of Cities & Exposition, I encourage you to make this conference your first one. The activities planned will provide value and benefits to you and your city.

Please join us in Salt Lake City this December as it is going to be - The Right Place, The Right Time for America's Cities.

Sincerely,

Karen J. Anderson
NLC President
Mayor, Minnetonka, Minnesota

SALT LAKE CITY - THE RIGHT PLACE

In July 1847, Brigham Young arrived in Salt Lake City with more than 140 Mormons who had left Illinois to seek a new home. To him, Salt Lake City was "the right place where my people shall pitch their tents." The spot is now marked by the "This is the Place Monument."

In February 2002, Salt Lake City was the right place for thousands of athletes from around the world to compete in the 2002 Winter Olympic Games.

In December 2002, Salt Lake City will be the right place for thousands of city officials to come together to share ideas, participate in educational programs, examine best practices, adopt new national policy positions, and connect with successful programs in Salt Lake City.

DECEMBER 2002 - THE RIGHT TIME FOR AMERICA'S CITIES

The 2002 Congress of Cities & Exposition in Salt Lake City will offer six unique learning opportunities for city officials over a five-day period.

GENERAL SESSIONS AND CONFERENCE WORKSHOPS

featuring nationally recognized speakers, seasoned subject matter experts, and experienced city officials who will share successful programs and new approaches to local governance will begin on Thursday morning, December 5, and continue through Saturday, December 7.

GENERAL SESSION SPEAKER



We are pleased to announce that **Dr. Stephen R. Covey** author of *The 7 Habits of Highly Effective People* will be the general session speaker on Friday morning December 6, 2002. Dr. Covey is co-founder/vice-chairman of Franklin Covey, a leading

global professional services firm. He is an internationally respected leadership authority, family expert, teacher, and organizational consultant. Dr. Covey has made teaching principle-centered living and principle-centered leadership his life's work.

There will be **four general sessions** and more than **40 Conference workshops** focusing on a wide range of critical issues facing today's local leaders including:

- **Municipal Finance,**
- **Homeland and Hometown Security,**
- **Economic Development Strategies,**
- **Approaches to Building Quality Communities,**
- **Leadership Challenges in Today's World,**
- **Ensuring Race Equality,**
- **Successful Early Childhood Development,**
- **Emerging Public Policy Issues,**
- **and much more**

General sessions and workshops are open to all registered delegates and their guests.

HOST CITY MOBILE WORKSHOPS

will feature topics ranging from innovative housing strategies, to downtown redevelopment, to pedestrian safety, to learning from the Olympic legacy. Mobile workshops will begin on Tuesday, December 3, and continue through Friday, December 6. Delegates will have the opportunity to participate in these Host City Mobile Workshops by signing up during the conference at the Host City Desk in the Registration area. There is no pre-registration but space is limited to maintain a productive educational and learning experience. Registration will be on a first-come first-served basis.

LEADERSHIP TRAINING INSTITUTE

SEMINARS provide in depth skill building learning experiences for a separate fee and credit toward the Certificate of Achievement in Leadership. These special seminars will be offered on Tuesday, December 3, and Wednesday, December 4. A complete schedule of planned seminars and fees is included in this brochure. Pre-registration and prepayment are required to reserve your place.

NETWORKING SESSIONS AND RESOURCES

offer delegates the opportunity to share ideas, compare notes, and learn from each other. There will be both structured networking sessions during the conference as well as opportunities to exchange ideas informally between workshop sessions and during lunches and various meetings. In addition, the City Showcase will provide a special opportunity to learn about successful programs and to talk with city staff who have been directly involved in implementing the programs. Networking sessions and the City Showcase will be open to all registered conference delegates and their guests on Thursday, December 5, and Friday, December 6.

AN EXPOSITION with more than 300 booths provides delegates the chance to make connections with the leading vendors serving municipal government. The exposition will be open to all conference delegates and their guests starting Wednesday evening December 4 for the Welcome Reception and will be open during the day Thursday, December 5, and Friday, December 6. To ensure plenty of time to visit the many vendors, there will be special events in the exhibit hall including two conference wide lunches, prize drawings, and vendor-sponsored workshops.

SPECIAL PROGRAMS that respond to special interests and needs will include sessions exclusively for newcomers to the Congress of Cities, programs for youth delegates who are interested in learning more about local government, opportunities for city officials from small communities to deal with their unique challenges, and programs offered by NLC's six constituency groups on key local issues.

PRELIMINARY CONFERENCE SCHEDULE

Visit NLC website at
www.nlc.org for
updates, changes, and
conference details.

Monday, December 2

Registration Opens
(photo ID required)
3:00 p.m. – 5:00 p.m.

Tuesday, December 3

Registration
(photo ID required)
8:00 a.m. – 5:00 p.m.

**Leadership Training
Institute Seminars**
9:00 a.m. – 5:00 p.m.

Mobile Workshops
1:00 p.m. – 4:00 p.m.

Wednesday, December 4

Registration
(photo ID required)
8:00 a.m. – 8:00 p.m.

**NLC Board of Directors
Meeting
NLC Advisory Council
Meeting**
9:00 a.m. – 5:00 p.m.

Policy Committee Meetings

- Transportation Infrastructure and Services (TIS)
- Community and Economic Development (CED)
- Finance, Administration and Intergovernmental Relations (FAIR)
- Public Safety and Crime Prevention (PSCP)

9:00 a.m. – Noon

Mobile Workshops
9:00 a.m. – 5:00 p.m.

**Leadership Training
Institute Seminars**
9:00 a.m. – 5:00 p.m.

Policy Committee Meetings

- Energy, Environment and National Resources (EENR)
- Human Development (HD)
- Information Technology and Communications (ITC)

1:00 p.m. – 4:00 p.m.

**Orientation Session for
First Time Attendees**
5:30 p.m. – 6:30 p.m.

**Opening Reception
with Exhibitors**
6:30 p.m. – 8:00 p.m.

**NLC Member Services
Resource Center, City
Showcase/Theater**
6:30 p.m. – 8:00 p.m.

Thursday, December 5

Registration
(photo ID required)
8:00 a.m. – 5:00 p.m.

Opening General Session
9:00 a.m. – 11:00 a.m.

**Welcoming Lunch in Exhibit
Hall Sponsored by Salt Lake
City**
11:00 a.m. – 1:00 p.m.

Exposition
11:00 a.m. – 5:00 p.m.

**NLC Member Services
Resource Center/City
Showcase/Theater**
11:00 a.m. – 5:00 p.m.

Conference Workshops
1:00 p.m. – 2:30 p.m.

Mobile Workshops
1:00 p.m. – 4:30 p.m.

**Resolutions Committee
Meeting**
1:00 p.m.

Afternoon Break
2:30 p.m. – 3:00 p.m.

Conference Workshops
3:00 p.m. – 4:30 p.m.

**Nominating Committee
Hearing**
4:30 p.m. – 6:00 p.m.

**State Municipal League and
Constituency Group
Receptions/Events**
5:00 p.m. – 8:00 p.m.

**Performance by
the Mormon
Tabernacle Choir**
8:20 p.m. – 9:00 p.m.

Friday, December 6

Registration
(photo ID required)
8:00 a.m. – 5:00 p.m.

General Session
9:00 a.m. – 10:30 a.m.

Morning Break
10:30 a.m. – 10:45 a.m.

Conference Workshops
10:45 a.m. – 12:15 p.m.

Exposition
10:30 a.m. – 3:00 p.m.

**NLC Member Services
NLC Resource Center/City
Showcase/Theater**
10:30 a.m. – 3:00 p.m.

Exhibit Hall Lunch
12:30 p.m. – 2:00 p.m.

Mobile Workshops
1:00 p.m. – 4:30 p.m.

Conference Workshops
2:00 p.m. – 3:30 p.m.

Afternoon Break
3:30 p.m. – 3:45 p.m.

Conference Workshops
3:45 p.m. – 5:15 p.m.

**State Municipal League and
Constituency Group
Receptions/Events**
6:00 p.m. – 8:00 p.m.

Youth Delegates Event
7:00 p.m. – 10:00 p.m.

Saturday, December 7

Registration
(photo ID required)
7:00 a.m. – 2:00 p.m.

**Ecumenical Prayer
Breakfast**
7:30 a.m. – 9:00 a.m.

General Session
9:15 a.m. – 10:45 a.m.

Conference Workshops
11:00 a.m. – 12:30 p.m.

Delegates Luncheon
12:45 p.m. – 2:15 p.m.

Annual Business Meeting
2:30 p.m.

Host City Closing Event
7:00 p.m.

What's included in your Conference Registration Fee:

- 4 General Sessions with Nationally Recognized Speakers
- Over 40 Conference Workshops Addressing the Critical Issues Facing Today's Local Leaders
- Mobile Workshops
- Opening Reception
- 2 Exhibit Hall Lunches
- Delegate's Lunch
- Host City Closing Event
- Exhibit Hall of over 300 Vendors
- Conference Bag
- Printed Conference Program

LEADERSHIP TRAINING INSTITUTE SEMINARS

Visit NLC website at
www.nlc.org for
updates, changes, and
conference details.

Come early and take advantage of these supplemental in-depth full and half day training seminars held prior to the start of the conference. At just \$95, \$115 and \$150, they are sure to be a worthwhile addition to your conference experience.

TUESDAY, December 3

FULL-DAY • 9:00 a.m. - 5:00 p.m.

L01: THEY JUST DON'T GET IT! HOW TO DEAL WITH GENDER DIFFERENCES IN COUNCIL CHAMBERS

Competency: Collaborator
Registration Fee: \$150

Move beyond 'Venus and Mars' to learn how to establish credibility when communicating with the opposite gender. Learn specific skills to help resolve communication and behavioral conflicts to form an effective city council.

L02: EFFECTIVE COMMUNICATION AND THE CONFLICT RESOLUTION PROCESS

Competency: Communicator
Registration Fee: \$150

Learn and understand how the dynamics of conflict and effective communication can lead to a creative resolution process. Skilled responsiveness, good communication, and high-quality facilitation are key to hearing what constituents are saying and to earning their trust and confidence.

L03: STRENGTHENING COUNCIL EFFECTIVENESS USING THE POLICY GOVERNANCE MODEL

Competency: Competent Practitioner
Registration Fee: \$150

The Policy Governance® Model offers a tool for planning, agenda control, budgeting, fiduciary responsibility, and greatly improved Council/Staff relationships. Learn specific strategies to link with your citizens and enhance your effectiveness as a Council.

MORNING • 9:00 a.m. - Noon

L04: DECISION MAKING AND THE SOLOMON PRINCIPLE

Competency: Catalyst
Registration Fee: \$95

Learn new analytical tools and practical guidelines for adjusting your decision-making processes to the new realities of local government and the political environment. Explore the emerging consequences for municipal politics and governance in the digital age.

L05: COMMUNITIES OF COLOR, GENETICS AND THE ROLE OF ELECTED OFFICIALS

Competency: Collaborator
Registration Fee: \$95

Expand your understanding of the impact of genetics on communities of color in an effort to develop strategies that will help to protect citizens' rights and resolve concerns.

L06: WHAT WE HAVE HERE IS A FAILURE TO COMMUNICATE?

Competency: Communicator
Registration Fee: \$95

Determine your communication style and how it differs with others as you learn the values and beliefs associated with communication styles.

L07: FOUR TRAITS OF A SUCCESSFUL LEADER

Competency: Cornerstone
Registration Fee: \$95

The four traits evident in successful leaders today are clarity, credibility, creativity, and courage. Learn how to develop these key leadership skills, which will help you overcome obstacles that hinder success.

L08: CREATING PASSION AND SOUL IN PUBLIC LEADERSHIP

Competency: Catalyst
Registration Fee: \$95

Access the heart and soul, the passion and spirit of a multi-generational workforce and constituency. Address the need for local government to move beyond traditional bureaucracy in order to compete for talent in a changing community environment and workforce.

AFTERNOON • 1:30 P.M. - 5:00 P.M.

L09: GUARDING THE PUBLIC CHECKBOOK

Competency: Competent Practitioner
Registration Fee: \$115

Learn strategies and techniques to increase your proficiency and comfort in dealing with financial oversight responsibilities. Participants will receive the book *Local Government Dollars & Sense: 225 Financial Tips for Guarding the Public Checkbook*.

L10: CREATIVITY, INNOVATION AND BOTTOM LINE RESULTS

Competency: Cornerstone
Registration Fee: \$95

This highly interactive seminar will enable you to develop your personal creativity skills and discover your path for innovation, along with a personal vision of success.

L11: BUILDING WINNING RELATIONSHIPS

Competency: Collaborator
Registration Fee: \$95

Learn to increase your ability to motivate, inspire, and influence others. Discover a much greater awareness of yourself and others as you understand your own individual way of leading.

L12: BRIDGING THE GENERATION GAP: EFFECTIVE WAYS TO TALK AND WORK WITH YOUTH

Competency: Communicator
Registration Fee: \$95

Learn how to get past the stereotypes and break down the communication barriers and the walls of distrust and misunderstanding that can keep you from getting the best that teenagers and young adults in your community have to offer.

L13: THE COURAGE TO LEAD - 12 STEPS TO LEADING YOUR CITY

Competency: Catalyst
Registration Fee: \$95

Leading your city can be fun and productive; you feel that you are making a better city for tomorrow and in the future. This seminar focuses on inspiring mayors and council members to have the courage to lead by providing simple, proven techniques of leadership in municipal government.

WEDNESDAY, December 4

FULL-DAY • 9:00 a.m. - 5:00 p.m.

L14: LEADERSHIP STYLE MAKES A DIFFERENCE

Competency: Cornerstone
Registration Fee: \$150

Discover how an effective leader is one who gets things done and builds strong relationships in the process, even among those who do not agree with you. Understand your unique style as you learn the secrets of different approaches to leadership and how they can help or hinder your effectiveness.

L15: COKE™ OR COLA: MARKETING TO BRAND YOUR CITY

Competency: Competent Practitioner
Registration Fee: \$150

Develop successful strategies for creating and branding an image for your city as you learn how to develop and refine marketing plans. Spend valuable time learning the essential components of an effective marketing plan.

L16: PRODUCING RESULTS FOR YOUR CITY — A PRACTICAL MODEL FOR STRATEGIC GOAL SETTING

Competency: Catalyst
Registration Fee: \$150

Explore a proven Strategic Goal Setting Model for producing results for your city today and in five years. Focus on your vision, outcome based goals, and the most important policy targets for short-term decisions and actions.

L17: ETHICAL LEADERSHIP AND THE PUBLIC TRUST

Competency: Cornerstone
Registration Fee: \$150

Identify your personal values with an emphasis on how such values are translated into ethical action. Develop the capability of discerning values conflicts and the mechanisms for resolving them. Understand the root causes of many crises in local government.

MORNING • 9:00 a.m. - Noon

L18: GUARDING THE PUBLIC CHECKBOOK (REPEAT)

Competency: Competent Practitioner
Registration Fee: \$115

Learn strategies and techniques to increase your proficiency and comfort in dealing with financial oversight responsibilities. Participants will receive the book *Local Government Dollars & Sense: 225 Financial Tips for Guarding the Public Checkbook*.

L19: COLLABORATIVE LEADERSHIP: ENCOURAGING COMMUNITY PROBLEM SOLVING

Competency: Collaborator
Registration Fee: \$95

Learn the problem solving skills of the unforgettable public official through collaborative leadership. Bring new meaning to the words 'leader' and 'leadership' by connecting collaborative leadership and collective endeavors where guardrails of power and authority are ignored.

L20: MASTERING POWER, POLITICS AND INFLUENCE

Competency: Cornerstone
Registration Fee: \$95

Understand the nature of politics beyond the concept of 'who gets what and when' as you explore how your efforts can be more easily accomplished by understanding the basic concepts of leadership and power within an organization.

L21: WORKING WITH THE MEDIA

Competency: Communicator
Registration Fee: \$95

Develop tools and strategies for working with the media in a political environment. Engage in various mock interviews including 'stand-up,' 'ambush,' and 'round table' formats.

L22: LEADERSHIP LUNCHEON

Wednesday, December 4, 2002
Noon - 1:30 p.m.

Registration Fee: \$30

An excellent opportunity to network and share information with your colleagues and associates. Enjoy a brief program with a special guest speaker. Bronze and Silver Certificate level recipients will be recognized.

AFTERNOON • 1:30 p.m. - 5:00 p.m.

L23: BUILDING COMMUNITIES FROM THE INSIDE OUT: AN ASSET APPROACH

Competency: Competent Practitioner
Registration Fee: \$95

Rediscover community strengths and assets as the foundation for community building, rather than focusing on the needs, problems, and deficiencies. Learn how city governments can surface new community leaders and engage them in community renewal and community asset development.

L24: THE TWELVE KEYS TO PUBLIC LEADERSHIP

Competency: Cornerstone
Registration Fee: \$95

Learn how to balance what you hold dear with what is practical and possible. Discover how to live and lead without regrets while not taking yourself too seriously.

L25: TEN HABITS OF HIGHLY EFFECTIVE GOVERNING BODIES

Competency: Catalyst
Registration Fee: \$95

Explore how governance effectiveness comes from dedicated leaders applying productive disciplined processes in fulfilling their purpose and vision. Learn the 10 habits that are essential to better governance and highly effective governing bodies.

L26: SPEAK AND MAKE A DIFFERENCE

Competency: Communicator
Registration Fee: \$95

Understand that your success depends on how well you present your information, whether speaking to one or a thousand people. Learn how preparation, presentation, and persuasion can expand your leadership and help you set positive change in motion within your community. (Co-Sponsored by WIMG)

For more detailed information about these seminars and about the Certificate of Achievement in Leadership program, visit the NLC website at www.nlc.org or contact the Leadership Training Institute Hotline at 202-626-3170.



Salt Lake City is fast becoming one of America's foremost destinations – and for good reason. A beautiful, safe and vibrant city, Salt Lake combines unparalleled access to natural recreation, a bustling economy, dynamic nightlife, remarkable history, and is just a few hours' drive to ten national parks. Warm, western hospitality, and Utah's "Greatest Snow on Earth" are just a few of the reasons Salt Lake was selected to host the Olympic Games.

The Olympic Winter Games of 2002 have changed Salt Lake. City's cultural landscape and burgeoning skyline. Seventeen short days in February culminated decades of work preparing to welcome the world. Several major attractions have opened, and a new transportation infrastructure has been developed. Recent restaurant development has made Salt Lake the culinary capital of the Rockies, while a revamp of Utah's liquor laws has made ordering a drink as easy as ordering a meal. Salt Lake offers first-class accommodations, fine dining, noted attractions, historic sites, and great shopping. The city is home to one of the nation's finest regional symphony orchestras, world-class opera, dance, and theater companies, an illustrious choir, and a myriad of art galleries.



HOST CITY CLOSING EVENT

Experience Utah's diversity! Sample food and entertainment from the region's American Indian, Hispanic, Polynesian, African-American, Asian, and European communities. You will have an opportunity to participate in pin-trading, one of the most popular "sports" during the 2002 Olympic Winter Games, and you will be entertained by the Flying Aces, an amazing troupe of aerialists, as well as other great entertainment. Make your travel plans to be there, Saturday, December 7, for this gala closing event!

HOST CITY MOBILE WORKSHOPS

Learn about this exciting city at these special host city mobile workshops, which will take place Tuesday, December 3 – Friday, December 6

1. **Get Clever With Housing**
Innovative housing projects and strategies
2. **Doing the MAX with TRAX**
TRAX, Transit System, Intermodal Hub
3. **Cities Playing Well With Others**
Recreation centers - Sorenson Center, Ice Sheet, public/private partnerships
4. **Beam Me Up Scotty**
Transportation control centers – Salt Lake City and UDOT
5. **Its Easy Being Green**
Salt Lake City green initiatives (curbside recycling, alternative fuels, clean air, water conservation)
6. **Stop, Look And Listen**
Pedestrian safety
7. **Cleaning Up Life's Little Messes**
Superfund sites - Murray, Midvale
8. **Hear The Beat Of Dancing Feet**
ZAP Tax tour, arts & culture, entertainment
9. **Get To Class On Time**
Dealing with a large commuter university
10. **The Dream Lives On**
Tour winter sports park, speed skating oval, and curling facilities
11. **Mining Town Goes "Chic"**
Park City Main Street tour
12. **Cool, Clear Water**
Water treatment plants
13. **Taking A Bite Out Of Crime**
Innovative strategies to deal with community problems

For detailed descriptions, visit the NLC website at www.nlc.org.

SPECIAL OFFERS ...

For a local visitor's guide to Salt Lake City area events, attractions, and restaurants, visit the SLC Convention and Visitors Bureau website at www.visitsaltlake.com/visitor/visitor_guide.html. You can sign up to receive a Salt Lake Visitors Guide, or pick up a free Visitors Guide upon arrival. Visitor Information Centers are also conveniently located at the Salt Lake City International Airport.

SPOUSE/PARTNER TOURS

Following is a list of spouse/partner tours being planned. For more details about these tours, visit the NLC website at www.nlc.org

- Crossroads of the West City Tour
- Utah Olympic Park and Park City
- Alps of Utah
- Discovering Your Roots Workshop
- Gardner Village Shopping Tour
- Snowbird (with tram ride)
- Tour of Temple Square and Conference Center
- The Best of Salt Lake City tour

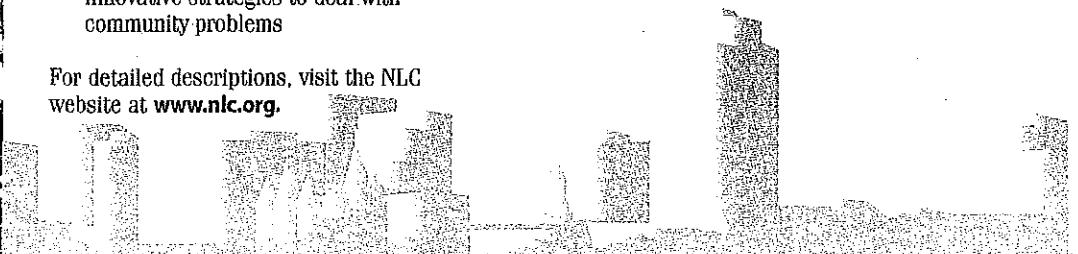
SPECIAL TRAVEL DISCOUNTS TO SALT LAKE CITY

American Air Lines and Delta Air Lines are the official carriers for the 2002 Congress of Cities and Exposition in Salt Lake City. You or your travel agent may contact the airlines and give the file number listed below for the National League of Cities Congress of Cities. Specially negotiated five percent and 10 percent discounted fares will be offered when you book your travel through one of the following numbers:

American Airlines
Toll Free: 1-800-433-1790
File Number: A82N2AJ

Delta Air Lines
Toll Free: 1-800-241-6760
File Number: 188547A

For your convenience, all flights should be scheduled in and out of the Salt Lake City International Airport. Remember, to take advantage of the lower fare when contacting the airlines, you must give the National League of Cities Congress of Cities file number for that particular airline.



CONFERENCE REGISTRATION

Whether you are registering online, downloading your registration form from the web or sending it to NLC Meeting Services with a check, you can find up-to-date and detailed information about the conference program and Salt Lake City on the NLC website - www.nlc.org.

If paying by MasterCard or VISA, you can **REGISTER ONLINE** for immediate registration confirmation and hotel assignment. Visit the NLC website at www.nlc.org and select Congress of Cities and Exposition.

FIRST-TIME ATTENDEE OR BRINGING YOUR ENTIRE COUNCIL? NLC offers a \$335 special incentive for newly-elected first-time attendees and for cities who register their entire councils. Payment must be included for the entire council and all registration forms must accompany the check or credit card payment. A cover letter listing the names of the councilmembers should be included in the package. If more than one councilmember cancels, the entire council will be billed for the actual fee category difference.

No mailed registrations will be accepted with a postmark later than **Wednesday, November 13, 2002**, and no faxed or on-line registrations will be accepted after **Friday, November 15, 2002**. After these dates, you must register onsite.

REGISTRATION CATEGORIES

NLC/State Municipal League Member— Officials and staff from cities that pay dues directly to NLC and to their state municipal leagues.

Associate Member— For-profit corporations and non-profit organizations (including universities, libraries, non-municipal governments, and regional councils) that pay dues directly to NLC.

State Municipal League Member— Officials and staff from cities that pay dues only to their state municipal leagues and not directly to NLC.

Non-Member/Other— Anyone (officials, staff, individuals) or any organization that does not pay dues to NLC or state municipal leagues.

CONSTITUENCY GROUPS

Network with colleagues with similar interests at NLC's constituency group meetings. You must be a fully registered conference delegate to participate in any constituency events. Use this year's conference to join or renew your membership in any of the constituency groups by paying dues in conjunction with the conference registration.

The six constituency and member groups are:

- Asian, Pacific American Municipal Officials (APAMO)
- Gay, Lesbian and Bisexual Local Officials (GLBLO)
- Hispanic Elected Local Officials (HELO)
- National Black Caucus of Local Elected Officials (NBC-LEO)
- University Communities Caucus (UCC)
- Women in Municipal Government (WIMG)

CONSTITUENCY GROUP 2003 DUES AND SPECIAL EVENT FEES

CODE	AMOUNT	ACTIVITY
A1	\$60	APAMO Membership Dues \$35/Activity Fee \$25
G1	\$25	GLBLO Activity Fee
H1	\$75	HELO Dues (elected/direct member city) \$35/Activity Fee \$40
H2	\$85	HELO Dues (elected/nonmember city) \$45/Activity Fee \$40
H3	\$95	HELO Dues (supporting member) \$55/Activity Fee \$40
H4	\$45	HELO Activity Fee (nonmember only)
N1	\$185	NBC-LEO Dues (regular member/alum. board member) \$50/Activity Fee \$135
N2	\$210	NBC-LEO Dues (associate member) \$75/Activity Fee \$135
N3	\$285	NBC-LEO Dues (supporting member) \$150/Activity Fee \$135
N4	\$75	NBC-LEO Membership Luncheon Event (nonmember only)
W1	\$100	WIMG Dues (elected/direct member city) \$50/Salt Lake City Luncheon \$50
W2	\$110	WIMG Dues (elected/nonmember city) \$60/Salt Lake City Luncheon \$50
W3	\$125	WIMG Dues (supporting member) \$75/Salt Lake City Luncheon \$50
W4	\$55	WIMG Luncheon (nonmember only)
W5	\$25	WIMG Welcome Reception (members and nonmembers)

If you have questions concerning your membership status, please call Constituency Group Services at **202-626-3169**

Savings on conference fees are just one of the benefits of NLC membership. To find out if your community is a direct member city or to receive membership information, please call the NLC membership office at (202) 626-3190 or visit the NLC website at www.nlc.org.

ACCOMMODATIONS

Following is a list of hotels in Salt Lake City that are holding rooms for the Congress of Cities. All general and workshop sessions as well as the exposition will be held at the Salt Palace Convention Center. The Grand America is the headquarters hotel. Shuttle bus service will be provided between the Salt Palace and all the hotels listed below. For further descriptions of each hotel visit the NLC website at www.nlc.org.

1. Wyndham Salt Lake City
2. Best Western Salt Lake Plaza Hotel
3. Salt Lake City Marriott Downtown
4. Shilo Inn Hotel Salt Lake City
5. Hotel Monaco
6. Salt Lake City Marriott City Center
7. Hilton Salt Lake City Center
8. Courtyard by Marriott Downtown
9. Hampton Inn Downtown
10. Crystal Inn Downtown
11. Sheraton City Centre Hotel Salt Lake City
12. Little America Hotel
13. The Grand America Hotel
14. Quality Inn City Center
15. Embassy Suites Hotel
16. WestCoast Salt Lake Hotel

FOR QUESTIONS, CALL
1-888-319-3864 or 703-449-6418
or Email:
nlccoregistration@jspargo.com

PLEASE MAKE A COPY OF THE REGISTRATION/HOUSING FORM AND THE NLC POLICY AND PROCEDURES FOR YOUR RECORDS.

REGISTRATION DATES AND DEADLINES

September 30, 2002:

Early registration postmark deadline.

November 13, 2002:

Cancellation postmark deadline.

November 13, 2002:

Advance registration by mail postmark deadline.

November 13, 2002:

Requested changes to existing hotel accommodations deadline.

November 15, 2002:

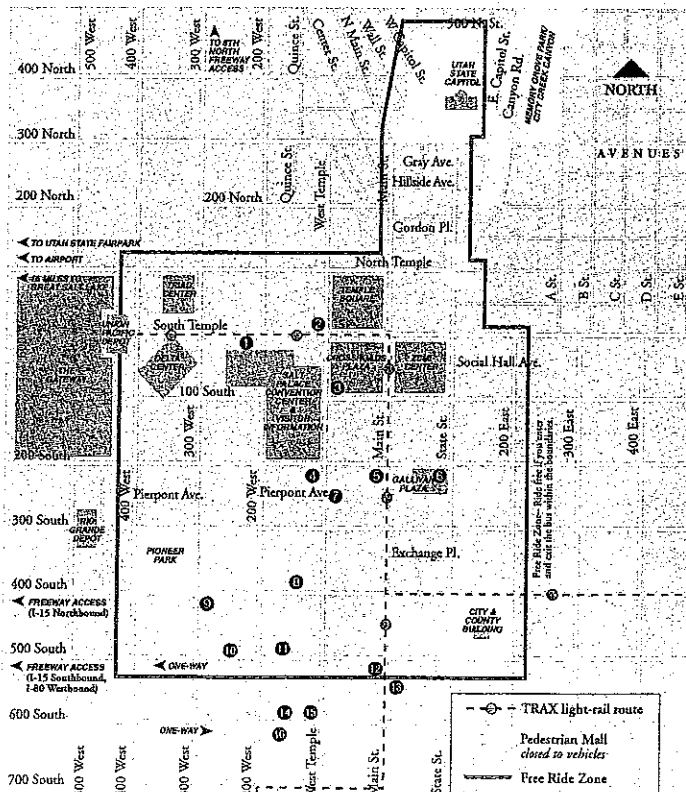
Advanced registration by fax or on-line deadline. After this date, only on site registration will be accepted.

CONFERENCE REGISTRATION AND HOTEL CANCELLATION POLICIES

All requests for cancellation must be in writing, postmarked by November 13, 2002, and are subject to a \$50 processing fee. No partial refunds will be made if you decide not to attend particular functions. No refunds will be accepted after the cancellation deadline.

To guarantee your room, all hotels require a one night deposit plus tax, per room 14 days before arrival. This is required even if you plan to arrive before 6:00 p.m. All unguaranteed reservations 14 days before arrival will be canceled.

VISA and MasterCard payments only are accepted by fax: **703-631-6288**



CONFERENCE REGISTRATION AND HOUSING FORM

Salt Palace Convention Center
Salt Lake City, Utah • December 3-7, 2002
Advance Registration Deadline:
November 13, 2002

ONLINE CONFERENCE REGISTRATION at <http://www.nlc.org>

No housing or registration will be processed without accompanying payment in full.

Are you a newly elected official? _____ Size of city? _____

Name _____ Sex _____

Title _____

City/Organization _____

Mailing Address _____

City _____ State _____ Zip _____

Phone _____

Fax _____

Email _____

Spouse/Partner Name* (\$50 fee) _____

*Spouse/Partner not eligible for a separate hotel room

Child Name (14 and under, no fee) _____ Age _____

Youth Delegate** (15-18, \$75 fee) _____ Age _____

**Local officials are encouraged to register youth as active participants in this conference to contribute to NLC's youth agenda. If the youth delegate requires hotel accommodations separate from yours, attach the registration form with your completed form.

Youth Chaperone Name (\$75 fee) _____

SPECIAL CONFERENCE RATES

5	\$335	First-Time Attendee	\$ _____
6	\$335	Delegate with Entire Council (all forms must be attached)	\$ _____
SG	\$50	Spouse/Partner (non-refundable)	\$ _____
7	\$75	Youth Delegate	\$ _____
8	\$75	Youth Chaperone (not applicable to elected officials)	\$ _____

EARLY REGISTRATION FEES (Postmarked by September 30, 2002)

1	\$435	NLC Member City	\$ _____
2	\$435	Associate Member	\$ _____
3	\$545	SML Member City	\$ _____
4	\$660	Non-Member/Other	\$ _____

ADVANCE REGISTRATION FEES (Postmarked by November 13, 2002)

1	\$470	NLC Member City	(Onsite rate is \$510 after 11/13/02)	\$ _____
2	\$470	Associate Member	(Onsite rate is \$510 after 11/13/02)	\$ _____
3	\$590	SML Member City	(Onsite rate is \$635 after 11/13/02)	\$ _____
4	\$700	Non-Member/Other	(Onsite rate is \$755 after 11/13/02)	\$ _____

REGISTRATION FOR LEADERSHIP TRAINING INSTITUTE SEMINARS (December 3 & 4, 2002)

To REGISTER, codes and fees are listed beside the Leadership Training Institute title in your brochure. You must be registered for the conference in order to attend.

Tuesday, December 3rd - Full-Day Seminar	Code: _____	\$ _____
Tuesday, December 3rd - Morning Seminar	Code: _____	\$ _____
Tuesday, December 3rd - Afternoon Seminar	Code: _____	\$ _____
Wednesday, December 4th - Full-Day Seminar	Code: _____	\$ _____
Wednesday, December 4th - Morning Seminar	Code: _____	\$ _____
Wednesday, December 4th - Afternoon Seminar	Code: _____	\$ _____
LTI Participant & Recognition Luncheon- \$30	Code: _____	\$ _____

SPECIAL EVENTS

P1 \$35 Ecumenical Prayer Breakfast \$ _____

CONSTITUENCY GROUP DUES AND EVENTS

To REGISTER, codes and fees are listed under the Constituency Group section of the brochure. You must be registered for the conference in order to attend.

APAMO Membership Dues/Activity Fee	Code: _____	\$ _____
GLBLO Activity Fee	Code: _____	\$ _____
HELO Membership Dues/Activity Fee	Code: _____	\$ _____
HELO Activity Fee (nonmembers only)	Code: _____	\$ _____
NBC-LEO Membership Dues/Activity Fee	Code: _____	\$ _____
NBC-LEO Membership Luncheon Event (nonmember only)	Code: _____	\$ _____
WIMG Membership Dues/Salt Lake City Luncheon	Code: _____	\$ _____
WIMG Salt Lake City Luncheon (nonmembers only)	Code: _____	\$ _____
WIMG Welcome Reception (members & nonmembers)	Code: _____	\$ _____

HOTEL RESERVATIONS:

You must be registered to reserve a hotel room. To guarantee your room, all hotels require one night's deposit plus tax, per room 14 days prior to your arrival. This is required even if you plan to arrive before 6:00 p.m. If accommodations are not guaranteed 14 days in advance, the reservation will be canceled.

- ☐ Please make my hotel reservation as indicated below.
☐ I do not require hotel accommodations at any of the hotels listed below.
☐ Please contact me regarding suite information.

Room Dates: Arrival Date: ____/____/____ Departure Date: ____/____/____

Room Type: ☐ Single (1 person/1 bed) ☐ Smoking
☐ Double (2 people/1 bed) ☐ Non-Smoking
☐ Double/Double (2 people/2 beds)

Sharing My Room With: _____

SPECIAL HOUSING REQUEST (e.g., wheelchair accessible rooms, etc.):

If you have special housing or transportation needs, please contact NLC Meeting Services.

HOTEL CHOICES:

Indicate your first-choice hotel with the number "1". Number the other hotels from "2" to "18" in order of your preference.

	SGL/DBL		SGL/DBL
___ Wyndham Salt Lake City	\$112/112	___ Sheraton City Center	\$109/109
___ Best Western Salt Lake Plaza	\$75/75	___ Little America Courtside	\$69/69
___ Marriott Downtown	\$119/119	___ Little America Garden	\$110/110
___ Shilo Inn	\$79/79	___ Little America Tower	\$118/118
___ Hotel Monaco	\$125/125	___ Grand America Premier	\$130/130
___ Marriott City Center	\$115/115	___ Grand America Executive	\$140/140
___ Hilton Salt Lake City Center	\$117/117	___ Quality Inn	\$75/75
___ Marriott Courtyard	\$90/90	___ Embassy Suites Hotel	\$115/115
___ Hampton Inn Downtown	\$75/75	___ West Coast Hotel	\$75/75
___ Crystal Inn Downtown	\$75/75		

HOTEL DEPOSIT INFORMATION

All major credit cards are accepted at the conference hotels. All checks, government purchase orders, vouchers or claims must be submitted to the hotel with confirmation number FOUR WEEKS prior to your arrival, and are subject to hotel approval.

REGISTRATION FEE PAYMENT INFORMATION

- ☐ Charge my REGISTRATION FEES to VISA or MasterCard listed below.
☐ Check for REGISTRATION FEES made payable to National League of Cities.
☐ Purchase Order for REGISTRATION FEES - copy must be enclosed & payment must be received by November 27, 2002.

HOTEL DEPOSIT PAYMENT INFORMATION

- ☐ Charge my HOTEL DEPOSIT to the credit card listed below.
☐ Check for HOTEL DEPOSIT. Please submit to hotel address noted on confirmation FOUR WEEKS prior to your arrival - subject to hotel approval.
☐ Purchase Order for HOTEL DEPOSIT. Please submit to hotel address noted on confirmation FOUR WEEKS prior to your arrival - subject to hotel approval.

CREDIT CARD AUTHORIZATION

NLC Meeting Services is authorized to use the card below to pay all applicable registration fees and guarantee my hotel reservation. I understand that one night's room charge will be billed through this card if I fail to show up for my assigned housing on the confirmed date unless I have canceled my reservation with the hotel at least 72 hours in advance.

Visa/MasterCard Number _____ Exp. Date _____

Card Holder Name _____

Card Holder Signature _____

ADDITIONAL CREDIT CARD AUTHORIZATION

For hotel deposit only if different than the credit card number listed above.

Credit Card Number _____ Exp. Date _____

Card Holder Name _____

Card Holder Signature _____

RETURN CONFERENCE REGISTRATION AND HOUSING FORM TO:

Fax: 703-631-6288 (Credit Card and Purchase Orders Only - No Checks)
Mail: NLC Meeting Services, c/o J. Spargo & Associates, Inc.
11212 Waples Mill Road, Suite 104, Fairfax, VA 22030

FOR MORE INFORMATION:

Phone: 888-319-3864 or 703-449-6418
Email: nlccoregistration@jspargo.com or nlccochoosing@jspargo.com

Office use only: Hotel _____ Rate _____ Block _____
Payment _____ Check# _____ Amount _____

Total Registration Fee: \$ _____

NOVEMBER 13, 2002

CUTOFF DATE

ADVANCE REGISTRATION

SEPTEMBER 30, 2002

CUTOFF DATE

ONLINE REGISTRATION

Use your credit card to register instantly!



www.nlc.org

REGISTRATION AT
ONLINE CONFERENCE

Washington, D.C. 20004

1301 Pennsylvania Avenue, N.W.

NATIONAL LEAGUE OF CITIES INSTITUTE

Salt Lake City, Utah

Salt Palace Convention Center

December 3-7, 2002

79TH CONGRESS OF CITIES & EXPOSITION



*****AUTO**ALL FOR AADC 493
00064813
GAIL A. KUNDINGER
CITY CLERK/ELECTIONS DIR.
PO BOX 536
MUSKEGON MI 49443-0536

NONPROFIT ORG.
PAID
PERMIT NO. 4815
WASHINGTON, D.C.

10 REASONS TO ATTEND THE 2002 CONGRESS OF CITIES

The Right Place, The Right Time for America's Elected City Officials to:

1. Learn first-hand about creative approaches to leadership, governance, and problem solving by attending general sessions, 40 conference workshops, and networking sessions.
2. Hear from high profile national speakers who will offer their perspectives on issues and challenges facing the leaders of the nation's cities and towns.
3. Gain access to a broad network of information and resources – experts, vendors, city leaders, youth delegates, NLC staff, colleagues, and friends – all gathered in one place for five days.
4. Visit and learn about successful programs in Salt Lake City and surrounding communities that might work in your community.
5. Observe and participate in setting National Municipal Policy for the nation's cities and towns.
6. Be part of the most important gathering in Salt Lake City since the 2002 Winter Olympics.
7. Hone your leadership skills by attending special Leadership Training Institute seminars that will increase the value of your trip to Salt Lake City.
8. Share experiences and network with local leaders from throughout the country.
9. See old friends and make new ones.
10. Be in the Right Place at the Right Time for America's Cities – Salt Lake City 2002!

Visit NLC website at www.nlc.org for updates, changes, and conference details.

CITY OF MUSKEGON
CITY COMMISSION EXPENSE REPORT

13-Aug-02				TOTAL
1/31/2002	BUIE	TICKET - BUIE	11.50	
1/31/2002	BUIE	MML LEGIS CONF-PRE CONF REG K BUIE	275.00	
3/31/2002	BUIE	BUIE - LODGING @ MML LEGIS	71.50	
3/31/2002	BUIE	CREDIT - SALES TAX-LODGING BUIE	(3.90)	
4/26/2002	BUIE	LEGISLATIVE DNR - K BUIE	48.16	402.26
4/30/2002	GAWRON	GAWRON - REGION III MEETING	75.00	75.00
1/31/2002	LARSON	MML LEGIS CONF REGIS - LARSON	150.00	
2/8/2002	LARSON	REG FOR BUS SHOWCASE - B LARSON	14.00	
3/31/2002	LARSON	LARSON - LODGING @ MML LEGIS	67.60	
4/5/2002	LARSON	WM LARSON - MML CONF IN LANSING	85.78	
4/26/2002	LARSON	LEGISLATIVE DINNER	48.16	
5/10/2002	LARSON	ERLYBRD REGIS - B LARSON & SPOUSE	24.00	
8/1/2002	LARSON	B LARSON MAYOR'S EXCHANGE	163.16	552.70
4/12/2002	SCHWEIFLER	ERLYBRDBKRFST - 30202 - SCHWEIFLER	12.00	
4/30/2002	SCHWEIFLER	SCHWEIFLER - REGION III MEETING	75.00	
5/10/2002	SCHWEIFLER	ERLYBRD REGIS - SCHWEIFLER	14.00	
6/14/2002	SCHWEIFLER	MAY ERLYBRD REGIS - SCHWEIFLER	12.00	113.00
1/31/2002	SHEPHERD	MML LEGIS CONF - C SHEPHERD	20.00	
2/18/2002	SHEPHERD	C SHEPHERD STATE YOUTH CONF	71.54	
2/18/2002	SHEPHERD	C SHEPHERD BIG RAPIDS	48.91	
2/28/2002	SHEPHERD	NLC CONGRESS CONF REGIS - SHEPHERD	470.00	
4/5/2002	SHEPHERD	C SHEPHERD MML CONF LANSING	67.60	
4/5/2002	SHEPHERD	PAYROLL - REIM EXP FOR NLC CONGRESS	1,013.16	
		(AIRLINE TICKET \$254.29, LODGING \$694.72, MEALS \$46.65, GROUND TRANSP \$17.50)		
4/26/2002	SHEPHERD	LEGISLATIVE DNR - C SHEPHERD	48.16	
8/1/2002	SHEPHERD	C SHEPHERD MAYOR'S EXCHANGE	175.20	1,914.57
1/31/2002	SPATARO	MML LEGIS CONF REGIS - L SP	150.00	
4/26/2002	SPATARO	LEGISLATIVE DNR - L SPATARO	48.16	
4/30/2002	SPATARO	SPATARO - REGION III MEETING	75.00	
5/24/2002	SPATARO	CONFERENCE - SPATARO	10.00	
6/7/2002	SPATARO	CONFERENCE - SPATARO	30.00	313.16
1/31/2002	WARMINGTON	FEE - AIRLINE TICKET - S WARMINGTON	20.00	
1/31/2002	WARMINGTON	AIRLINE TICKET - S WARMINGTON	310.00	
2/22/2002	WARMINGTON	MLK DIVERSITY BRKFST - WARMINGTON	15.00	
2/28/2002	WARMINGTON	LEGIS CONF & PRE-CONF REGIS WARMIN	255.00	
2/28/2002	WARMINGTON	MSOP SEMINAR FEE - WARMINGTON	75.00	
3/8/2002	WARMINGTON	REGIS CHMBER ANL SAL - WARM	35.00	
3/31/2002	WARMINGTON	WARMINGTON - LODGING @ MML LE	67.60	
4/26/2002	WARMINGTON	LEGISLATIVE DNR - S WARMINGTON	48.16	
5/9/2002	WARMINGTON	S WARMINGTON URBAN CORE MAYOR	86.72	
5/9/2002	WARMINGTON	S WARMINGTON SMART ZONE MEETING	39.20	
5/9/2002	WARMINGTON	S WARMINGTON MI MUNICIPAL LEAG	196.82	
5/10/2002	WARMINGTON	ENTREP LNCH REGIS - WARMINGTON	20.00	
5/10/2002	WARMINGTON	LKSHORE TOUR REGIS - WARMINGTON	15.00	1,183.50
			4,554.19	

Date: September 10, 2002

To: Honorable Mayor and City Commissioners

From: Finance Director

RE: Audit Contract Extension

SUMMARY OF REQUEST: In 1999, the City selected Hoffman, Steensma & Plamondon, PLC, to serve as independent auditor for fiscal years 1999, 2000 and 2001. The contract also provided that a two-extension would be allowed provided that the City was satisfied with the services provided and provided that terms agreeable to both parties could be reached. Staff believes that approval of the two-year extension is in the city's best interest, particularly since we are in the midst of GASB 34 implementation. We are satisfied with the current audit firm's services. Hoffman has agreed to freeze the audit fee for FY2002 at the current level (\$33,000) and proposes a \$1,000 increase for the second year of the extension. Also, accounting service hourly rates are frozen for 2003 and will increase \$1.00 for professional staff (but not for managers and partners) in 2004. Staff believes these fees are reasonable.

FINANCIAL IMPACT: \$33,000 for the FY2002 audit (2003 budget); \$34,000 for the FY2003 audit (2004 budget).

BUDGET ACTION REQUIRED: The 2003 budget (as proposed) includes adequate funding for these services.

STAFF RECOMMENDATION: Approval of a two-year contract extension with selected Hoffman, Steensma & Plamondon, PLC.

COMMITTEE RECOMMENDATION: No committee action was taken.

SECTION I - GENERAL INFORMATION

The purpose of this Request for Proposal (RFP) is to obtain quotations from qualified persons or firms to:

- Perform independent comprehensive financial audits of the City of Muskegon, Michigan for each of the years ended December 31 1999, 2000, and 2001;
- Perform federal compliance audits (single audits) for each of the years ended December 31 1999, 2000, and 2001; and,
- Provide staffing to perform certain routine accounting functions (as described more fully below) on a regular monthly basis throughout the term of the engagement;

* A two-year extension of this contract will be permitted at the conclusion of the initial three year period assuming the City is satisfied with the work performed and that terms agreeable to both parties can be reached. *

BACKGROUND AND SCOPE -The City of Muskegon (pop. 40,000) is a full-service municipal government located on the Eastern Shore of Lake Michigan. The City has 320 full-time employees and a general fund budget of \$22 million. The City has received the *Certificate of Achievement for Excellence in Financial Reporting* for its Comprehensive Annual Financial Report (CAFR) each year since 1985.

- **Audit Scope** – The scope of the financial audit is all funds, account groups and component units of the City of Muskegon as of and for the years ended December 31, 1999, 2000, and 2001. A list of all funds is included as an appendix to this RFP. The scope of the Federal compliance audit (single audit) is all federal funds expended as stated in Federal OMB circular A-133.
- **Audit Standards** – The audit shall be performed in accordance with generally accepted auditing standards as contained in the Statement of Auditing Standards of the American Institute of Certified Public Accountants (AICPA), Government Auditing Standards issued by the Comptroller General of the United States, the requirements as detailed in OMB Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", the AICPA Industry Audit Guide, "Audits of State and Local Governmental Units", and the Michigan Governmental Accounting and Auditing Guide issued by the State of Michigan Department of Treasury.
- **Reports Required** – The auditor shall render an opinion on the general purpose financial statements prepared in accordance with generally accepted accounting principles. Additionally, the auditor shall prepare all schedules reports required for the single audit in compliance with OMB circular A-133. Finally, the auditor shall prepare a management letter detailing internal control weaknesses and/or recommendations for improving the City's financial management systems.

Hoffman, Steensma & Plamondon, P.L.C.

Certified Public Accountants and Consultants

ROGER E. HOFFMAN, C.P.A.
ROGER D. STEENSMA, C.P.A.

DOUGLAS A. PLAMONDON, C.P.A.
RANDY J. NOVOTNY, C.P.A.

July 30, 2002

**City of Muskegon
933 Terrace Street
P.O. Box 536
Muskegon, Michigan 49443**

We are pleased to confirm our understanding of the services we are to provide the City of Muskegon for the years ending December 31, 2002 and 2003. We will audit the financial statements of the City of Muskegon as of and for the years ending December 31, 2002 and 2003. We understand that the financial statements will be presented in accordance with the financial reporting model described in GASB Statement 34. Also, the document we submit to you will include the major funds financial statements, management's discussion and analysis, the budgetary comparison schedules and the schedule of expenditures of federal and other awards that will be subjected to the auditing procedures applied in our audit of the financial statements. We will include the statistical section, which we will not audit. We will also include the required supplementary information for pension plans which we will apply certain limited procedures to.

Audit Objectives

The objective of our audits is the expression of an opinion as to whether the financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and to report on the fairness of the additional information referred to in the first paragraph when considered in relation to the financial statements taken as a whole. The objective also includes reporting on:

- Internal control related to the financial statements and compliance with laws, regulations and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The reports on internal control and compliance will each include a statement that the report is intended for the information and use of management, others within the organization, specific legislative or regulatory bodies, federal awarding agencies, and if applicable, pass-through entities and is not intended to be and should not be used by anyone other than these specific parties.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of the accounting records, a determination of major programs in accordance with Circular A-133, and other procedures we consider necessary to enable us to express such an opinion and to render the required reports. If our opinion on the financial statements or the Single Audit compliance opinion is other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for establishing and maintaining internal control and for compliance with the provisions of contracts, agreements and grants. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of the controls. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorizations and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal award programs are managed in compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making all financial records and related information available to us. We understand that you will provide us with such information required for our audits and that you are responsible for the accuracy and completeness of that information. We will advise you about appropriate accounting principles and their application and will assist in the preparation of your financial statements, including the schedule of expenditures of federal and other awards, but the responsibility for the financial statements remains with you. That responsibility includes the establishment and maintenance of adequate records and effective internal control over financial reporting and compliance, the selection and application of accounting principles and the safeguarding of assets. Management is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audits will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audits to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets or violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. As required by the Single Audit Act Amendments of 1996 and OMB Circular A-133, our audits will include test of transactions related to major federal award programs for compliance with applicable laws and regulations and the provisions of contracts and grant agreements. Because an audit is designed to provide reasonable, but not absolute assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that comes to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audits and does not extend to matters that might arise during any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include the direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audits, we will also require certain written representations from you about the financial statements and related matters.

Audit Procedures - Internal Control

In planning and performing our audits, we will consider the internal control sufficient to plan the audits in order to determine the nature, timing and extent of our auditing procedures for the purpose of expressing our opinions on the City of Muskegon's financial statements and on its compliance with requirements applicable to major programs.

We will obtain an understanding of the design of the relevant controls and whether they have been placed in operation, and we will assess control risk. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Tests of controls relative to the financial statements are required only if control risk is assessed below the maximum level. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing and detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls, and accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB A-133.

An audit is not designed to provide assurance on internal control or to identify reportable conditions. However, we will inform the governing body of any matters involving internal control and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control that, in our judgment, could adversely affect the entity's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. We will also inform you of any nonreportable conditions or other matters involving internal control, if any, as required by OMB Circular A-133.

Audit Procedures - Compliance

Our audits will be conducted in accordance with the standards referred to in the section titled Audit Objectives. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Muskegon's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that we also plan and perform the audits to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of the applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City of Muskegon's major programs. The purpose of those procedures will be to express an opinion on the City of Muskegon's compliance with requirements applicable to major programs in our report on compliance issued pursuant to OMB Circular A-133.

Audit Administration, Fees and Other

We understand that your employees will assemble supporting documentation selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of and sign the Data Collection Form that summarizes our audit findings. We will provide copies of our reports to the city; however, it is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports and a corrective action plan) along with the Data Collection Form to the designated federal clearinghouse and, if appropriate, to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits. At the conclusion of the engagement, we will provide information to management as to where the reporting packages should be submitted and the number to submit.

The workpapers for this engagement are the property of Hoffman, Steensma & Plamondon, P.L.C. and constitute confidential information. However, we may be requested to make certain workpapers available to federal and state government officials pursuant to authority given to it by law or regulation. If requested, access to such workpapers will be provided under the supervision of Hoffman, Steensma & Plamondon, P.L.C. personnel. Furthermore, upon request, we may provide photocopies of selected workpapers to federal and state government officials. The federal and state government officials may intend, or decide, to distribute the photocopies or information contained therein to others, including other government agencies.

The workpapers for this engagement will be retained for a minimum of three years after the date the auditors' report is issued or for any additional period requested by federal or state government officials. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the workpapers.

Our fees for the audit services including the single audit will be as follows:

<u>Year</u>		<u>Total</u>
2002	\$	33,000
2003		34,000

Our invoices for these fees will be rendered as work progresses and are payable on presentation. This fee proposal is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit.

Our fees for the interim and continuous auditing of cash and investments including preparing reconciliations will be as follows:

<u>Rate per hour</u>		<u>Professional Staff</u>		<u>Managers & Partners</u>
2002	\$	41	\$	50
2003		42		50

Also, we will provide assistance, guidance, advice and direction on implementing GASB 34 in a timely manner, if necessary. Our fees for the GASB 34 services are \$85 per hour for a partner, \$65 per hour for a manager and \$55 per hour for a staff accountant.

Government Auditing Standards require that we provide you with a copy of our most recent quality control review report. Our 2000 peer review report accompanies this letter.

We appreciate the opportunity to be of service to the City of Muskegon and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

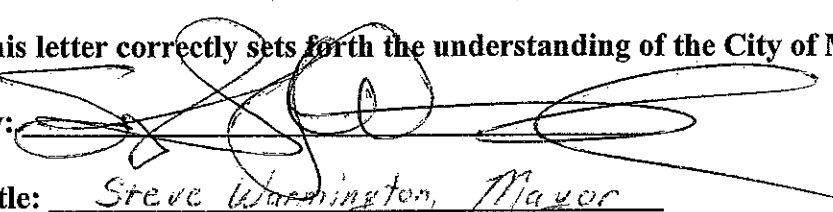
Very truly yours,

Hoffman, Steensma & Plamondon, P.L.C.

Hoffman, Steensma & Plamondon P.L.C.

RESPONSE:

This letter correctly sets forth the understanding of the City of Muskegon.

By: 

Title: Steve Warrington, Mayor

Date: September 16, 2002

November 16, 2000

To the Members
Hoffman, Steensma & Plamondon, P.L.C.

We have reviewed the system of quality control for the accounting and auditing practice of Hoffman, Steensma & Plamondon, P.L.C. (the firm) in effect for the year ended May 31, 2000. A system of quality control encompasses the firm's organizational structure and the policies adopted and procedures established to provide it with reasonable assurance of complying with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of Certified Public Accountants (AICPA). The design of the system and compliance with it are the responsibility of the firm. Our responsibility is to express an opinion on the design of the system, and the firm's compliance with the system based on our review.

Our review was conducted in accordance with standards established by the Peer Review Board of the AICPA. In performing our review, we obtained an understanding of the system of quality control for the firm's accounting and auditing practice. In addition, we tested compliance with the firm's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of the firm's policies and procedures on selected engagements. Because our review was based on selective tests, it would not necessarily disclose all weaknesses in the system of quality control or all instances of lack of compliance with it.

Because there are inherent limitations in the effectiveness of any system of quality control, departures from the system may occur and not be detected. Also, projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or because the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the system of quality control for the accounting and auditing practice of Hoffman, Steensma & Plamondon, P.L.C. in effect for the year ended May 31, 2000, has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA, and was complied with during the year then ended to provide the firm with reasonable assurance of complying with professional standards.

Siegfried, Crandall, Vos & Lewis, P.C.

Date: September 10, 2002

To: Honorable Mayor and City Commissioners

From: Finance Director

RE: Sale of MTF Refunding Bonds

SUMMARY OF REQUEST: Previously, the City Commission authorized staff to refund the outstanding balance of the Series 1993 MTF bonds. The refunding bonds are scheduled for pricing on Thursday, September 5th and will be brought to you for approval at the September 10th meeting. Attached (or to be provided) is the "Resolution Approving Sale of the City of Muskegon 2002 MTF Refunding Bonds (General Obligation Limited Tax)" together with the "Bond Purchase Agreement" and "Escrow Agreement" that you will be asked to approve. Approval of these documents is the final official action needed for sale of the bonds.

FINANCIAL IMPACT: The exact financial impact will not be known until the bonds are priced for sale on Thursday, September 5th.

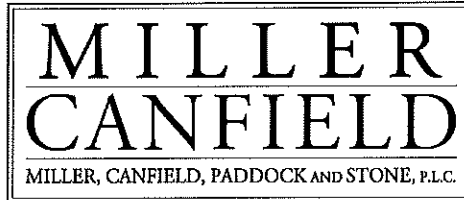
BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Approval of the attached awarding resolution.

COMMITTEE RECOMMENDATION: None.

Founded in 1852
by Sidney Davy Miller

150
YEARS
1852-2002



MICHIGAN: Ann Arbor
Detroit • Grand Rapids
Howell • Kalamazoo
Lansing • Monroe • Troy

New York, N.Y.
Washington, D.C.
CANADA: Windsor, ON
POLAND: Gdynia
Katowice • Warsaw

AFFILIATED OFFICE:
Pensacola, FL

JOEL L. PIELL
TEL: (313) 496-7518
FAX: (313) 496-8450
E-MAIL: piell@millercanfield.com

150 West Jefferson, Suite 2500
Detroit, Michigan 48226
TEL: (313) 963-6420
FAX: (313) 496-7500
www.millercanfield.com

September 5, 2002

Mr. Timothy J. Paul
Finance Director
City of Muskegon
933 Terrace St
PO Box 536
Muskegon, MI 49443-0536

Via Email

Dear Tim:

Please find herewith enclosed form of sales resolution, Bond Purchase Agreement and revised Escrow Agreement. I believe the attached drafts are complete with the exception of the date of the first resolution adopted by the City. I would ask Tim to send this resolution along to me when he has a chance to do so.

I would ask you to review this and if it meets with your approval, submit the resolution to the City Commission on September 10th. I would ask that three certified copies of the resolution be returned to me.

I would also ask that several signature pages for the BPA be returned to me both by Warren and by Tim.

Should you have any questions concerning this or if I may be of other assistance to you, please do not hesitate to contact me.

Very truly yours,

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

By: _____
Joel L. Piell

Enclosures

cc: Warren M. Creamer, III (w/enclosures) *Via Email*

DELIB:2348554.1\063684-00033

RESOLUTION APPROVING SALE OF
CITY OF MUSKEGON
MICHIGAN TRANSPORTATION FUND
REFUNDING BONDS , SERIES 2002

THE CITY OF MUSKEGON
COUNTY OF MUSKEGON

2002-104(e)

Minutes of a regular meeting of the City Commission of the City of Muskegon, County of Muskegon, Michigan, (the "City"), held on the 10th day of September, 2002 at 5:30 o'clock p.m., Eastern Daylight Savings Time.

PRESENT: Members: Schweifler, Spataro, Warmington, Buie, Gawron, and
Larson

ABSENT: Members: Shepherd

The following preamble and resolution were offered by Member Gawron

and supported by Member Spataro

WHEREAS, by resolution adopted on August 13, 2002 (the "Bond Resolution") the City authorized not to exceed \$2,300,000 Michigan Transportation Fund Refunding Bonds, Series 2002, (the "Bonds") for the purpose of refunding all or a portion of the City's 1993 Michigan Transportation Bonds (the "1993 Bonds"); and

WHEREAS, the City has received its Qualifying Statement from the Michigan Department of Treasury (the "Department"); and

WHEREAS, the City has received an offer to purchase the Bonds from R. W. Baird & Co. and Fahnestock & Co. Inc.(hereinafter the "Underwriter"), and has determined that it is in the best interests of the City to accept the offer.

NOW THEREFORE, BE IT RESOLVED THAT:

1. The offer of the Underwriter as set forth in the proposed bond purchase agreement (the "Bond Purchase Agreement") presented to this Commission to purchase the Bonds in the principal amount and at a purchase price as set forth in the Bond Purchase Agreement plus accrued interest, if any, is hereby accepted and the Mayor and City Clerk are each authorized and directed to execute and deliver the Bond Purchase Agreement on behalf of the City.
2. The Bonds shall be dated as provided in the Bond Purchase Agreement, shall be designated City of Muskegon Michigan Transportation Fund Refunding Bonds, Series 2002, and shall mature on June 1st of each year and bear interest as shown on Exhibit A to the Bond Purchase Agreement. The Bonds of this issue shall not be subject to redemption prior to maturity.
3. National City Bank of Michigan/Illinois, Troy, Michigan is hereby approved as Transfer Agent for the Bonds.
4. Upon delivery of the Bonds the accrued interest, if any, shall be deposited in the Debt Retirement Fund for the Bonds and the balance shall be used as follows. A sum presently estimated to be \$50,868.13 shall be used to pay the costs of issuance of the Bonds including legal fees, underwriter's discount, verification fees, escrow agent and transfer agent fees, rating fees and other costs associated with the issuance of the Bonds. The sum of \$2,205,939.52 from the bond proceeds (including premium), together with the sum of \$0 from funds lawfully available therefor shall be paid to National City Bank of Michigan/Illinois, (in this capacity the "Escrow Agent") acting as Escrow Agent pursuant to the Escrow Agreement between the City and the Escrow Agent, dated as of the date of the delivery of the Bonds and held by it as cash to

be used to redeem the 1993 Bonds on December 1, 2002 by paying the principal of the Prior Bonds due June 1, 2003 through June 1, 2008 together with any accrued interest. It is presently estimated that the sum of \$2,211,875.00 is sufficient for the payment of principal and interest. In the event said sum is insufficient for this purpose the City shall pay over to the transfer agent for the 1993 Bonds such sums as are necessary to refund the 1993 Bonds. Any balance of the proceeds of the Bonds remaining shall be deposited in the Debt Retirement Fund established for the Bonds. The providing of notice of redemption by the transfer agent for the 1993 Bonds be and is hereby ratified and confirmed. The Mayor and City Clerk are each directed to execute and deliver the Escrow Agreement in behalf of the City substantially in the form as presented to this Commission.

5. The Officers, agents and employees of the City are authorized to take all other actions necessary and convenient to facilitate sale of the Bonds including the execution of any certificate or document necessary to effect the transactions contemplated hereby.

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

AYES: Members Spataro, Warmington, Buie, Gawron, Larson, and
Schweifler

NAYS: Members None

RESOLUTION DECLARED ADOPTED.

Dail A. Kundergen
 City Clerk

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, State of Michigan, at a regular meeting held on September 10, 2002, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.



City Clerk

DELIB:2348261.1\063684-00033

BOND PURCHASE AGREEMENT

City of Muskegon
County of Muskegon, State of Michigan
Michigan Transportation Fund
Refunding Bonds, Series 2002

September 10, 2002

City of Muskegon
County of Muskegon
State of Michigan

Ladies and Gentlemen:

The undersigned, Robert W. Baird & Co., Inc. on behalf of itself and Fahnestock & Co. Inc. (together the "Underwriter"), offers to enter into this Bond Purchase Agreement (the "Agreement") relating to the Michigan Transportation Fund Refunding Bonds, Series 2002 (the "Bonds"), of the City of Muskegon, County of Muskegon, State of Michigan (the "City"). This offer is made subject to the City's acceptance of this Agreement on or before 11:00 p.m., Eastern Daylight Time, on the date hereof, and if not so accepted will be subject to withdrawal by the Underwriter upon notice delivered to the City at any time prior to acceptance hereof by the City. The Bonds are to be issued and sold pursuant to resolutions of the City duly adopted by the City on Aug. 13, 2002 and September 10, 2002 (together the "Resolution") for the purpose of (a) paying the cost of refunding the City's 1993 Michigan Transportation Bonds and (b) paying the costs of issuance of the Bonds. The proceeds of the bonds less issuance expenses and discount will be deposited with National City Bank of Michigan/Illinois, Troy Michigan (in this capacity the "Escrow Agent") to be held in accordance with the Escrow Agreement by and between the City and the Escrow Agent (the "Escrow Agreement").

After payment or provision for payment of all of the costs of issuance of the Bonds, the remaining proceeds of the Bonds shall be deposited in the funds established by the Resolution Fund. The Bonds shall be in the principal amount, be dated, have the maturities, be subject to prior redemption, bear interest at the rates per annum, and be sold, as set forth in Exhibit A attached hereto and made a part hereof.

A Preliminary Official Statement dated August 30, 2002 (the "Preliminary Official Statement"), describing the City, the Bonds and security for the Bonds has been prepared for use in connection with the public offer, sale and distribution of the Bonds. There has also been prepared the final Official Statement dated September 10, 2002 (the "Official Statement") setting forth definitive information relating to the terms of offering of the Bonds. Any and all appendices, exhibits, reports and summaries included in the Preliminary Official Statement or the Official Statement or attached thereto shall be for all purposes hereof deemed to be a part of the Preliminary Official Statement and the Official Statement, as applicable. The City deems the information contained in the Preliminary Official Statement to be final as of its date for the purpose of enabling the Underwriter to comply with the requirements of Rule 15c2-12(b)(1) of

the Securities and Exchange Commission, except for the omission of such information as is permitted by Rule 15c2-12(b)(1). The City deems the Official Statement to be final as of its date. The City hereby confirms the authority of the Underwriter to use, and consents to the use of, the Preliminary Official Statement and the Official Statement and any amendments or supplements thereto in connection with the offer, sale and distribution of the Bonds. The City agrees to provide or cause to be provided to the Underwriter within seven (7) business days after the date hereof sufficient copies of the Official Statement to enable the Underwriter to comply with the requirements of Rule 15c2-12(b)(4) of the Securities and Exchange Commission and with any applicable requirements of the Municipal Securities Rulemaking Board (the "MSRB").

1. Purchase, Sale and Closing. Upon the basis of the representations and covenants contained herein, but subject to the conditions hereinafter set forth, the City hereby agrees to sell to the Underwriter, and the Underwriter agrees to purchase from the City, all (but not less than all) of the Bonds at a price of \$2,234,357.65 representing the \$2,245,000.00 principal amount of the Bonds, together with a reoffering premium of \$11,807.65, less Underwriter's discount of \$22,450.00.

Payment for the Bonds shall be made to the order of the City in immediately available funds. The closing for the payment for the Bonds shall take place at the offices of Miller Canfield Paddock and Stone PLC, 150 West Jefferson Avenue, Detroit, Michigan 48226 at 10:00 a.m., Eastern Daylight Time, on October 1, 2002 or at such other date, place, or time as may be designated by the Underwriter, with the approval of the City (the "Closing Date"). The Bonds shall be printed on paper with steel engraved borders, shall bear proper CUSIP numbers, and shall be delivered on the Closing Date to National City Bank of Michigan/Illinois, in Troy, Michigan (the "Bond Registrar/Paying Agent"), as agent for The Depository Trust Company, as book-entry only bonds and registered in the name of Cede & Co.

2. City's Representations and Covenants. The City represents and covenants as follows:

a. The City has full power and authority (i) to adopt the Resolution, (ii) to execute, deliver and perform its obligations under this Agreement, the Resolution, the Escrow Agreement and the Bonds, (iii) to issue, sell, execute and deliver the Bonds to the Underwriter as provided herein and (iv) to carry out and consummate all actions required to be taken by it in connection with the transactions contemplated by the aforesaid documents.

b. The City has duly authorized (i) the execution and delivery of, and the due performance of its obligations under this Agreement, the Resolution, the Escrow Agreement and the Bonds and (ii) the taking of any and all actions as may be required on the part of the City to carry out, give effect to and consummate the transactions contemplated by such documents.

c. The Resolution has been duly adopted by the City and has not been amended, modified, supplemented or repealed, and is in full force and effect. This Agreement has been duly authorized, executed and delivered by the City. This Agreement has, are, and will be, when duly executed and delivered by the City, legal,

valid and binding obligations of the City enforceable in accordance with their respective terms, except that the binding effect and enforceability thereof are subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws in effect from time to time affecting the rights of creditors generally and except to the extent that the enforceability thereof may be limited by application of general principles of equity. At or prior to the Closing Date the Bonds shall be duly executed and delivered by the City.

d. Upon advice of counsel and to the best of the City's knowledge, (i) the enactment of the Resolution, and compliance with the provisions of such instrument will not conflict with or result in a violation of the Constitution of the State of Michigan or the laws of the State of Michigan (including any debt limitations or other restrictions or conditions on the debt-issuing power of the City) and (ii) the adoption of the Resolution, the authorization, execution and delivery by the City of this Agreement, the Escrow Agreement and the Bonds, and compliance with the provisions of each of such instruments will not conflict with or constitute a breach of, or default under, any indenture, commitment, agreement or other instrument to which the City is a party or by which it is bound or under any constitutional, charter or statutory provisions, or rule, regulation, resolution, judgment, order or decree to which the City or any of its property is subject. The City has not received any written notice, not subsequently withdrawn, given in accordance with the remedy provisions of any bond resolution, trust indenture or agreement or state law pertaining to bonds or notes, of any default or event of default which has not been cured, remedied or waived.

e. There is no action, suit, proceeding, inquiry or investigation at law or in equity, or before or by any judicial or administrative court, public board or body, pending or threatened against the City (nor, to the best of the City's knowledge, is there any basis therefor), in any way (i) contesting or affecting the existence of the City or the title of any official of the City to such person's office, (ii) seeking to restrain or enjoin the issuance, sale or delivery of the Bonds, the collection of revenues from the State of Michigan or general funds anticipated to be used to pay the principal of, premium, if any and interest on the Bonds, (iii) contesting or affecting the validity or enforceability of this Agreement, the Resolution, the Escrow Agreement or the Bonds, or (iv) contesting the completeness or accuracy of the Official Statement or the powers or authority of the City to engage in the transactions contemplated by this Agreement, the Resolution, the Escrow Agreement or the Bonds, or (v) questioning the exemption of interest on the Bonds from taxation as described under "Tax Matters" in the Official Statement.

f. There is no election or referendum of or by any person, organization or public body pending, proposed or concluded (nor, to the best of the City's knowledge, is there any basis therefor) and there are no provisions of law of the State of Michigan which would allow, as of the date hereof or any date subsequent hereto, such election or referendum, the results of which could in any way adversely affect the transactions contemplated by this Agreement, the Resolution, the Escrow Agreement or the Bonds, the validity or enforceability of such instruments, or the exemption of interest on the Bonds from taxation as described under "Tax Exception" in the Official Statement, or invalidate, limit or condition the obligations of the City thereunder.

g. Except as may be required under the securities laws of any state, there is no consent, approval, authorization or other order of, or any filing with, registration with, or certification by, any governmental or regulatory authority having jurisdiction over the City or required for the issuance of the Bonds other than such as has already been provided or obtained.

h. Any certificates or other instrument signed by any officer of the City or by a duly appointed and acting deputy of any of said officials on his or her behalf, and delivered to the Underwriter shall be deemed a representation by the City to the Underwriter as to the truth of the statements made therein.

i. Prior to the Closing Date, the City shall have taken all actions necessary to be taken by it for: (i) the issuance, sale, execution and delivery of the Bonds upon the terms set forth herein, in the Resolution, and in the Escrow Agreement, and (ii) the execution and delivery by the City of this Agreement and all such other instruments and the taking of all actions on the part of the City as may be necessary or appropriate for the effectuation and consummation of the transactions on the part of the City contemplated thereby, and (iii) the execution and delivery by the City of such instruments and the taking of all actions on the part of the City as may be necessary or appropriate for the effectuation and consummation of the transactions on the part of the City contemplated thereby. Between the date of this Agreement and the Closing Date the City will take no action which will cause any representation contained in this Agreement to be untrue as of the Closing Date.

j. The City will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may deem necessary in order to qualify the Bonds for offer and sale under the "blue sky" or securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate; provided, however, that the City will not be required to consent to service of process in any state or jurisdiction outside the State of Michigan.

k. The City will not take or omit to take any action, which action or omission will in any way adversely affect the exemption from taxation of the interest on the Bonds as described under "Tax Exception" in the Official Statement, or result in the proceeds from the sale of the Bonds being applied in a manner other than as provided in the Ordinance.

l. No default by the City has occurred in the payment of the principal of or premium, if any, or interest on any bond, note or other evidence of indebtedness issued by the City. No bankruptcy, insolvency or other similar proceedings pertaining to the City are pending or, to the best of the knowledge of the City, contemplated.

m. The Preliminary Official Statement (other than the information relating to the Book-Entry-Only System supplied by DTC, and the information under the section captioned "UNDERWRITING" provided by the Underwriter, as to which no representation is made), as of its date, did not include any untrue statement of material fact or omit to state any material fact necessary to make the statements made therein, in

light of the circumstances under which they were made, not misleading, and the Official Statement, including any amendments or supplements thereto (other than the information relating to the Book-Entry-Only System supplied by DTC, and the information under the section captioned "UNDERWRITING" provided by the Underwriter, as to which no representation is made), will not, as of the date thereof, as of the Closing Date or as of the date of any such amendment or supplement, include any untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they are or were made, not misleading.

n. The City will not amend or supplement the Official Statement without the consent of the Underwriter. The parties hereto will advise each other promptly of the institution of any proceedings by any governmental agency or any other material occurrence affecting the use of the Official Statement in connection with the offer and sale of the Bonds.

o. If at any time, during the period from the date hereof to the date of delivery of the Bonds, any event occurs as a result of which the Official Statement, as then amended or supplemented, would include an untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading, the parties hereto will cooperate with each other in the prompt preparation of an amendment or supplement which will correct such statement or omission, and the costs of any such amendment or supplement shall be borne by the City.

p. The City will provide the Underwriter with information pertaining to the City concerning developments that affect the accuracy and completeness of key representations contained in the Official Statement until the earlier of (a) 90 days from the end of the underwriting period, as defined below, or (b) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository, but in no case less than 25 days following the end of the underwriting period, as defined below. The City further agrees that it will cooperate with the Underwriter in amending the Official Statement if any of such information, in the judgment of the Underwriter, requires that the Official Statement be amended in fulfillment of the Underwriter's responsibilities pursuant to Rule 15c2-12 of the Securities and Exchange Commission. The "end of the underwriting period" as referred to in the preceding sentence shall be the later of the delivery of the Bonds by the City to the Underwriter or 45 days after the Underwriter no longer retains an unsold balance of the Bonds for sale to the public. The Underwriter agrees to file the Official Statement with a nationally recognized municipal securities information repository on or before the Closing Date.

It is further understood and agreed that the officers and council members of the City, the agents, attorneys, or employees of the City, their respective heirs, personal representatives or successors shall not be generally or personally liable in connection with any matter, cause or thing pertaining to the Bonds or the issuance thereof, this Agreement, or any instruments and documents executed and delivered by the City in connection with issuance of the Bonds. No covenant or agreement contained in this

Agreement shall be deemed to be the covenant or agreement of any member, officer, attorney, agent or employee of the City in an individual capacity. No recourse shall be had for the payment of the principal of, premium, if any, or interest on, the Bonds, or for any claim based hereon or on any instruments and documents executed and delivered by the City in connection with the Bonds, against any officer, council member, board member, agent, attorney or employee, past, present or future, of the City or any successor body, or their respective heirs, personal representatives, successors as such, either directly or through the City or any successor body, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all of such liability being hereby released as a condition of and as a consideration for the execution and delivery of this Agreement.

3. Conditions of Underwriter's Obligations. The obligations of the Underwriter hereunder with respect to the Bonds shall be subject to (a) the compliance with and performance by the City of its obligations and agreements to be complied with and performed hereunder and under the Ordinance and the Report on or prior to the Closing Date (b) the truth, accuracy and completeness as of the date hereof of the representations and covenants of the City contained herein; and (c) the truth, accuracy and completeness on the Closing Date of the representations and covenants of the City contained herein; and (d) the truth, accuracy and completeness on the Closing Date of the representations and covenants of the City contained in the certificate described in Section 3(b)(ii) hereof.

The obligations of the Underwriter hereunder with respect to the Bonds are also subject to the following further conditions:

a. This Agreement, the Resolution, the Escrow Agreement, the Bonds and the Official Statement shall have been duly authorized and executed by the City; the Resolution shall have been duly adopted, authorized and executed by the City; the Resolution and the Escrow Agreement shall be in full force and effect and shall not have been amended, modified or supplemented; all necessary actions of the City relating to the foregoing shall be in full force and effect without rescission or modification; and there shall have been taken in connection with the issuance of the Bonds and with the transactions contemplated hereby and thereby all such actions as, in the opinion of Bond Counsel, are necessary and appropriate.

b. On or prior to the Closing Date, the Underwriter shall have received:

(i) An approving opinion, dated the Closing Date, of Miller, Canfield, Paddock and Stone PLC as Bond Counsel and a supplemental opinion of Bond Counsel, as set forth in Exhibit B attached hereto, both in substance satisfactory to the Underwriter and its Counsel.

(ii) A certificate, dated the Closing Date, signed by officers of the City in form and substance satisfactory to the Underwriter and its Counsel to the effect that (A) each of the representations of the City set forth in this Agreement is true, accurate and complete on the Closing Date as if made on and as of the Closing Date; (B) each of the covenants of the City to be

complied with and each of the obligations of the City to be performed under this Agreement, the Escrow Agreement, the Resolution and the Bonds on or prior to the Closing Date has been complied with and performed; (C) the City has duly authorized the Resolution; (D) the Escrow Agreement; (E) the Preliminary Official Statement, as of its date, did not include any untrue statement of material fact or omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading, and the Official Statement, including any amendments or supplements thereto, will not, as of its date, as of the Closing Date or as of the date of any such amendment or supplement, include any untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they are or were made, not misleading; and (E) the financial statements of the City included in the Official Statement fairly represent the financial position of the City as of December 31, 2001. There has been no material adverse change in the financial condition of the City from December 31, 2001 to the date hereof.

(iii) Such additional certificates (including but not limited to appropriate arbitrage certificates), instruments or other documents as the Underwriter may reasonably request to evidence (A) the truth, accuracy and completeness, as of the Closing Date, of the representations of the City at such time, and (B) the performance of all agreements then to be performed and all conditions then to be satisfied by the City in connection with this Agreement, the Resolution, the Escrow Agreement and the Bonds.

(iv) The Resolution certified by the Clerk of the City as having been duly adopted.

(v) The executed Escrow Agreement.

(vi) A letter from the Michigan Department of Treasury advising the City that the City is authorized to issue municipal securities under Act 34, Public Acts of Michigan, 2001, without further approval.

(vii) The Official Statement, executed on behalf of the City by an authorized official of the City.

(viii) Such additional certificates as the Underwriter and/or its counsel may reasonably request to evidence performance of or compliance with the provisions hereof and the transactions contemplated hereby and by the Official Statement, all such certificates to be satisfactory in form and substance to the Underwriter.

If any of the conditions specified in this Section shall not have been fulfilled when and as required by this Agreement, or if any of the opinions, instruments, documents, proceedings or

certificates mentioned above or elsewhere in this Agreement shall not be in all material respects reasonably satisfactory in form and substance to the Underwriter, this Agreement and all obligations of the Underwriter hereunder may be canceled by the Underwriter at, or at any time prior to, the Closing Date. Notice of such cancellation shall be given to the City in writing, or by telex confirmed in writing.

4. Conditions of the City's Obligations. The City's obligations to sell and deliver the Bonds shall be subject to the following conditions on or before the Closing Date:

a. The City shall have received the opinions described in Section 3(b)(i) hereof;

b. The Underwriter shall have tendered the purchase price set forth in Section 1 hereof.

5. Termination. This Agreement may be terminated by the Underwriter and the City shall not be obligated to sell and deliver, and the Underwriter shall not be obligated to purchase and pay for, the Bonds on the Closing Date if the Underwriter shall deliver to the City a certificate to the effect that in its reasonable judgment any of the following events has occurred after the date hereof and on or prior to the Closing Date:

a. The marketability of the Bonds or the contemplated offering price thereof, in the opinion of the Underwriter, have been materially adversely affected by an amendment to the Constitution of either the United States of America or the State of Michigan, or by any Federal or Michigan legislation, proposed, pending or effective, or by any decision of any Federal or Michigan court or by any announcement, order, ruling or regulation (final, temporary or proposed) of the Treasury Department of the United States of America, the Internal Revenue Service or other Federal or Michigan authority or regulatory body, affecting the status of the City, its property, income or securities (including the Bonds) or any tax exemption with respect to the City's securities or the interest thereon granted or authorized by the Internal Revenue Code of 1986, as amended.

b. A stop order, ruling, regulation or official statement by, or on behalf of, any governmental agency having jurisdiction shall have been issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds as contemplated hereby and by the Official Statement, is in violation or would be in violation of any provisions of Federal or Michigan securities laws.

c. Legislation shall have been enacted by the Congress of the United States of America, or a decision by a court of the United States of America shall have been rendered, to the effect that obligations of the general character of the Bonds are not exempt from registration or qualification under, or other similar requirements of, the Federal securities laws.

d. An order, ruling, regulation, official statement or decision by any governmental agency or court having jurisdiction shall have been issued or made which calls into question the legality, validity or enforceability of the Bond issuance.

e. Additional material restrictions not in force as of the date hereof shall have been imposed upon the trading in securities generally by any governmental authority or by any national securities exchange.

f. Any of the following events shall have occurred: (A) the engagement by the United States of America in hostilities which have resulted in a declaration of war or national emergency, or the occurrence of any other outbreak of hostilities or national or international calamity or crisis, financial or otherwise, the effect of such outbreak, calamity or crisis on the financial markets of the United States of America being such as, in the opinion of the Underwriter, would adversely affect the ability of the Underwriter to market the Bonds at the intended offering prices (it being agreed by the Underwriter that there is no outbreak, calamity or crisis of such a character as of the date hereof); (B) a general suspension of trading on the New York Stock Exchange or the American Stock Exchange or other national securities exchange; (C) the establishment of limited or minimum prices on such Exchanges; (D) the declaration of a banking moratorium either by Federal, New York State, or Michigan authorities; (E) the New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose, as to the Bonds or similar obligations, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter; or (F) an event which, in the opinion of the Underwriter, requires an amendment or supplement to the Official Statement and, in the opinion of the Underwriter, adversely affects the marketability of the Bonds or the contemplated offering price thereof or the marketability of obligations of the general character of the Bonds.

6. Costs and Expenses. (a) Except as set forth herein, the Underwriter shall be under no obligation to pay, and the City shall pay, all expenses incident to the performance of the City's obligations hereunder, including but not limited to: (i) fees and disbursements of Bond Counsel; (ii) the costs of printing the Bonds, the Preliminary Official Statement and the Official Statement; (iii) the cost of obtaining ratings on the Bonds; (iv) the fees imposed by the Michigan Department of Treasury and (v) the fees imposed by the Municipal Advisory Council of Michigan.

b. The Underwriter shall pay: (i) all advertising expenses in connection with the public offering of the Bonds and (ii) all other expenses incurred by it in connection with its public offering and distribution of the Bonds, including the fees and expenses of its counsel.

7. Indemnification. (a) To the extent permitted by law, the City agrees to indemnify and hold harmless the Underwriter and each person, if any, who controls the Underwriter (within the meaning of Section 15 of the Securities Act of 1933) against any and all losses, claims, damages, liabilities and expenses (including reasonable costs of investigation) caused by any untrue statement or alleged untrue statement of a material fact made by the City and contained in

the Official Statement, or in any amendment or supplement thereto made by the City, caused by any omission or alleged omission to state therein a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

b. The Underwriter agrees to indemnify and hold harmless the City to the same effect as the foregoing indemnity from the City to the Underwriter, but only with respect to information furnished by or on behalf of the Underwriter expressly for use in connection with the Preliminary Official Statement or the Official Statement, and appearing therein under the heading "Underwriting."

c. The indemnity agreements contained in this Section 7 and the representations and warranties of the City set forth in this Agreement shall remain operative and in full force and effect after the Closing Date, regardless of any investigation made by or on behalf of the Underwriter or any person so controlling the Underwriter or by or on behalf of the City. A successor of the Underwriter or of the City shall be entitled to the benefits of the indemnity agreements contained in this Section 7.

8. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan, including, without limitation, those laws applicable to contracts made and to be performed in that State.

9. Survival of Representations and Covenants. All representations and covenants of the City and agreements of the Underwriter set forth in this Agreement shall remain in full force and effect regardless of any investigation, or statement as to the results thereof, made by or on behalf of any purchaser of the Bonds or any person controlling any such purchaser, and shall survive delivery of and payment for the Bonds.

10. Execution in Counterparts. This Agreement may be executed and accepted in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any of the parties hereto may execute or accept this Agreement by signing any such counterpart.

11. Notices and Other Actions. All notices, requests, demands and formal actions hereunder shall be in writing mailed, telegraphed or delivered to the following addresses:

The City:

City of Muskegon
933 Terrace St.
P.O. Box 536
Muskegon, Michigan 49443
Attention: Finance Director

The Underwriter:

Robert W. Baird & Co.
1001 Bay Street
Traverse City, Michigan 49684
Attention: Warren M. Creamer, III

12. Parties in Interest. This Agreement is made solely for the benefit of the Underwriter, persons controlling the Underwriter, the City, and their respective successors and assigns, and no other person, partnership, association or corporation shall acquire or have any right under or by virtue of this Agreement. The terms "successors" and "assigns" shall not include any purchaser of Bonds from or through the Underwriter merely because of such purchase.

If the foregoing is in accordance with your understanding of the agreement by and between the City and the Underwriter, kindly sign and return to Robert W. Baird & Co. one of the enclosed copies hereof, whereupon it will constitute a binding agreement between the City and the Underwriter in accordance with its terms.

Very truly yours,

ROBERT W. BAIRD & CO.
FAHNESTOCK & CO. INC.

By: ROBERT W. BAIRD & CO.

By: _____

Warren M. Creamer, III
Its: First Vice President

Accepted as of the date first above written:

CITY OF MUSKEGON

By:

A large, stylized handwritten signature in black ink, consisting of several loops and a long horizontal stroke.

Its: Steve Warmington, Mayor

EXHIBIT A

Principal Amount: \$2,245,000.00

Purchase Price: \$ 2,234,357.65 representing principal amount of \$2,245,000
less Underwriter' discount of \$22,450
plus Reoffering Premium of \$11807.65

Maturity Schedule, Interest Rates and Issue Price(s):

<u>Maturity June 1</u>	<u>Principal Amount</u>	<u>Interest Rate (%)</u>	<u>Yield</u>
2003	\$350,000	2.00%	1.40
2004	\$350,000	2.00%	1.63
2005	370,000	2.25%	2.04
2006	385,000	2.50%	2.40
2007	400,000	2.875%	2.71
2008	390,000	3.125%	3.02

Redemption Provisions

Bonds shall not be subject to prior redemption.

DATE OF ISSUE: OCTOBER 1, 2002

DELIB:2348266.1\063684-00033

ESCROW AGREEMENT

2002-104(e)

City of Muskegon

Regarding \$2,445,000

Michigan Transportation Fund Refunding Bonds, Series 2002

THIS ESCROW AGREEMENT (the "Agreement") dated October 1, 2002, made by and between the City of Muskegon, Michigan (the "Issuer") and National City Bank of Michigan/Illinois, Troy, Michigan (the "Escrow Agent").

W I T N E S S E T H:

WHEREAS, there are presently outstanding \$2,150,000 of the Issuer's callable 1993 Michigan Transportation Fund Bonds maturing in the years 2003 through 2008 (the "Refunded Bonds"); and

WHEREAS, the Refunded Bonds mature in such years, are subject to optional redemption, bear interest at such rates and have debt service requirements at the times and in the amounts set forth in Exhibit A attached hereto and made a part hereof; and

WHEREAS, the Issuer now desires to refund the principal amount of the Refunded Bonds now outstanding; and

WHEREAS, the Issuer has adopted resolutions authorizing the issuance of \$2,300,000 Michigan Transportation Fund Refunding Bonds, Series 2002 for the purpose of providing amounts sufficient to provide for the payment of the principal of, interest and redemption premiums on the Refunded Bonds on the dates and in the amounts shown on Exhibit B attached hereto; and

WHEREAS, the Issuer desires to provide for the deposit of part of the proceeds of its Refunding Bonds with the Escrow Agent to provide for the payment of the interest on the Refunded Bonds on December 1, 2002 and for the call for redemption on December 1, 2002 the entire outstanding principal amount of the Refunded Bonds maturing in the years 2003 through 2008; and

WHEREAS, the Issuer desires to enter into an escrow agreement with the Escrow Agent to provide for the safekeeping, investment, reinvestment, administration and disposition of any such deposit, upon such terms and conditions herein set forth; and

WHEREAS, the Issuer desires that, concurrently with the delivery of the Refunding Bonds to the purchasers thereof, a portion of the proceeds of the Refunding Bonds shall be applied to purchase certain obligations which are further described on Exhibit C attached hereto and made a part hereof for deposit to the credit of the Escrow Funds created pursuant to the terms of this Agreement and to establish a beginning cash balance in the Escrow Funds; and

WHEREAS, the Escrowed Securities shall mature and the interest thereon shall be payable at such times and in such amounts so as to provide moneys which, together with cash balances from time to time on deposit in the Escrow Funds, will be sufficient to pay interest on the Refunded Bonds as it accrues and becomes payable, the principal of the Refunded Bonds upon redemption and the redemption premiums payable upon the call of the Refunded Bonds; and

WHEREAS, by resolutions adopted on August 13, 2002 and September 10, 2002, the City Commission of the Issuer duly authorized the execution of this Agreement, certified copies of which resolutions have been filed with the Escrow Agent.

NOW, THEREFORE, in consideration of the mutual undertakings, promises and agreements herein contained, the sufficiency of which hereby are acknowledged, and to secure the full and timely payment of the principal of, the interest on the Refunded Bonds, the Issuer and the Escrow Agent mutually undertake, promise, and agree for themselves and their respective representatives and successors, as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATIONS

Section 1.01. Definitions. Unless the context clearly indicates otherwise, the following terms shall have the meanings assigned to them below when they are used in this Agreement:

“Code” means the Internal Revenue Code of 1986, as amended, and the rules and regulations thereunder.

“Escrow Agent” means National City Bank Bank of Michigan/Illinois in the City of Troy, Michigan, and its successors as Escrow Agent under this Agreement.

“Escrow Funds” means the City of Muskegon Michigan Transportation Fund Refunding Bonds, Series 2002 Escrow Fund created and described in Section 3.01 of this Agreement.

“Escrowed Securities” means those securities described in Exhibit C attached to this Agreement.

“Issuer” means the City of Muskegon, County of Muskegon, Michigan.

“Permitted Escrow Investments” means those securities described in Exhibit E to this Agreement.

"Refunded Bonds" means the 1993 Michigan Transportation Fund Bonds, of the Issuer being refunded pursuant to the terms of this Agreement and which are more fully described in Exhibit A.

"Refunded Bonds Transfer Agent" means National City Bank of Michigan/Illinois as successor to First of America Bank-Southeast Michigan, N.A..

"Refunded Bonds Resolutions" means the resolutions duly adopted by the City Commission of the Issuer authorizing the Refunded Bonds.

"Refunding Bonds" means the Issuer's \$2,445,000 Michigan Transportation Fund Refunding Bonds, Series 2002 dated even herewith.

"Resolutions" means the resolutions adopted by the City Commission of the Issuer on August __, 2002 and September 10, 2002 authorizing the issuance, sale and delivery of the Refunding Bonds and, among other things, authorizing and approving this Agreement.

Section 1.02. Interpretations. The titles and headings of the articles and sections of this Agreement have been inserted for convenience and reference only and are not to be considered a part hereof and shall not in any way modify or restrict the terms hereof. This Agreement and all of the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to achieve the intended purpose of providing for the refunding of the Refunded Bonds in accordance with applicable law.

ARTICLE II

DEPOSIT OF FUNDS AND ESCROWED SECURITIES

Section 2.01. Deposits in the Escrow Funds. The Issuer has deposited, or caused to be deposited, in the Escrow Fund the following funds and Escrowed Securities:

- (a) \$.52 as the beginning cash balance for the Escrow Fund; and
- (b) the Escrowed Securities described in Exhibit C attached hereto.

ARTICLE III

CREATION AND OPERATION OF ESCROW FUND

Section 3.01. Escrow Fund. The Escrow Agent has created on its books a special and irrevocable escrow fund to be known as the City of Muskegon Michigan Transportation Fund Refunding Bonds, Series 2002 Escrow Fund. The Escrow Agent hereby acknowledges that there has been deposited to the credit of such Escrow Fund the beginning cash balance and the Escrowed Securities as described in Section 2.01. The Escrowed Securities and all proceeds

therefrom shall be the property of the Escrow Fund, and shall be applied only in strict conformity with the terms and conditions of this Agreement. All of the Escrowed Securities, all proceeds therefrom and all cash balances from time to time on deposit in the Escrow Funds are hereby irrevocably pledged to the payment of the principal of, interest on and redemption premiums on the Refunded Bonds, which payment shall be made by timely transfers to the Refunded Bonds Transfer Agent in such amounts and at such times as are provided for in Section 3.02 hereof. When the final transfers have been made to the Refunded Bonds Transfer Agent for the payment of the principal of, interest on and redemption premiums on the Refunded Bonds in accordance with Exhibit B, any balance then remaining in the Escrow Funds shall be transferred to the Issuer less any outstanding fees and expenses owed to the Escrow Agent, and the Escrow Agent shall thereupon be discharged from any further duties hereunder.

Section 3.02. Payment of Principal and Interest. The Escrow Agent is hereby irrevocably instructed to transfer to the Refunded Bonds Transfer Agent from the cash balances from time to time on deposit in the Escrow Fund, the amounts required to pay the principal of, interest on and redemption premiums on the Refunded Bonds in the amounts and at the times shown in Exhibit B attached hereto.

Section 3.03. Sufficiency of Escrow Fund. The Issuer represents that the successive receipts of the principal of and interest on the Escrowed Securities will assure that the cash balance on deposit from time to time in the Escrow Fund will be at all times sufficient to provide moneys for transfer to the Refunded Bonds Transfer Agent at the times and in the amounts required to pay the interest on the Refunded Bonds as such interest comes due, the principal of the Refunded Bonds as the Refunded Bonds are redeemed prior to their maturity and the redemption premiums on the Refunded Bonds called for redemption prior to maturity, all as more fully set forth in Exhibit B attached hereto. If, for any reason, at any time, the cash balances on deposit or scheduled to be on deposit in the Escrow Fund shall be insufficient to transfer the amounts required by the Refunded Bonds Transfer Agent to make the payments set forth in Section 3.02 hereof, the Issuer shall timely deposit in the Escrow Fund, from lawfully available funds, additional funds in the amounts required to make such payments. Notice of any such insufficiency shall be given promptly as hereinafter provided, but the Escrow Agent shall not in any manner be responsible for any insufficiency of funds in the Escrow Fund or the Issuer's failure to make additional deposits thereto.

Section 3.04. Escrow Fund. The Escrow Agent shall hold at all times the Escrow Fund, the Escrowed Securities and all other assets of the Escrow Fund, as a special trust fund, but need not segregate such fund and securities except to the extent required by law; and it shall hold and dispose of the assets of the Escrow Fund only as set forth herein. The Escrowed Securities and other assets of the Escrow Fund shall always be maintained by the Escrow Agent as escrow funds for the benefit of the holders of the Refunded Bonds; and a special account thereof shall at all times be maintained on the books of the Escrow Agent. The holders of the Refunded Bonds shall be entitled to the same preferred claim and first lien upon the Escrowed Securities, the proceeds thereof and all other assets of the Escrow Fund to which they were entitled as holders of the Refunded Bonds. The amounts received by the Escrow Agent under this Agreement shall not be considered as a banking deposit by the Issuer, and the Escrow Agent shall have no right

to title with respect thereto except in its capacity as Escrow Agent under the terms of this Agreement. The amounts received by the Escrow Agent under this Agreement shall not be subject to warrants, drafts or checks drawn by the Issuer or by the Refunded Bonds Transfer Agent.

Section 3.05. Security for Cash Balances. Cash balances from time to time on deposit in the Escrow Funds shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a pledge of direct obligations of, or obligations unconditionally guaranteed by, the United States of America, having a market value at least equal to such cash balances.

ARTICLE IV

REDEMPTION OF REFUNDED BONDS

Section 4.01. Duties of Trust in Connection with Redemption of Refunded Bonds. The Escrow Agent shall notify the Refunded Bonds Transfer Agent no later than October 15, 2002 that it is necessary to take all steps required by the Refunded Bonds Resolution to call the Refunded Bonds maturing in the years 2003 through 2008 for redemption on December 1, 2002. The Refunded Bonds Resolution provides that, unless waived by any registered owner of Refunded Bonds to be redeemed, official notice of redemption shall be given by the Refunded Bonds Transfer Agent on behalf of the City. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates; CUSIP numbers, if any; certificate numbers (and in the case of partial redemption) the called amount of each certificate; the redemption date; the redemption price or premium; the place where bonds called for redemption are to be surrendered for payment; and that interest on bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date. The Refunded Bonds Transfer Agent is hereby authorized by the Issuer to take all action on its behalf legally required to effect the call of the Refunded Bonds on the dates herein set forth. The Notice of Redemption shall be in substantially the form attached hereto as Exhibit D provided that the Refunded Bonds Transfer Agent may make any corrections which it deems necessary to the Notice of Redemption or make any revisions which it deems appropriate to conform to market practice and legal requirements at the time the Notice of Redemption is given.

ARTICLE V

LIMITATION ON INVESTMENTS

Section 5.01. General Prohibition. Moneys in the Escrow Fund and the proceeds of the Escrowed Securities, shall not be invested or reinvested except in Permitted Escrow Investments as provided in this Article V.

Section 5.02. Investment or Reinvestment of Moneys.

(a) The Escrow Agent shall hold the beginning cash balance of the Escrow Fund, maturing proceeds of the Escrowed Securities, and maturing proceeds of investments made pursuant to this paragraph, uninvested in cash;

(b) The Escrow Agent shall make an investment in United States Treasury Obligations — State and Local Government Series with the maturing proceeds as described in Exhibit C attached hereto.

(c) Except as provided above, at the written direction of the Issuer, the Escrow Agent shall invest or reinvest the moneys held in the Escrow Funds provided that the Issuer delivers to the Escrow the following:

(1) an opinion by an independent certified public accountant that after the transfer of such excess the principal amount of securities in the Escrow Fund, together with the interest thereon and other available moneys, will be sufficient to pay, as the same become due in accordance with Exhibit B, the principal of, interest on and redemption premiums on the Refunded Bonds which have not been paid previously; and

(2) an opinion of nationally recognized municipal bond counsel, which may be rendered in reliance upon an opinion by an independent certified public accountant with respect to the composite yield of the Refunding Bonds and the composite yield of the securities in the Escrow Fund, to the effect that (1) such transfer will not cause the Refunding Bonds or the Refunded Bonds to be "arbitrage bonds" within the meaning of the Code and the regulations thereunder in effect on the date of such transfer, or otherwise make the interest on the Refunding Bonds or the Refunded Bonds subject to Federal income taxation, and (2) such transfer complies with the Constitution and laws of the State of Michigan and with all relevant documents relating to the issuance of the Refunded Bonds and the Refunding Bonds.

Section 5.03. Transfer of Excess Amounts. If at any time through redemption or cancellation of the Refunded Bonds or through deposit of additional moneys or noncallable direct obligations of the United States of America or by reason of an investment or reinvestment pursuant to Section 5.02 of this Agreement, or for any other reason there exists or will exist excesses of cash or interest on or maturing principal of the securities in the Escrow Fund for the Refunded Bonds, the Escrow Agent may transfer such excess amounts to or on the order of the Issuer if such excess be less than \$2,000 and if greater than \$2,000 provided that the Issuer delivers to the Escrow Agent the following:

(a) an opinion by an independent certified public accountant that after the transfer of such excess the principal amount of securities in the Escrow Fund, together with the interest thereon and other available moneys, will be sufficient to pay, as the same become due in accordance with Exhibit B, the principal of, interest on and redemption premiums on the Refunded Bonds which have not been paid previously; and

(b) an opinion of nationally recognized municipal bond counsel, which may be rendered in reliance upon an opinion by an independent certified public accountant with respect to the composite yield of the Refunding Bonds and the composite yield of the securities in the Escrow Fund, to the effect that (1) such transfer will not cause the Refunding Bonds or the Refunded Bonds to be "arbitrage bonds" within the meaning of the Code and the regulations thereunder in effect on the date of such transfer, or otherwise make the interest on the Refunding Bonds or the Refunded Bonds subject to Federal income taxation, and (2) such transfer complies with the Constitution and laws of the State of Michigan and with all relevant documents relating to the issuance of the Refunded Bonds and the Refunding Bonds.

Section 5.04. Arbitrage. The Issuer hereby covenants and agrees that it shall never request the Escrow Agent to exercise any power hereunder or permit any part of the money in the Escrow Fund or proceeds from the sale of Escrowed Securities to be used directly or indirectly to acquire any securities or obligations if the exercise of such power or the acquisition of such securities or obligations would cause the Refunded Bonds or the Refunding Bonds to be "arbitrage bonds" within the meaning of the Code and the regulations thereunder.

ARTICLE VI

RECORDS AND REPORTS

Section 6.01. Records. The Escrow Agent will keep books of record and account in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocations and application of the money and Escrowed Securities deposited in the Escrow Fund and all proceeds thereof, and such books shall be available for inspection at reasonable hours and under reasonable conditions by the Issuer and the holders of the Refunded Bonds.

Section 6.02. Reports. For the period beginning on the date hereof and ending on October 31, 2002 the Escrow Agent shall prepare and send to the Issuer by first class mail within thirty (30) days following the end of such period a written report summarizing all transactions relating to the Escrow Fund during such period, including, without limitation, credits to the Escrow Fund as a result of interest payments on or maturities of the Escrowed Securities and transfers from the Escrow Fund to the Refunded Bonds Transfer Agent for payments on the Refunded Bonds or otherwise, together with a detailed statement of all Escrowed Securities, and the cash balance on deposit in the Escrow Fund as of the end of such period.

ARTICLE VII

CONCERNING THE ESCROW AGENT

Section 7.01. Representations. The Escrow Agent hereby represents that it has all necessary power and authority to enter into this Agreement and undertake the obligations and responsibilities imposed upon it herein and that it will carry out all of its obligations hereunder.

Section 7.02. Limitation on Liability. The liability of the Escrow Agent to transfer funds to the Refunded Bonds Transfer Agent for the payment of the principal of, interest on and redemption premiums on the Refunded Bonds shall be limited to the proceeds of the Escrowed Securities and the cash balances from time to time on deposit in the Escrow Fund. Notwithstanding any provision contained herein to the contrary, the Escrow Agent shall not have any liability whatsoever for the insufficiency of funds from time to time in the Escrow Fund or any failure of the obligors of the Escrowed Securities to make timely payment thereon. The recitals herein and in the proceedings authorizing the Refunding Bonds shall be taken as the statements of the Issuer and shall not be considered as made by, or imposing any obligation or liability upon, the Escrow Agent. The Escrow Agent is not a party to the Resolutions and is not responsible for nor bound by any of the provisions thereof. In its capacity as Escrow Agent it is agreed that the Escrow Agent need look only to the terms and provisions of this Agreement.

The Escrow Agent makes no representations as to the value, conditions or sufficiency of the Escrow Funds, or any part thereof, or as to the title of the Issuer thereto, or as to the security afforded thereby or hereby, and the Escrow Agent shall not incur any liability or responsibility in respect to any of such matters.

It is the intention of the parties hereto that the Escrow Agent shall never be required to use or advance its own funds or otherwise incur personal financial liability in the performance of any of its duties or the exercise of any of its rights and powers hereunder.

The Escrow Agent shall not be liable for any action taken or neglected to be taken by it in good faith in any exercise of reasonable care and believed by it to be within the power conferred upon it by this Agreement, nor shall the Escrow Agent be responsible for the consequences of any error of judgment; and the Escrow Agent shall not be answerable except for its own gross negligence or willful misconduct. IN NO EVENT SHALL THE ESCROW AGENT BE LIABLE, DIRECTLY OR INDIRECTLY, FOR ANY (i) DAMAGES OR EXPENSES ARISING OUT OF THE SERVICES PROVIDED HEREUNDER, OTHER THAN DAMAGES WHICH RESULT FROM THE ESCROW AGENT'S FAILURE TO ACT IN ACCORDANCE WITH THE STANDARDS SET FORTH IN THIS AGREEMENT, OR (ii) SPECIAL OR CONSEQUENTIAL DAMAGES, EVEN IF THE ESCROW AGENT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

Unless it is specifically otherwise provided herein, the Escrow Agent has no duty to determine or inquire into the happening or occurrence of any event or contingency or the performance or failure of performance of the Issuer with respect to arrangements or contracts

with others, with the Escrow Agent's sole duty hereunder being to safeguard the Escrow Fund, to dispose of and deliver the same in accordance with this Agreement and to take all necessary action to effect the call of the Refunded Bonds for redemption as provided in Article IV of this Agreement. If, however, the Escrow Agent is called upon by the terms of this Agreement to determine the occurrence of any event or contingency, the Escrow Agent shall be obligated, in making such determination, only to exercise reasonable care and diligence, and in event of error in making such determination the Escrow Agent shall be liable only for its own willful misconduct or its gross negligence. In determining the occurrence of any such event or contingency the Escrow Agent may request from the Issuer or any other person such reasonable additional evidence as the Escrow Agent may deem necessary to determine any fact relating to the occurrence of such event or contingency, and in this connection may make inquiries of, and consult with, among others, the Issuer at any time. The Escrow Agent shall have the right, but not the obligation, to consult with counsel of choice and shall not be liable for action taken or omitted to be taken in good faith by Escrow Agent.

Section 7.03. Compensation. The Issuer has caused to be paid to the Escrow Agent, as a fee for performing the services hereunder and for all expenses incurred or to be incurred by the Escrow Agent in the administration of this Agreement, the sum of Three Hundred Seventy Five Dollars (\$375.00), the receipt and sufficiency of which are hereby acknowledged by the Escrow Agent. In addition, the Issuer shall pay to the Escrow Agent such amounts as the Issuer may be billed by the Escrow Agent for its costs in administering this Agreement. In the event that the Escrow Agent is requested to perform any extraordinary services hereunder, the Issuer hereby agrees to pay reasonable fees to the Escrow Agent for such extraordinary services, and the Escrow Agent hereby agrees to look only to the Issuer for the payment of such fees and reimbursement of such expenses. The Escrow Agent hereby agrees that in no event shall it ever assert any claim or lien against the Escrow Fund for any fees for its services, whether regular or extraordinary, as Escrow Agent or in any other capacity, or for reimbursement for any of its expenses.

The Issuer further agrees to reimburse the Escrow Agent for any costs or expenses, including reasonable attorney fees, that the Escrow Agent may incur in performance of its duties hereunder, except those costs and expenses which have been attributed to the Escrow Agent's gross negligence of willful misconduct.

Section 7.04. Successor Escrow Agents. If at any time the Escrow Agent or its legal successor or successors should become unable, through operation of law or otherwise, to act as Escrow Agent hereunder, or if its property and affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy or for any other reason, a vacancy shall forthwith exist in the office of Escrow Agent hereunder. In such event the Issuer, by appropriate resolution, shall promptly appoint an Escrow Agent to fill such vacancy. If no successor Escrow Agent shall have been appointed by the Issuer within 60 days, a successor may be appointed by the holders of a majority in principal amount of the Refunded Bonds then outstanding by an instrument or instruments in writing filed with the Issuer, signed by such holders or by their duly authorized attorneys-in-fact. If, in a proper case, no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of

this section within three months after a vacancy shall have occurred, the holder of any Refunded Bond may apply to any court of competent jurisdiction to appoint a successor Escrow Agent. Such court may thereupon, after such notice, if any, as it may deem proper, prescribe and appoint a successor Escrow Agent.

Any successor Escrow Agent shall be a corporation or association organized and doing business under the laws of the United States or the State of Michigan, authorized under such laws to exercise corporate trust powers, having its principal office and place of business in the State of Michigan, having a combined capital and surplus of at least \$5,000,000 and subject to the supervision or examination by federal or state authority.

Any successor Escrow Agent shall execute, acknowledge and deliver to the Issuer and the Escrow Agent an instrument accepting such appointment hereunder, and the Escrow Agent shall immediately execute and deliver an instrument transferring to such successor Escrow Agent, subject to the terms of this Agreement, all the rights, powers and trusts of the Escrow Agent hereunder. Upon the request of any such successor Escrow Agent, the Issuer shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor Escrow Agent all such rights, powers and duties. The Escrow Agent shall pay over to its successor Escrow Agent a proportional part of the Escrow Agent's fee hereunder.

Section 7.05. Payment of Issuance Expenses. The Escrow Agent be and is hereby directed to pay from the proceeds of the Refunding Bonds the Issuer's costs of issuance including fees as set forth in the Settlement Letter.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. Notice. Any notice, authorization, request, or demand required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when mailed by registered or certified mail, postage prepaid addressed as follows:

To the Issuer:

Finance Director
City of Muskegon
933 Terrace Street
Post Office Box 536
Muskegon, Michigan 49443-0536

To the Escrow Agent:

National City Bank of Michigan/Illinois.
Trust and Financial Services Division
333 West Big Beaver Road, Suite 200

Troy, Michigan 48084

The United States Post Office registered, certified mail receipt or overnight mail mailing receipt showing delivery of the aforesaid shall be conclusive evidence of the date and fact of delivery. Any party hereto may change the address to which notices are to be delivered by giving to the other party not less than ten (10) days prior notice thereof.

Section 8.02. Termination of Responsibilities. Upon the taking of all the actions as described herein by the Escrow Agent, the Escrow Agent shall have no further obligations or responsibilities hereunder to the Issuer, the holders of the Refunded Bonds or any other person or persons in connection with this Agreement.

Section 8.03. Binding Agreement. This Agreement shall be binding upon the Issuer and the Escrow Agent and their respective successors and legal representatives, and shall inure solely to the benefit of the holders of the Refunded Bonds, the Issuer, the Escrow Agent and their respective successors and legal representatives.

Section 8.04. Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

Section 8.05. Michigan Law Governs. This Agreement shall be governed exclusively by the provisions hereof and by the applicable laws of the State of Michigan.

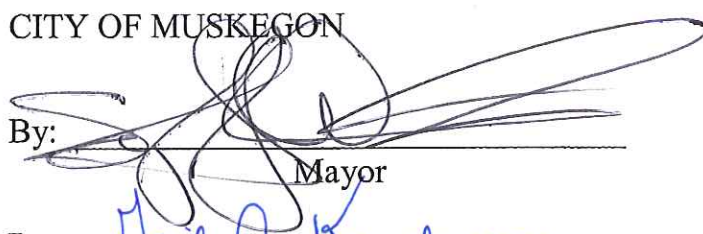
Section 8.06. Time of the Essence. Time shall be of the essence in the performance of obligations from time to time imposed upon the Escrow Agent by this Agreement.

Section 8.07. Execution. This Agreement may be executed in counterparts.

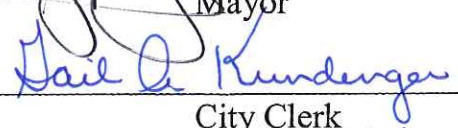
Section 8.08. This Agreement shall not be terminated nor amended in any manner that would adversely affect the rights of the holders of the Refunded Bonds.

Executed as of the date first written above.

CITY OF MUSKEGON

By: 

Mayor

By: 

City Clerk

NATIONAL CITY BANK OF
MICHIGAN/ILLINOIS.

By: _____

Its

EXHIBIT A

City of Muskegon 1993 Michigan Transportation Fund Bonds

<u>DATE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>DEBT SERVICE REQUIREMENTS</u>
12/01/02		\$51,125	\$51,125
06/01/03	\$300,000	51,125	351,125
12/01/03		44,000	44,000
06/01/04	325,000	44,000	369,000
12/01/04		35,875	35,875
06/01/05	350,000	35,875	385,875
12/01/05		27,125	27,125
06/01/06	375,000	27,125	402,125
12/01/06		17,750	17,750
06/01/07	400,000	17,750	417,750
12/01/07		8,500	8,500
06/01/08	400,000	8,500	408,500

EXHIBIT B

ESCROW FUND REQUIREMENTS

<u>DATE</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>REDEMPTION PREMIUM</u>	<u>TOTAL</u>
12/01/02	\$51,125	\$2,150,000	\$10,750	\$2,211,875

TOTALS

EXHIBIT C

Escrow Fund

<u>MATURITY</u> <u>DATES</u>	<u>YIELD</u>	<u>PRINCIPAL</u> <u>AMOUNT</u>	<u>DESCRIPTION</u>
12/01/02	1.610%	\$2,205,939	Securities

EXHIBIT D

NOTICE OF REDEMPTION

City of Muskegon, Michigan

1993 Michigan Transportation Fund Bonds

NOTICE IS HEREBY GIVEN that the City of Muskegon, Michigan, hereby calls for redemption on December 1, 2002, its 1993 Michigan Transportation Fund Bonds maturing in the years 2003 through 2008 and aggregating the principal sum of Two Million One Hundred Fifty Thousand Dollars (\$2,150,000), maturing in the following years in the listed amounts and with the CUSIP number shown as follows:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP Number*</u>
June 1, 2003	\$ 300,000	4.75%	627780 OG 7
June 1, 2004	325,000	5.00%	627880 OH 5
June 1, 2005	350,000	5.00%	627880 OJ 1
June 1, 2006,	375,000	5.00%	627880 OK 8
June 1, 2007	400,000	4.625%	627880 OL 6
June 1, 2008	400,000	4.250%	627880 OM 4

Said bonds are called for redemption at par and accrued interest together with a redemption premium of ½ of 1%. Interest on the bonds will be paid separately by check and mailed to the registered owner.

Holders of the bonds called for redemption should present the bonds to the Paying Agent for redemption on December 1, 2002, at the address listed below. All interest will cease accruing December 1, 2002, whether the bonds are presented for redemption or not. Method of delivery is at the option of the Holder, but if by mail, registered mail is suggested. If by U.S. Mail:

National City Bank of Michigan/Illinois
Trust and Financial Services Division
333 W. Big Beaver Road
Suite 200
Troy, Michigan

Dated: _____

CITY OF MUSKEGON

State of Michigan

By: National Bank of Michigan/Illinois as paying agent

NOTE: CORRECT TAXPAYER IDENTIFICATION INFORMATION (PROPERLY COMPLETED INTERNAL REVENUE W-9) MUST BE ON FILE WITH NBD BANK, N.A. TO AVOID THE WITHHOLDING OF THIRTY-ONE PERCENT (31%) OF THE PRINCIPAL AMOUNT OF BONDS SURRENDERED FOR REDEMPTION.

* The CUSIP numbers have been assigned to this issue and are included solely for the convenience of the holders. Neither the Municipality nor the Paying Agent is responsible for selection or use of the CUSIP numbers, nor is any representation made as to their correctness.

EXHIBIT E

PERMITTED ESCROW INVESTMENTS

Escrow investments must be limited to:

1. Cash
2. U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series — "SLGS").
3. Direct obligations of the Treasury which have been stripped by the Treasury itself, CATS, TIGRS and similar securities.
4. Resolution Funding Corp. (REFCORP). Only the interest component of REFCORP strips which have been stripped by request to the Federal Reserve Bank of New York in book entry form are acceptable.
5. Pre-refunded municipal bonds rated "Aaa" by Moody's or "AAA" by S&P. If, however, the issue is only rated by S&P (i.e., there is no Moody's rating), then the pre-refunded bonds must have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations, or AAA rated pre-refunded municipal to satisfy this condition.
6. Obligations issued by the following agencies which are backed by the full faith and credit of the U.S.;
 - A. U.S. Export-Import Bank (Eximbank)
Direct obligations or fully guaranteed certificates of beneficial ownership
 - B. Farmers Home Administration (FHA)
Certificates of beneficial ownership
 - C. Federal Financing Bank
 - D. General Services Administration
Participation certificates
 - E. U.S. Maritime Administration
 - F. U.S. Department of Housing and Urban Development (HUD)
Project Notes
Local Authority Bonds
New Communities Debentures - U.S. government

guaranteed debentures

U.S. Public Housing Notes and Bonds - U.S. government guaranteed public housing notes and bonds

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CERTIFICATE RELATING TO MATTERS PURSUANT TO
SECTION 3b(ii) OF THE BOND PURCHASE AGREEMENT

The undersigned, being the Finance Director of the City of Muskegon, County of Muskegon State of Michigan (the "City"), gives this certificate pursuant to the Bond Purchase Agreement dated September 10, 2002 (the "Agreement") between the City and Robert W. Baird & Co. relating to the City's \$2,245,000 Michigan Transportation Fund Refunding Bonds, Series 2002 (the "Bonds"). All terms not otherwise defined in this Certificate shall have the meanings assigned to them in the Agreement. The undersigned hereby certifies that:

(A) Each of the representations of the City set forth in the Agreement is true, accurate and complete on the Closing Date as if made on and as of the Closing Date;

(B) Each of the covenants of the City to be complied with and each of the obligations of the City to be performed under the Agreement, the Escrow Agreement, the Resolution and the Bonds on or prior to the Closing Date has been complied with and performed;

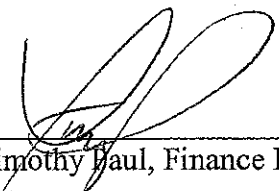
(C) The Preliminary Official Statement, as of its date, did not include any untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading, and the Official Statement, including any amendments or supplements thereto, will not, as of its date, as of the Closing Date or as of the date of any such amendment or supplement, include any untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they are or were made, not misleading;

(D) The financial statements of the City included in the Official Statement fairly represent the financial position of the City as of December 31, 2001. There has been no material adverse change in the financial condition of the City from December 31, 2001 to the date hereof.

N WITNESS WHEREOF, I have executed and delivered this certificate as of the 1st day of October, 2002.

CITY OF MUSKEGON

By



Timothy Paul, Finance Director

DELIB:2351073.1\063684-00033

\$2,245,000
CITY OF MUSKEGON
County of Muskegon, State of Michigan
Michigan Transportation Fund
Refunding Bonds, Series 2002

CROSS RECEIPT

The City of Muskegon, County of Muskegon, State of Michigan (the "City"), hereby acknowledges receipt from Robert W. Baird & Co. (the "Underwriter") relating to the Bond Purchase Agreement, dated September 10, 2002, between the City and the Underwriter, of \$2,234,357.65, which represents the par amount of the Bonds of \$2,245,000, plus original issue premium of \$11,807.65, less Underwriter's discount of \$22,450.00. This payment will provide for payment in full of the Bonds being sold to the Underwriter pursuant to the above-mentioned Bond Purchase Agreement.

Dated: October 1, 2002

CITY OF MUSKEGON

By: _____

Its Finance Director

The Underwriter referred to above, hereby acknowledge receipt from the City of the Bonds, in book-entry-form, in proper denominations and number, being the securities purchased by the Underwriter pursuant to the above-mentioned Bond Purchase Agreement.

Dated: October 1, 2002

ROBERT W. BAIRD & CO.

By: _____

Its First Vice President

DELIB:2351079.1\063684-00033

Information Return for Tax-Exempt Governmental Obligations

(Rev. November 2000)

Department of the Treasury
Internal Revenue Service

► Under Internal Revenue Code section 149(e)

► See separate instructions.

OMB No. 1545-0720

Caution: If the issue price is under \$100,000, use Form 8038-GC.

Part I Reporting Authority		If Amended Return, check here ☐	
1 Issuer's name <u>City of Muskegon</u>	2 Issuer's employer identification number <u>38-6004522</u>		
3 Number and street (or P.O. box if mail is not delivered to street address) <u>933 Terrace Street</u>	Room/suite	4 Report number <u>3 01</u>	
5 City, town, or post office, state, and ZIP code <u>Muskegon, MI 49443</u>		6 Date of issue <u>10-1-2002</u>	
7 Name of issue <u>Michigan Transportation Fund Refunding Bonds, Series 2002</u>		8 CUSIP number <u>627780 QM4</u>	
9 Name and title of officer or legal representative whom the IRS may call for more information <u>Timothy Paul, Finance Director</u>		10 Telephone number of officer or legal representative <u>(231) 724-6713</u>	

Part II Type of Issue (check applicable box(es) and enter the issue price)		See instructions and attach schedule	
11 ☐ Education	12 ☐ Health and hospital	13 ☒ Transportation	14 ☐ Public safety
15 ☐ Environment (including sewage bonds)	16 ☐ Housing	17 ☐ Utilities	18 ☐ Other. Describe ►
19 If obligations are TANs or RANs, check box ☐ If obligations are BANS, check box ☐		20 If obligations are in the form of a lease or installment sale, check box ☐	

Part III Description of Obligations. (Complete for the entire issue for which this form is being filed.)				
(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21 6-1-2008	\$ 2,256,807.65	\$ 2,245,000.00	3.248 years	2.51792 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)				
22 Proceeds used for accrued interest	23	0.00		
24 Issue price of entire issue (enter amount from line 21, column (b))	25	2,256,807.65		
25 Proceeds used for bond issuance costs (including underwriters' discount)	26	50,868.13		
26 Proceeds used for credit enhancement	27	0.00		
27 Proceeds allocated to reasonably required reserve or replacement fund	28	0.00		
28 Proceeds used to currently refund prior issues	29	2,205,939.52		
29 Proceeds used to advance refund prior issues	30	0.00		
30 Total (add lines 24 through 28)		2,256,807.65		
31 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)		0.00		

Part V Description of Refunded Bonds (Complete part only for refunding bonds.)	
31 Enter the remaining weighted average maturity of the bonds to be currently refunded	3.341 years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded	years
33 Enter the last date on which the refunded bonds will be called	12/1/2002
34 Enter the date(s) the refunded bonds were issued	6/1/93

Part VI Miscellaneous	
35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	0.00
36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	0.00
b Enter the final maturity date of the guaranteed investment contract	
37 Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	0.00
b If this issue is a loan made from the proceeds of another tax-exempt issue, check box ☐ and enter the name of the issuer and the date of the issue	
38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ☒	
39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ☐	
40 If the issuer has identified a hedge, check box ☐	

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Sign Here

Signature of issuer's authorized representative

10-1-2002

Date

Timothy J. Paul
Finance Director

Type or print name and title

CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the "Undertaking"), is executed and delivered by the City of Muskegon, County of Muskegon, State of Michigan (the "Issuer") in connection with the issuance of the Issuer's \$2,245,000 Michigan Transportation Fund Refunding Bonds, Series 2002 (the "Bonds"). The Issuer covenants and agrees for the benefit of the Bondholders, as hereinafter defined, as follows:

- (a) *Definitions.* The following terms used herein shall have the following meanings:

"Audited Financial Statements" means the annual audited financial statement pertaining to the Authority prepared by an individual or firm of independent certified public accountants as required by Act 2, Public Acts of Michigan, 1968, as amended, which presently requires preparation in accordance with generally accepted accounting principles.

"Bondholders" shall mean the registered owner of any Bond and the beneficial owner (as defined in Rule 13d-3 of the SEC) of any Bond.

"Disclosure Representative" means the Finance Director of the Issuer or his or her designee, or such other officer, employee, or agent as the Issuer shall designate from time to time in writing.

"MSRB" means the Municipal Securities Rulemaking Board.

"NRMSIR" means each nationally recognized municipal securities information repository as designated by the SEC in accordance with the Rule.

"Rule" means Rule 15c2-12 promulgated by the SEC pursuant to the Securities Exchange Act of 1934, as amended.

"SEC" means the United States Securities and Exchange Commission.

"SID" means the appropriate state information depository, if any, for the State of Michigan as designated by the SEC in accordance with the Rule.

- (b) *Continuing Disclosure* The Issuer hereby agrees, in accordance with the provisions of the Rule, to provide or cause to be provided to each NRMSIR and to the appropriate SID, if any, for the State of Michigan ("SID"), on or before the last day of the 6th month after the end of their respective fiscal years the following annual financial information and operating data, commencing with the fiscal year ending December 31, 2002:

(1) Current fiscal year updates of the numerical financial information and operating data included in the official statement of the Issuer relating to the Bonds (the "Official Statement") appearing in the Tables in the Official Statement contained in the headings as described below:

- (a) Receipts From Michigan Transportation Fund
- (b) Population;
- (c) Taxable Value;

- (d) Total Taxable Value by Use and Class;
- (e) Percent of Taxable Value by Use and Class;
- (f) State Equalized Valuation;
- (g) Total SEV by Use and Class;
- (h) Percent of Total SEV by Use and Class;
- (i) Maximum Property Tax Rates;
- (j) Property Tax Rates;
- (k) Homestead Property Tax Rates by Governmental Unit;
- (l) Non-Homestead Property Tax Rates by Governmental Unit;
- (m) Property Tax Collections;
- (n) Ten Largest Taxpayers;
- (o) Income Tax Collections;
- (p) Revenues from the State of Michigan;
- (q) Legal Debt Margin;
- (r) Debt Statement.

(2) Audited Financial Statements, or in the event audited financial statements are not available, the Issuer agrees to provide unaudited financial statements and to provide audited financial statements immediately after they become available.

(3) Such additional financial information or operating data as may be determined by the Issuer or their advisors as desirable or necessary to comply with the Rule.

Such annual financial information and operating data described above are expected to be provided directly by the Issuer in the following documents to be filed with each NRMSIR and the SID, if any: the Audited Financial Statements; materials containing the updates described in (b)(1) above; and in subsequent official statements of the Issuer filed with the MSRB.

(c) *Notice of Failure to Disclose.* The Issuer agrees to provide or cause to be provided, in a timely manner, to (i) each NRMSIR or the MSRB and (ii) the SID, notice of a failure by the Issuer to provide the annual financial information with respect to the Issuer described in subsection (b) above on or prior to the dates set forth in subsection (b) above.

(d) *Occurrence of Events.* The Issuer agrees to provide or cause to be provided in a timely manner to (i) each NRMSIR or the MSRB and (ii) the SID, if any, notice of the occurrence of any of the following events listed in (b)(5)(i)(C) of the Rule with respect to the Bonds, if applicable, if material:

- (1) principal and interest payment delinquencies
- (2) non-payment related defaults
- (3) unscheduled draws on debt service reserves reflecting financial difficulties
- (4) unscheduled draws on credit enhancements reflecting financial difficulties
- (5) substitution of credit or liquidity providers, or their failure to perform
- (6) adverse tax opinions or events affecting the tax-exempt status of the Bonds
- (7) modifications to rights of holders of the Bonds
- (8) bond calls
- (9) defeasances
- (10) release, substitution, or sale of property securing repayment of the Bonds
- (11) rating changes

(e) *Materiality Determined Under Federal Securities Laws.* The Issuer agrees that its determination of whether any event listed in subsection (d) is material shall be made in accordance with federal securities laws.

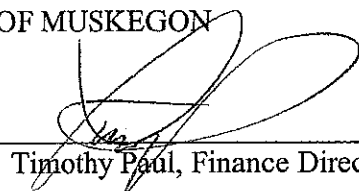
(f) *Termination of Reporting Obligation.* The Issuer reserves the right to terminate its obligations to provide annual financial information and notices of material events, as set forth above, if and when the Issuer no longer remains an "obligated person" with respect to the Bonds within the meaning of the Rule, including upon legal defeasance of all Bonds.

(g) *Benefit of Bondholders.* The Issuer agrees that its undertakings pursuant to the Rule set forth in this Section is intended to be for the benefit of the Bondholders and shall be enforceable by any Bondholder; provided that, the right to enforce the provisions of this undertaking shall be limited to a right to obtain specific enforcement of the Issuer's obligation hereunder and any failure by the Issuer to comply with the provisions of this undertaking shall not constitute a default or an event of default with respect to the Bonds.

(h) *Amendments to the Undertaking.* Amendments may be made in the specific types of information provided or the format of the presentation of such information to the extent deemed necessary or appropriate in the judgment of the Issuer, provided that the Issuer agrees that any such amendment will be adopted procedurally and substantively in a manner consistent with the Rule, including any interpretations thereof by the SEC, which, to the extent applicable, are incorporated herein by reference. Such interpretations currently include the requirements that (a) the amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer or the type of activities conducted thereby, (b) the undertaking, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and (c) the amendment does not materially impair the interests of Bondholders, as determined by parties unaffiliated with the Issuer (such as independent legal counsel), but such interpretations may be changed in the future. If the accounting principles to be followed by the Issuer in the preparing of the Audited Financial Statements are modified, the annual financial information for the year in which the change is made shall present a comparison between the financial statements as prepared on the prior basis and the statements as prepared on the new basis, and otherwise shall comply with the requirements of the Rule, in order to provide information to investors to enable them to evaluate the ability of the Issuer to meet its obligations. A notice of the change in accounting principles shall be sent (i) to each NRMSIR or the MSRB and (ii) the SID.

CITY OF MUSKEGON

By


Timothy Paul, Finance Director

Dated: October 1, 2002

DELIB:2347449.1\063684-00033

\$2,245,000
CITY OF MUSKEGON
COUNTY OF MUSKEGON, STATE OF MICHIGAN
MICHIGAN TRANSPORTATION FUND REFUNDING BONDS, SERIES 2002

NON-ARBITRAGE AND TAX COMPLIANCE CERTIFICATE

The undersigned, being the Finance Director of the City of Muskegon, County of Muskegon, State of Michigan (the "City"), hereby makes the certifications specified below with respect to the issuance by the City of its Michigan Transportation Fund Refunding Bonds, Series 2002, dated as of the date hereof, in the aggregate principal amount of \$2,245,000 (the "Bonds"), on the date hereof, pursuant to the provisions of Act 175, Public Acts of Michigan, 1952, as amended, and a resolution duly adopted by the City on August 13, 2002 and a Resolution Approving Sale of the City dated September 10, 2002 (collectively, the "Resolutions").

1. Due Inquiry. As the Finance Director of the City, I am one of the officers of the City responsible for the issuance of the Bonds. I have made due inquiry with respect to and am fully informed as to matters set out in this Certificate, and I hereby certify that the following are the reasonable expectations of the City with respect to the Bonds made in good faith as of the date hereof pursuant to Treas. Reg. § 1.148-2(b)(2).

2. Delivery Date. The Bonds are being delivered to the purchaser thereof on the date hereof.

3. Amount of Proceeds. The City expects to receive the following sum from the initial purchasers of the Bonds:

Principal:	\$2,245,000.00
Plus: Original Issue Premium	11,807.65
Minus: Underwriter's Discount	<u>22,450.00</u>
Purchase Price:	\$2,234,357.65

4. Purpose of Issue.

(a) The Bonds are being issued to provide funds for the purpose of currently refunding the City's outstanding 1993 Michigan Transportation Fund Bonds, dated June 1, 1993, maturing June 1 2003 through June 1, 2008, (such bonds as originally issued in their entirety are referred to herein as the "Prior Bonds," the portion being refunded referred to herein as the "Refunded Bonds"), and to pay issuance costs and costs to insure the Bonds.

(b) All sale, investment, transferred or replacement proceeds of the Prior Bonds have been expended as of the date hereof.

(c) The proceeds of the Bonds, net of underwriting discount and certain costs incurred in issuing the Bonds, and earnings thereon, do not exceed the amounts necessary for the purpose described above.

5. Use of Proceeds. The net proceeds of the Bonds (\$2,234,357.65) through the date hereof, will be used as follows:

(a) \$27,350.00 representing reasonable costs of issuance of the Bonds will be paid within thirty (30) days from the date hereof. Such amount may be invested at an unrestricted yield until expended.

(b) \$1,068.13, representing a rounding/contingency amount, (i) will be used to pay reasonable costs of issuance of the Bonds within thirty (30) days from the date hereof, and/or (ii) will be deposited in the Michigan Transportation Fund Bonds, Series 2002 Debt Retirement Fund (the "Debt Retirement Fund"), created pursuant to the Resolution and used to pay debt service on the Bonds on December 1, 2002, the first interest payment date. Such amount may be invested at an unrestricted yield until expended.

(c) \$2,205,939.52 of Bond proceeds will be deposited in an escrow fund for the Refunded Bonds (the "Escrow Fund") pursuant to an Escrow Agreement (the "Escrow Agreement") with National City Bank of Michigan/Illinois, Troy, Michigan (the "Escrow Agent"), and will be used to purchase certain United States Government Obligations - State and Local Government Series (the "SLGs") with an unrestricted yield and will be used to establish a portion of the beginning cash balance in the amount of \$.52. The maturing principal and interest from the SLGs along with the cash balance will be used to pay principal of and interest on the Refunded Bonds when due as provided in the Escrow Agreement.

6. Other Covenants. Attached hereto is Exhibit A as executed by the undersigned and Exhibit B as executed by the underwriter of the Bonds detailing certain representations and compliance with other provisions relating to the Bonds. Execution of this Non-Arbitrage and Tax Compliance Certificate shall constitute an agreement by the Issuer to comply with the procedures and requirements set forth in Exhibit A attached hereto.

7. Debt Retirement Fund. The Debt Service on the Bonds will be paid from moneys to be derived from State-collected taxes returned to the Issuer for highway purposes, or, to the extent such moneys are insufficient, from the proceeds of an annual levy of ad valorem taxes on all taxable property within the City. Such funds, for the Bonds, and no other moneys, will be deposited in the Debt Retirement Fund. The Debt Retirement Fund is used primarily to achieve a proper matching of revenues with principal and interest payments within each bond year of the Bonds, and shall be depleted each year except for reasonable carryover amounts not in the aggregate in excess of the greater of one-twelfth of the principal and interest payments on the Bonds for the immediately preceding bond year, or the earnings on the Fund for the immediately preceding bond year. Monies deposited in the Debt Retirement Fund will be used within twelve months of their receipt to pay principal of or interest on the Bonds. Investment earnings on the Debt Retirement Fund shall be expended within one year of their receipt to pay debt service on the Bonds. No monies other than monies in the Debt Retirement Fund will be used to pay principal of or interest on the Bonds. Based upon, and subject to, the foregoing this Fund will be invested at an unrestricted yield.

8. Yield on the Bonds and the SLGs.

(a) The composite yield on the Bonds is calculated in the manner provided in Treas. Reg. § 1.148-4 so that the underwriting discount and other costs are not taken into account.

(b) The yield on the Bonds, calculated as described above, and as described above, based upon certain representation contained in the Underwriter's Certificate attached as Exhibit C hereto and as set forth in a Causey, Demgen & Moore, with respect to the Bonds (the "Verification Report") is not less than 2.51792%.

(c) The yield on the SLGs, calculated as described above, as set forth in the Verification Report, is not more than 1.61875%.

9. Replacement Proceeds.

(a) No funds, other than moneys in the Debt Retirement Fund, shall be pledged for the payment of the Bonds or otherwise held such that there is a reasonable assurance that amounts deposited therein will be available to pay debt service in the event the City encounters financial difficulties.

(b) Except as otherwise described herein, the proceeds of the Bonds will not replace any funds of the City invested at a yield materially higher than the yield on the Bonds since no funds of the City have been designated for the purposes for which the Bonds are issued.

(c) The term of the Bonds is not longer than is reasonably necessary for the governmental purposes of the Bonds. The weighted average maturity of the Prior Bonds is not greater than 120 percent of the reasonably expected economic life of the projects financed with the proceeds of the Prior Bonds measured as of the date the Prior Bonds were issued.

10. Excess Gross Proceeds. The original proceeds and transferred proceeds of the Bonds allocated to refunding the Refunded Bonds and all investment earnings thereon that are not of the character of or used for the purposes set forth below, will not exceed 1% of the sale proceeds of the Bonds. The character and purposes referred to above are: (i) the payment of principal of and interest on the Refunded Bonds; (ii) the payment of not more than six months' accrued interest on the Bonds; (iii) the payment of the administrative cost of repaying the Refunded Bonds, carrying and repaying the Bonds or purchasing, carrying and selling or redeeming obligations acquired with the proceeds of the Bonds; (iv) transferred proceeds used for the purpose of the Prior Bonds; (v) amounts treated as proceeds solely because they are accumulated in the Debt Retirement Fund, and (vi) qualified guarantee fees for the Bonds.

11. \$5,000,000 Exception. It is not expected that the Issuer, all entities which issue bonds on behalf of the City, and all subordinate governmental units thereto will issue more than \$5,000,000 of obligations, the interest on which is excluded from gross income for Federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and which are not "private activity bonds", as defined in Code § 141, during calendar year 2002. For this purpose, tax-exempt obligations issued for the benefit of the City by another entity are also taken into account in determining whether or not the \$5,000,000 limitation will be exceeded. The City has not issued, and does not anticipate that it will issue, tax-exempt obligations on behalf of any other entity during 2002. The City is a governmental unit of the State of Michigan with general taxing powers. No bond which is a part of the Bonds is a private activity bond as defined in Code §141. Ninety-five percent (95%) or more of the net proceeds of the Bonds are to be used for local governmental activities of the City.

12. Qualified Tax-Exempt Obligations. The City has designated the Bonds as "qualified tax exempt obligations" for the purpose of deduction of interest expense by financial institutions. It is not expected that the City, all entities which issue bonds on behalf of the City, and all subordinate governmental unit thereto will issue more than \$10,000,000 of obligations, the interest on which is excluded from gross income for Federal income tax purposes under Section 103 of the Code and which are not "private activity bonds", as defined in Section 141 of the Code, during calendar year 2001. For this purpose, tax-exempt obligations issued for the benefit of the City by another entity are also taken into account in determining whether or not the \$10,000,000 limitation will be exceeded.

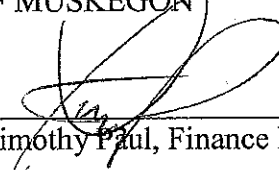
13. Matters Relating to Certificate.

(a) To the best of the knowledge and belief of the undersigned, the City's expectations as set forth herein are reasonable.

(b) It is intended that this Non-Arbitrage and Tax Compliance Certificate meet the requirements of Code §§ 103 and 148, and the Treasury Regulations issued thereunder, and the terms used therein shall be construed consistently therewith.

CITY OF MUSKEGON

By


Timothy Paul, Finance Director

Dated: October 1, 2002

EXHIBIT A
TAX CERTIFICATE

The undersigned, being the Finance Director of the City of Muskegon, County of Muskegon, State of Michigan (the "City"), hereby makes the certifications specified below with respect to the issuance of the Bonds for the purpose of enabling Miller, Canfield, Paddock and Stone, P.L.C., Bond Counsel, to render their opinion that interest on the Bonds is excluded from gross income for Federal income tax purposes and certain State of Michigan income tax purposes. The proceeds of the Bonds will be used as described in the Non-Arbitrage and Tax Compliance Certificate of the City (the "Certificate"), and all definitions and terms therein are hereby incorporated by reference.

A. The undersigned, on behalf of the City, does hereby certify as of the date hereof:

(1) All the proceeds from the sale of the Bonds, including investment earnings thereon, will be expended to refund the Refunded Bonds, except for proceeds used for the payment of costs of issuing the Bonds which will be spent within 30 days of the date hereof, all as described in the Non-Arbitrage and Tax Compliance Certificate.

(2) Internal Revenue Service Form 8038-G prepared in connection herewith is true, accurate, and complete.

(3) With respect to the Prior Bonds, the City reasonably expected on the issue dates thereof that:

(a) 85% of the spendable proceeds of the issues were to be used to carry out the governmental purposes of the issues within the 3-year period beginning on the dates the Prior Bonds were issued; and

(b) Not more than 15% of the proceeds of the Prior Bonds were invested in nonpurpose investments having a substantially guaranteed yield for four years or more.

(4) There were and are no other obligations sold or to be sold within 15 days of the date of sale of the Bonds which (i) were or are to be sold pursuant to a common plan of financing and (ii) are reasonably expected to be paid from substantially the same source of funds.

(5) Except as is permitted by Code § 149(b), the Bonds are not federally guaranteed within these provisions; specifically the payment of principal or interest with respect to the Bonds are not guaranteed in whole or in part by the United States or any agency or instrumentality thereof; the Bonds are not issued as part of an issue and five percent (5%) or more of the proceeds of which is to be used in making loans the payment of principal or interest with respect to which is to be guaranteed in whole or in part by the United States or any agency or instrumentality thereof, or invested directly or indirectly in federally insured deposits or accounts; and the payment of principal or interest on the Bond are not otherwise indirectly guaranteed in whole or in part by the United States or an agency or instrumentality thereof.

(6) The property financed with the proceeds of the Prior Bonds consisted solely of property which, under general Federal income tax principles, was properly chargeable to capital account.

(7) The Prior Bonds are being called on the first date such Prior Bonds may be called for redemption.

(8) The City is aware of no facts or circumstances which would cause the original approving opinions issued with respect to the Prior Bonds to have been improperly issued.

(9) The City has not deliberately taken or failed to take any action which would impair the exclusion from federal income taxation of the interest on the Prior Bonds.

(10) The City has complied with its obligations, covenants and representations under each of the Prior Bond documents to the extent such obligations affect the tax-exempt status of the Prior Bonds, including the rebate requirements, if any, with respect to the Prior Bonds pursuant to Code § 148(f).

B. The undersigned, on behalf of the City, does hereby covenant that unless notified otherwise by Bond Counsel, the City will do the following, or refrain from doing the following:

(1) None of the proceeds from the sale of the Prior Bonds was or will be used to acquire, construct or renovate facilities or refinance the acquisition, construction or renovation of facilities used or owned during the period the Bonds or Prior Bonds were or will be outstanding by non-exempt persons (i.e., entities which are not state or local governments or subdivision thereof), or pursuant to arrangements described in paragraph B(2) hereof (use for this purpose is any lease or arrangement which either results in control over some portion of the facilities or earns the user a portion of the revenues produced by such portion of the facilities), and none of the proceeds of the Bonds or Prior Bonds was or will be loaned to any non-exempt person. The foregoing describe the provisions of the private business use tests and the private loan financing tests of Code § 141 for purposes of paragraph (3) and (4) below.

(2) Arrangements are described in this paragraph B(2) if they are contracts or other agreements between non-exempt persons and the City which provides for the rendering of management services, research services, or any other types of services, unless:

- (a) the term of the contract (including renewal options) does not exceed 5 years;
- (b) the City has the option to cancel such contract at the end of any 3-year period;
- (c) the manager under the contract is not compensated (in whole or in part) on the basis of a share of net profits; and
- (d) at least 50 percent of the annual compensation of the manager under the contract is based on a periodic fixed fee.

Arrangements meeting the provisions of Rev. Proc. 97-13 (as such Revenue Procedure may be clarified, modified or superseded by Revenue Procedure, Revenue Ruling, Treasury Regulation, or statute), shall be treated as meeting the above conditions.

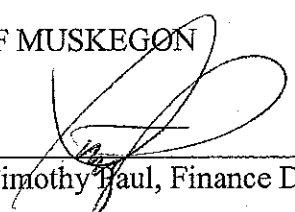
(3) The City agrees that it will not sell, lease, dispose of, change in use or otherwise take any action (any of the foregoing referred to as a "deliberate action") resulting in the private business use tests or the private loan financing test (as described in paragraph B(1) above) to be met for the entire term of the Bonds except if: the City obtains a written opinion of nationally recognized bond counsel, to the effect that any such deliberate action will not adversely affect the validity of the Bonds or any exemption from federal income taxation to which the interest on the Bonds would otherwise be entitled.

For purposes of (i) above, any redemption of Bonds within Treas. Reg. § 1.141-12(d) must occur within 90 days of the deliberate action, or a defeasance escrow must be established for the Bonds within 90 days of the deliberate action. In such cases, the City must provide written notice to the Internal Revenue Service as to the establishment of such escrow within 90 days of the date the defeasance escrow is established. A defeasance escrow is an irrevocable escrow established to redeem Bonds on their earliest call date in an amount that, together with investment earnings, is sufficient to pay all the principal of, and interest and call premium on, Bonds from the date the escrow is established to the earliest call date, and may not be invested in higher yielding investments or in any investment under which the obligor is a user of the proceeds of the Bonds. In addition, dispositions of personal property in the ordinary course of an established governmental program are not treated as deliberate actions for purposes of this paragraph B(3) if the weighted average maturity of the Bonds is not greater than 120 percent of the reasonably expected actual use of the property for governmental purposes, the City reasonably expects on the date hereof that the fair market value of that property on the date of disposition will be not greater than 25 percent of its cost, and the property is no longer suitable for its governmental purposes on the date of disposition.

(4) The Issuer reasonably expects that the Bonds will not meet the private business tests or the private loan financing test (as those terms are used in Code § 141) for the entire term of the Bonds, and the weighted average maturity of the Bonds is not greater than 120 percent of the average reasonably expected economic life of the property financed with the proceeds of the Bonds as of the date hereof.

CITY OF MUSKEGON

By


Timothy Paul, Finance Director

Dated: October 1, 2002

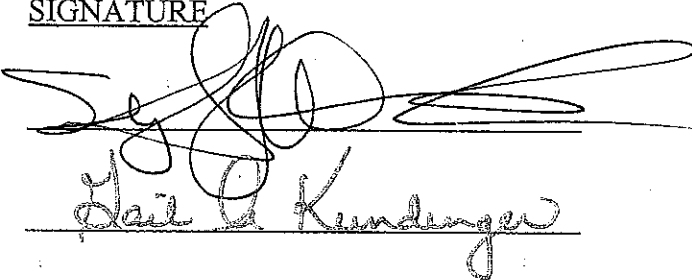
NON-LITIGATION AND SIGNATURE-IDENTIFICATION CERTIFICATE

STATE OF MICHIGAN
COUNTY OF MUSKEGON

We hereby certify that we are the duly elected or appointed, qualified and acting officers of the City of Muskegon in the County and State aforesaid (the "Issuer"), as herein indicated, that we did officially sign, by facsimile signature, the Issuer's \$2,245,000 Michigan Transportation Fund Refunding Bonds, Series 2002, dated as of the date hereof, and delivered herewith (the "Bonds"); that we are on the date hereof the officers having authority to execute and deliver the Bonds; that there is no litigation of any nature either pending or threatened for the purpose of restraining or enjoining the issuance of the Bonds or the levy and collection of taxes sufficient to pay the interest and principal thereof, nor directly affecting the proceedings or authority by which the Bonds are issued, the legality of the purpose for which the Bonds are issued, or the validity of the Bonds, and that neither the corporate existence nor the boundaries of the Issuer nor the title of its present officers to their respective offices is being contested; that to the best of our knowledge there is no litigation pending or threatened indirectly or collaterally affecting any of the foregoing and that none of the proceedings heretofore taken to authorize the issuance of the Bonds and to provide security therefor have been repealed, revoked or rescinded.

Dated: October 1, 2002

SIGNATURE


Gail A. Kunderger

TITLE

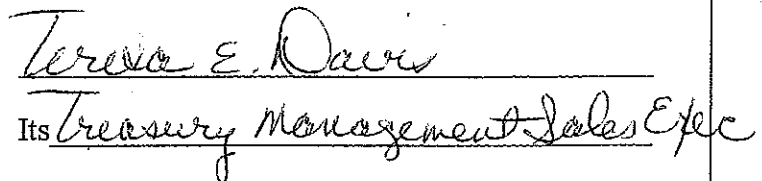
Mayor

City Clerk

{OFFICIAL SEAL}

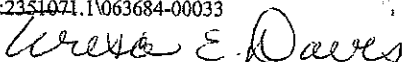
BANK GUARANTEE OF SIGNATURES

I hereby certify that I am an officer of the bank indicated under my signature below; I have examined the signatures upon the above Certificate and that I identify said signatures as true and genuine.


Terresa E. Davis
Its Treasury Management Sales Exec

(Bank Seal or Medallion Stamp)

DELIB:2351071.1\063684-00033


Terresa E. Davis

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



September 18, 2002

Mr. Joel L. Piell
Miller, Canfield, Paddock
& Stone, P.L.C.
150 West Jefferson, Suite 2500
Detroit, MI 48226

Dear Mr. Piell:

Enclosed are certified copies of the sale resolution, and signature pages for the bond purchase agreement and the escrow agreement. Also enclosed are the 3b(ii) certificate, cross receipt, form 8038-G, continuing disclosure undertaking, and the non-arbitrage and tax compliance certificate which have been signed by Tim Paul.

Tim will be sending you the check and the non-litigation and signature identification certificate.

If you have any questions, please call me at (231) 724-6705.

Thank you,

Linda Potter

Linda Potter
Deputy City Clerk

Enc.

Commission Meeting Date: September 10, 2002

*removed
from
agenda*

Date: September 4 2002

To: Honorable Mayor & City Commission

From: Planning & Economic Development Department *CBC*

RE: Transfer of Property from Lakefront LLC to City of Muskegon

SUMMARY OF REQUEST: To approve the attached Property Transfer Agreement between the City of Muskegon and Lakefront LLC to transfer property on the former Teledyne site for City right-of-way.

FINANCIAL IMPACT: The property is being donated to the City/LDFA.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the attached Property Transfer Agreement.

COMMITTEE RECOMMENDATION: None.