

CITY OF MUSKEGON

CITY COMMISSION MEETING

AUGUST 28, 2007

CITY COMMISSION CHAMBERS @ 5:30 P.M.

AGENDA

- **CALL TO ORDER:**
- **PRAYER:**
- **PLEDGE OF ALLEGIANCE:**
- **ROLL CALL:**
- **HONORS AND AWARDS:**
- **INTRODUCTIONS/PRESENTATION:**
- **CONSENT AGENDA:**
 - A. Approval of Minutes. CITY CLERK
 - B. Rezoning Request for Property located at 1221 W. Laketon Avenue. PLANNING & ECONOMIC DEVELOPMENT
 - C. Vacation of a Portion of W. Walton Avenue. PLANNING & ECONOMIC DEVELOPMENT
 - D. Replacement Garbage Carts. PUBLIC WORKS
 - E. Hiring of Firm for Master Plan Update. PLANNING & ECONOMIC DEVELOPMENT
 - F. Selection of Siding Supplier for Fiscal Year 2007-2008. COMMUNITY & NEIGHBORHOOD SERVICES
 - G. Selection of Vinyl Siding Contractors for Fiscal Year 2007-2008. COMMUNITY & NEIGHBORHOOD SERVICES
 - H. Approval of Contractor for Rehabilitation of House at 1581 Division. COMMUNITY & NEIGHBORHOOD SERVICES
 - I. Purchase of Parcel at 1246 Fifth. COMMUNITY & NEIGHBORHOOD SERVICES
 - J. Signing of 2007-2008 Subrecipient and Community Housing Development Organization Agreements. COMMUNITY & NEIGHBORHOOD SERVICES

❑ **PUBLIC HEARINGS:**

A. Review 2006-2007 Consolidated Annual Performance Evaluation Report (CAPER). COMMUNITY & NEIGHBORHOOD SERVICES

❑ **COMMUNICATIONS:**

❑ **CITY MANAGER'S REPORT:**

❑ **UNFINISHED BUSINESS:**

❑ **NEW BUSINESS:**

A. Muskegon Central Dispatch Agreement. CITY MANAGER

B. Extension of Renaissance Zone Status and Development Agreement. PLANNING & ECONOMIC DEVELOPMENT

C. Modifications of Solid Waste Contract. PUBLIC WORKS

D. Agreement to Repair Ladder 44. CITY MANAGER

E. Concurrence with the Housing Board of Appeals Notice and Order to Demolish 1660 Dyson (Garage), 316 E. Forest, and 2409 Crozier. PUBLIC SAFETY

❑ **ANY OTHER BUSINESS:**

❑ **PUBLIC PARTICIPATION:**

- *Reminder: Individuals who would like to address the City Commission shall do the following:*
- Fill out a request to speak form attached to the agenda or located in the back of the room.
- Submit the form to the City Clerk.
- Be recognized by the Chair.
- Step forward to the microphone.
- State name and address.
- Limit of 3 minutes to address the Commission.
- (Speaker representing a group may be allowed 10 minutes if previously registered with City Clerk.)

❑ **CLOSED SESSION:** Property acquisition.

❑ **ADJOURNMENT:**

ADA POLICY: THE CITY OF MUSKEGON WILL PROVIDE NECESSARY AUXILIARY AIDS AND SERVICES TO INDIVIDUALS WHO WANT TO ATTEND THE MEETING UPON TWENTY FOUR HOUR NOTICE TO THE CITY OF MUSKEGON. PLEASE CONTACT ANN MARIE BECKER, CITY CLERK, 933 TERRACE STREET, MUSKEGON, MI 49440 OR BY CALLING (231) 724-6705 OR TDD: (231) 724-4172.

Date: August 28, 2007
To: Honorable Mayor and City Commissioners
From: Ann Marie Becker, City Clerk
RE: Approval of Minutes

SUMMARY OF REQUEST: To approve minutes for the August 13th Commission Worksession, and the August 14th Regular Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

CITY OF MUSKEGON

CITY COMMISSION MEETING

AUGUST 28, 2007

CITY COMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Tuesday, August 28, 2007.

Mayor Warmington opened the meeting with a prayer from Elder George Monroe from the Evanston Avenue Baptist Church after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen Warmington, Vice Mayor Stephen Gawron, Commissioners Clara Shepherd, Lawrence Spataro, Sue Wierengo, and Chris Carter, City Manager Bryon Mazade, City Attorney John Schrier, and City Clerk Ann Marie Becker

Absent: Commissioner Kevin Davis (excused)

2007-71 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve minutes for the August 13th Commission Worksession, and the August 14th Regular Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. Rezoning Request for Property Located at 1221 W. Laketon Avenue. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request to rezone the property located at 1221 W. Laketon Avenue, from R-1, One Family Residential District to RM-2, Medium Density Multiple Family Residential District.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff recommends approval of the request.

COMMITTEE RECOMMENDATION: The Planning Commission recommended

approval of the request at their August 16th meeting. The vote was unanimous, with J. Aslakson and S. Warmington absent.

REQUIRES SECOND READING

E. Hiring of Firm for Master Plan Update. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Staff is seeking approval of the selected planning firm, Williams & Works, to accomplish the task of updating the City of Muskegon Master Plan. Staff received six (6) proposals from planning firms around the state and interviewed five (5) of them. It was very important that the firm was to have a strong planning background, not just engineering. Williams & Works proved to be the most desired firm to handle the specific tasks involved in this project.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: The City will be matching \$20,000 in grant funding. The City received \$10,000 from the Community Foundation and \$10,000 from the Michigan Department of Environmental Quality.

STAFF RECOMMENDATION: Approval for Williams & Works to be awarded the contract of updating the City of Muskegon Master Plan.

F. Selection of Siding Supplier for Fiscal Year 2007-2008. COMMUNITY & NEIGHBORHOOD SERVICES:

SUMMARY OF REQUEST: To approve the Community and Neighborhood Services department to select Keene Lumber, 346 W. Laketon, Muskegon, MI for the Vinyl Siding supplier for fiscal year 2007-2008. The total material cost per unit is, three hundred ninety-eight dollars and forty seven cents (\$398.47).

The department received three other bids:

1. ABC Lumber, 123 W. Sherman, Muskegon, MI, total material cost per unit- four hundred twenty-six dollars and seventeen cents (\$426.17).
2. Weber Lumber, 465 Ottawa, Muskegon, MI, total material cost per unit- four hundred fifty two dollars and seventy four cents (\$452.74).
3. Menards, 5487 Harvey St., Muskegon, MI, was incomplete.

FINANCIAL IMPACT: Funding will be allocated from the 2007-2008 CDBG siding program.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To approve the request.

COMMITTEE RECOMMENDATION: The funding for the vinyl siding program was approved by the Commission last April during the allocation period.

G. Selection of Vinyl Siding Contractors for Fiscal Year 2007-2008. COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the CNS office to sign contracts with Top Notch Design, 4740 Jensen Road, Muskegon, MI; Gawlik Construction, 5345 E. Sternberg Rd., Fruitport, MI; and Lewis Johnson Construction, 16076 Bonita Court, Grand Haven, MI as the vinyl siding installers for the 2007-2008 year. The agreed upon bid price for all three contractors is sixty-seven dollars (\$67.00) a builders square.

FINANCIAL IMPACT: Funding will be disbursed from the 2007-2008 CDBG Vinyl Siding program.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the request.

COMMITTEE RECOMMENDATION: The funding for the siding program was approved by the Commission during the 2007-2008 allocation period last April.

H. Approval of Contractor for Rehabilitation of House at 1581 Division.

COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the Contract with D.H. Construction, 3680 Ryerson Road, Twin Lake, Michigan, for the complete rehabilitation of the house located at 1581 Division for the cost of fifty four thousand two hundred forty five dollars (\$54,245).

After the rehabilitation is completed, the home will be sold to a qualified first-time homebuyer under the Operation "A little bit of Paradise amidst the division."

The CNS office received five other bids including one that was declared disqualified. The other bids were the following:

- | | | |
|----|---|--------------|
| 1. | Johnson Construction
16076 Bonita Ct.
Grand Haven | \$59,775.00 |
| 2. | Specialty Builders
4603 Apple
Muskegon | \$72,909.50 |
| 3. | Holden Construction
601 Amity
Muskegon | \$86,290.00 |
| 4. | Beattie Brothers
2786 Holton
Whitehall | \$100,160.00 |

The department also received a bid from Murphy Brothers, who was told not to submit a bid because they had been awarded two contracts for current projects at, 214 Catherine as the contractor for J2 and 539 Orchard, which is a project that was awarded to Murphy Brothers as the sole partner. The

ineligible bid submitted by Murphy Brothers was \$50,875.

FINANCIAL IMPACT: Funding for the project will be taken from the City's 2007-2008 HOME funds.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the CNS office to develop a contract with D. H. Construction for the bid of \$54,245.

I. Purchase of Parcel at 1246 Fifth. COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the purchase of the parcel at 1246 Fifth Street from: Kiser-ICARD-LLC, Mark Kiser, Sole Manager, P.O. Box 826, 4276 Helena Street, Granite Falls, N.C. (City of Muskegon Revised Plat of 1903 N. 46th, Lot 6, Block 378), for the agreed upon appraised price of two thousand five hundred dollars (\$2,500).

After the parcel at 1246 Fifth is obtained by the City, the parcel will be combined with the Tot lot to the east extending the park. The funding for the acquisition of the land will be allocated from the City's Community Development Block Grant funding program income.

FINANCIAL IMPACT: No impact other than decrease in program income.

BUDGET ACTION REQUIRED: None.

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

J. Signing of 2007-2008 Subrecipient and Community Housing Development Organization Agreements. COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To direct staff to have the Subrecipient agreements for the following agencies signed by the Mayor and Clerk. The City Commission in April approved the funding allocations on this year.

1. West Michigan Veterans	\$3,000
2. American Red Cross	\$3,000
3. Love, INC	\$3,000
4. Sacred Suds	\$3,000
5. Legal Aid of West Michigan	\$3,000
6. Muskegon Community Health Project	\$3,000

Also to have the CHDO agreements signed for the following agencies:

1. Neighborhood Investment Corp.	\$65,000
2. Bethany Housing Ministries	\$30,000
3. Habitat for Humanity	\$70,000

FINANCIAL IMPACT: Funding will be allocated from the 2007-2008 CDBG/HOME funds as directed by the City Commission.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To direct staff to have the documents signed by the Mayor and the Clerk.

Motion by Commissioner Carter, second by Commissioner Spataro to approve the Consent Agenda as read minus items C and D.

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

Nays: None

MOTION PASSES

2007-72 ITEMS REMOVED FROM THE CONSENT AGENDA:

C. Vacation of a Portion of W. Walton Avenue. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request for the vacation of W. Walton Avenue, between Terrace and Jefferson Streets.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff recommends vacation of the portion of W. Walton Ave., with the condition that all utility easement rights be retained.

COMMITTEE RECOMMENDATION: The Planning Commission unanimously recommended the vacation, with J. Aslakson and S. Warmington absent.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the vacation of the portion of W. Walton Avenue as described.

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

Nays: None

MOTION PASSES

D. Replacement Garbage Carts. PUBLIC WORKS

SUMMARY OF REQUEST: Once again we need to replenish our supply of replacement garbage carts which is nearly depleted. We have taken quotes from Toter and Rehrig Pacific for a truck-load of carts. The low bidder is Rehrig Pacific at \$47.38 per cart for a total cost of \$26,149.

FINANCIAL IMPACT: \$26,149.

BUDGET ACTION REQUIRED: This purchase is covered by the Sanitation Budget. No action is required.

STAFF RECOMMENDATION: To approve the purchase of 552 garbage carts at \$26,149 from Rehrig Pacific Company.

Motion by Commissioner Carter, second by Commissioner Shepherd, to approve the replacement of garbage carts.

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

Nays: None

MOTION PASSES

2007-73 PUBLIC HEARINGS:

A. Review 2006-2007 Consolidated Annual Performance Evaluation Report (CAPER). COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To conduct a Public Hearing on August 28, 2007 to review accomplishments and receive comments from the Public concerning the 2006-2007 Consolidated Annual Performance Evaluation Report (CAPER), developed by the Community and Neighborhood Services Department.

After the Public Hearing has been conducted and all the comments have been documented, the Community & Neighborhood Services office requests that the Commission direct the staff to submit the required documents to the U.S. Department of Housing and Urban Development (HUD) in compliance with 24 CFS 91.250 by no sooner than August 31, 2007.

FINANCIAL IMPACT: The City is required to submit the CAPER report in order to continue receiving Community Development Block Grant (CDBG) and HOME funding.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To direct staff to gather comments from the public and to submit the CAPER to HUD after the public comment period has elapsed.

The Public Hearing opened to hear and consider any comments from the public. No comments were made.

Motion by Commissioner Carter, second by Commissioner Shepherd to close the Public Hearing and approve the review of the 2006-2007 Consolidated Annual Performance Evaluation Report and submit the required documents to the U.S. Department of Housing and Urban Development.

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

Nays: None

2007-74 NEW BUSINESS:

A. Muskegon Central Dispatch Agreement. CITY MANAGER

SUMMARY OF REQUEST: To approve the First Amended and Restated Agreement to participate in Muskegon Central Dispatch 911. This agreement is being done to update Muskegon Central Dispatch's organizational documents.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the agreement and authorize the Mayor and Clerk to execute it.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the Muskegon Central Dispatch agreement.

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

Nays: None

MOTION PASSES

B. Extension of Renaissance Zone Status and Development Agreement.

PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Staff is seeking approval of the extension of the Renaissance Zone status for the former Comerica building and the two adjacent parcels to the east (285 W. Western, 255 W. Western and 241 W. Western). The extension would grant Parkland Muskegon, LLC the rights to attain Renaissance Zone status for 15 years, starting from the date that the status is granted from the State. Upon completion of Renaissance Zone extension status, Parkland Muskegon, LLC will be redeveloping the former Comerica building, 285 W. Western, into market-rate residential units, with retail on the first floor. The parcels at 255 W. Western and 241 W. Western will be developed into bi-level mixed-use buildings, for residential and commercial use, upon completion of the redevelopment of the former Comerica building.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

Motion by Commissioner Spataro, second by Commissioner Wierengo to approve the extension of the Renaissance Zone status and Development Agreement for 285 W. Western, 255 W. Western and 241 W. Western.

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

Nays: None

MOTION PASSES

C. Modifications of Solid Waste Contract. PUBLIC WORKS

SUMMARY OF REQUEST: The Department of Public Works staff has negotiated

a number of price concessions from Allied Waste Services in return for a contract extension.

The results of the negotiations were discussed at the City Commission Worksession on August 13th.

Based on these negotiations and discussions, the Department of Public Works staff recommends that the City of Muskegon grant a five-year contract extension to Allied Waste Services from January 1, 2008, to December 31, 2012.

FINANCIAL IMPACT: Estimated reduction in anticipated costs of \$90,000 to \$95,000 per year.

BUDGET ACTION REQUIRED: Concessions will be incorporated in the 2008 budget.

STAFF RECOMMENDATION: The Department of Public Works staff recommends a five-year contract extension to December 31, 2012.

Motion by Vice Mayor Gawron, second by Commissioner Shepherd to approve the five-year contract extension with Allied Waste Services from January 1, 2008, to December 31, 2012.

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

Nays: None

MOTION PASSES

D. Agreement to Repair Ladder 44. CITY MANAGER

SUMMARY OF REQUEST: To approve an agreement with Rosenbauer America, LLC/General Safety Division to repair the ladder assembly on Ladder 44 (L44). Rosenbauer will agree to make certain repairs to the truck and the City will be required to transport the truck to and from the necessary repair facilities.

FINANCIAL IMPACT: Cost of transporting the truck to and from repair facilities (approximately \$5,190).

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the agreement and authorize the City Manager to execute it, and authorize the expenditure of funds to transport the truck.

Motion by Commissioner Carter, second by Commissioner Wierengo to approve the agreement with Rosenbauer America to repair Ladder 44.

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

Nays: None

MOTION PASSES

E. Concurrence with the Housing Board of Appeals Notice and Order to Demolish 1660 Dyson (Garage), 316 E. Forest, and 2409 Crozier.
PUBLIC SAFETY

SUMMARY OF REQUEST: This is to request that the City Commission concur with the findings of the Housing Board of Appeals that the structures are unsafe, substandard, public nuisances and that they be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structures and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

FINANCIAL IMPACT: General Funds for 1660 Dyson (garage) and 2409 Crozier. CDBG Funds for 316 E. Forest.

BUDGET ACTION REQUIRED: None.

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

Motion by Commissioner Shepherd, second by Vice Mayor Gawron to concur with the Housing Board of Appeals notice and order to demolish 1660 Dyson (garage) and 316 E. Forest.

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

Nays: None

MOTION PASSES

Motion by Commissioner Spataro, second by Vice Mayor Gawron to concur with the Housing Board of Appeals notice and order to demolish 2409 Crozier.

Motion by Commissioner Spataro, second by Commissioner Carter to table action on 2409 Crozier to September 25, 2007.

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

Nays: None

MOTION TO TABLE PASSES

ANY OTHER BUSINESS: Commissioner Spataro asked what the status of 790 Terrace is. Mark Kincaid will send an up-date.

2007-75 CLOSED SESSION: Property acquisition.

Motion by Commissioner Carter, second by Vice Mayor Gawron to go into Closed Session to discuss property acquisition.

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

Nays: None

MOTION PASSES

Motion by Commissioner Wierengo, second by Commissioner Spataro to come out of Closed Session.

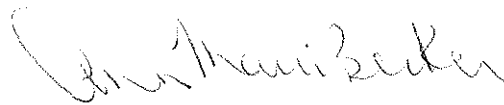
ROLL VOTE: Ayes: Wierengo, Carter, Gawron, Shepherd, Spataro, and Warmington

Nays: None

MOTION PASSES

ADJOURNMENT: The City Commission Meeting adjourned at 7:22 p.m.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Ann Marie Becker".

Ann Marie Becker, MMC
City Clerk

Commission Meeting Date: August 28, 2007

*Requires 2nd
Reading*

Date: August 17, 2007
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
RE: Rezoning request for property located at 1221 W. Laketon Ave.

SUMMARY OF REQUEST:

Request to rezone the property located at 1221 W. Laketon Avenue, from R-1, One Family Residential District to RM-2, Medium Density Multiple Family Residential District.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Staff recommends approval of the request.

COMMITTEE RECOMMENDATION:

The Planning Commission recommended approval of the request at their 8/16 meeting. The vote was unanimous, with J. Aslakson and S. Warmington absent.

Commission Meeting Date: August 28, 2007

Date: August 22, 2007
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
RE: Hiring of Firm for Master Plan Update

SUMMARY OF REQUEST:

Staff is seeking approval of the selected planning firm, Williams & Works, to accomplish the task of updating the City of Muskegon Master Plan. Staff received six (6) proposals from planning firms around the state and interviewed five (5) of them. It was very important that the firm was to have a strong planning background, not just engineering. Williams & Works proved to be the most desired firm to handle the specific tasks involved in this project.

FINANCIAL IMPACT:

none

BUDGET ACTION REQUIRED:

The City will be matching \$20,000 dollars in grant funding. The City received \$10,000 from the Community Foundation and \$10,000 from the Michigan Department of Environmental Quality.

STAFF RECOMMENDATION:

Approval for Williams & Works to be awarded the contract of updating the City of Muskegon Master Plan.

COMMITTEE RECOMMENDATION:

None

Committee Meeting Date:

August 28, 2007

Date: August 21, 2007

To: Honorable Mayor & City Commission

**From: Community and Neighborhood Services
Department**

**Re: Selection of Siding Supplier for fiscal year
2007-2008.**

SUMMARY OF REQUEST: To approve for Community and Neighborhood Services department to select Keene Lumber 346 W. Laketon, Muskegon, MI., for the Vinyl Siding supplier for fiscal year 2007-2008. The total material cost per unit is, three hundred ninety-eight dollars and forty seven cents (\$398.47.)

The department received three other bids:

1. ABC Lumber - 123 W. Sherman, Muskegon, MI., total material cost per unit, four hundred twenty-six dollars and seventeen cents (\$426.17.)
2. Weber Lumber - 465 Ottawa, Muskegon, MI., total material cost per unit, four hundred and fifty two dollars and seventy four cents (\$452.74.)
3. Menards - 5487 Harvey St., Muskegon, MI., was incomplete.

FINANCIAL IMPACT: Funding will be allocated from 2007-2008 CDBG siding program.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To approve the request.

COMMITTEE RECOMMENDATION: The funding for the vinyl siding program was approved by the commission last April during the allocation period.

2007 Vinyl Siding Materials Bids

	ABC	Keene	Menards	Weber
4" Siding - White	\$43.20	\$44.50		\$51.15
4" Siding - Color	\$44.04	\$44.50		\$53.35
Core Board	\$29.66	\$18.25	\$23.00	\$31.00
Tyvek	\$49.00	\$52.00	\$59.00	\$92.00
3/4" Vinyl J Channel	\$3.90	\$2.95	\$3.80	\$3.29
3/4" Al J Channel	\$3.65	\$4.00		\$3.99
Outside Corner	\$12.83	\$11.00	\$7.50	\$10.99
Inside Corner	\$6.98	\$7.00	\$5.00	\$6.59
Utility Trim	\$4.04	\$3.25	\$2.15	\$3.29
Vinyl F Channels	\$4.95	\$4.25	\$2.65	\$5.71
Vinyl Solid Soffit or Vented	\$9.15	\$7.80	\$5.20	\$9.29
24" Coil Stock	\$60.11	\$70.00	\$59.50	\$72.95
Starter Strip	\$2.60	\$2.05	\$1.35	\$1.69
Al Soffit	\$10.29	\$11.25	\$12.20	\$11.19
6" Al Fascia	\$8.77	\$9.25	\$5.20	\$8.69
8" Al Fascia	\$10.73	\$11.90	\$6.18	\$12.99
10" Al Fascia	\$18.57	\$14.95	\$10.25	\$13.99
Nails	\$0.83	\$1.09	\$1.15	\$0.99
Caulk	\$4.97	\$1.99	\$1.50	\$1.49
Trim Nails	\$7.49	\$7.00	\$1.15	\$6.95
Recessed J Block	\$6.67	\$5.00	\$2.15	\$5.95
Elec J Block	\$14.35	\$7.00	\$2.15	\$5.95
Gable Vents	\$44.95	\$38.00	\$19.00	\$21.50
Dryer Vents	\$9.21	\$8.75	\$3.50	\$7.99
Octagon Block	\$6.00	\$4.50	\$8.00	\$4.99
Finish Trim	\$4.04	\$3.25		\$3.29
Spray Paint	\$5.19	\$2.99	\$2.15	\$1.49
 Total Bid	 \$426.17	 \$398.47	 \$243.73	 \$452.74
 Average Bid	 \$16.39	 \$15.33		 \$17.41

Committee Meeting Date:

August 28, 2007

Date: August 21, 2007

To: Honorable Mayor & City Commission

**From: Community and Neighborhood Services
Department**

**Re: Selection of Vinyl Siding Contractors for fiscal
year 2007-2008.**

SUMMARY OF REQUEST: To approve for the CNS office to sign contracts with, Top Notch Design 4740 Jensen Road Muskegon, MI, Gawlik Construction 5345 E. Sternberg Rd., Fruitport, MI., Lewis Johnson Construction 16076 Bonita Court Grand Haven, MI., as the vinyl siding installers for the 2007-2008 year. The agreed upon bid price for all three contractors is sixty-seven dollars (\$67.00) a builders square

FINANCAIL IMPACT: Funding will be disbursed from the 2007-2008 CDBG Vinyl Siding program.

STAFF RECOMMENDATION: To approve request.

COMMITTEE RECOMMENDATION: The funding for the siding program was approved by the commission during 2007-2008 allocation period last April.

Committee Meeting Date:

August 28, 2007

Date: August 21, 2007

To: Honorable Mayor & City Commission

**From: Community and Neighborhood Services
Department**

**Re: Approval of Contractor for rehabilitation of
house at 1581 Division**

SUMMARY OF REQUEST: To approve the Contract with D.H. Construcion, 3680 Ryerson Road, Twin Lake, Michigan, for the complete rehabilitation of the house located at 1581 Division for the cost of fifty four thousand two hundred and forty five dollars (\$54,245.)

After the rehabilitation is completed the home will be sold to a qualified first-time homebuyer, under the Operation "A little bit of Paradise amidst the division."

The CNS office received five other bids including one that was declared disqualified. The other bids were the following.

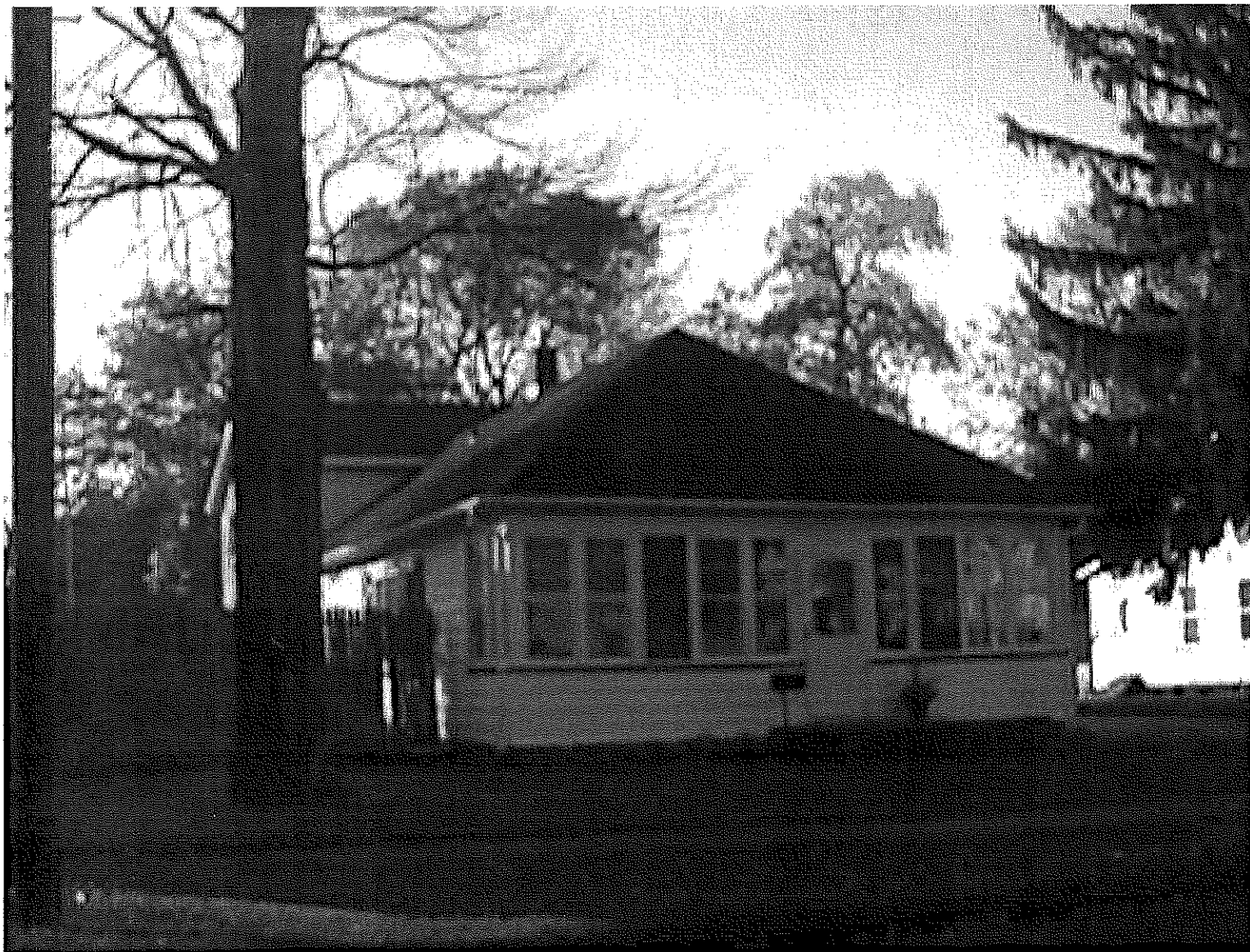
- | | |
|--|--------------|
| 1. Johnson Construction
16076 Bonita Ct.
Grand Haven | \$ 59,775.00 |
| 2. Specialty Builders
4603 Apple
Muskegon | \$ 72,909.50 |
| 3. Holden Construction
601 Amity
Muskegon | \$ 86,290.00 |
| 4. Beattie Brothers
2786 Holton
Whitehall | \$100,160.00 |

The department also received a bid from Murphy Brothers, who was told not to submit a bid because they had been awarded two contracts for current projects at, 214 Catherine as the contractor for J2 and 539 Orchard, which is a project that was awarded to Murphy Brothers as the sole partner. The ineligible bid submitted by Murphy Brothers was \$50,875.

FINANCIAL IMPACT: Funding for the project will be taken from the City's 2007-2008 HOME funds.

STAFF RECOMMENDATION: To approve for the CNS office to develop a contract with D. H. Construction for the bid of \$54,245.

COMMITTEE RECOMMENDATION: None



24-205-489-0010-00

1581 DIVISION ST

11/00 - STREET VIEW

Commission Meeting Date: August 28, 2007

Date: August 21, 2007

To: Honorable Mayor & City Commission

From: Community and Neighborhood Services

RE: Purchase of Parcel at 1246 Fifth

SUMMARY OF REQUEST: To approve the purchase of 1246 Fifth Street Parcel from: Kiser-ICARD-LLC,
Mark Kiser, Sole Manager
P.O. Box 826
4276 Helena Street
Granite Falls, N.C.

(City of Muskegon Revised Plat of 1903 N. 46th, Lot 6, Block 378), for the agreed upon appraised price of two thousand five hundred dollars (\$2,500.)

After the parcel at 1246 Fifth is obtained by the City, the parcel will be combined with the Tot lot to the east extending the park. The funding for the acquisition of the land will be allocated from the City's Community Development Block Grant funding program income.

FINANCIAL IMPACT: No impact other than decrease in program income.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the request to purchase parcel.

COMMITTEE RECOMMENDATION: None needed.

REAL ESTATE PURCHASE AGREEMENT

THIS AGREEMENT is made _____, 2007, by and between **Mark R. Kiser Sole Manager Kiser-Icard**, of 4276 Helena Street, Granite Falls, North Carolina ("Seller"), and the CITY OF MUSKEGON, a municipal corporation, of 933 Terrace Street, Muskegon, Michigan 49440 ("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 ("Premises"), in the Township of Muskegon, County of Muskegon, State of Michigan, specifically described as:

City of Muskegon Revised Plat of 1903 N. 46 ft. lot 6 Block 378

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 Parcel shall be Two Thousand Five Hundred dollars (\$2,500), payable in cash or city check to Buyer at Closing.

3. Taxes and Assessments. All taxes and assessments which are due and payable at the time of Closing shall be paid by the Seller prior to or at Closing. All taxes and special assessments which 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, the 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 the 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 the Buyer's option. The premium for the owners title policy shall be paid by Buyer.

5. Personal Property and Fixtures. All personal property and fixtures which the Seller wishes to remove shall be removed on or before Closing. The parties are aware that the Buyer intends to demolish the house. Any personal property which is left on the Premises shall be the property of Buyer who may dispose of same.

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 agreement, and paying the cost of such survey. Buyer may elect to purchase the Premises subject to said encroachment or variation.

7. Environmental Matters. Seller represents and warrants to Buyer as follows:

To the best of Seller's knowledge, the Premises have been used and operated in compliance with all applicable federal, state and local laws and regulations related to air quality, water quality, waste disposal or management, hazardous or toxic substances, and the protection of health and the environment.

Seller has not disposed of any hazardous or toxic substances on or in the Premises and, to the best of Seller's knowledge, the Premises and the groundwater beneath the Premises is free from environmental contamination of any kind.

The Premises does not include any "underground storage tank," as that term is defined by state or federal law.

Such representations and warranties shall be deemed to have been made again by Seller as of the Closing. Seller agrees to indemnify Buyer and hold it harmless from and against any and all claims, demands, liabilities, costs, expenses, penalties, damages and losses, including, but not limited to, reasonable attorneys' fees, resulting from any misrepresentation or breach of the warranties set forth in this paragraph. The representations, warranties and covenants set forth in this paragraph shall survive the Closing.

8. 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, HOWEVER, TO THE EXPRESS COVENANTS, CONDITIONS AND/OR EXPRESS WARRANTIES CONTAINED IN THIS PURCHASE AGREEMENT; ALSO SUBJECT TO THE WARRANTY OF SELLER THAT NO HAZARDOUS SUBSTANCES HAVE BEEN PLACED ON THE PREMISES. BUYER FURTHER SAYS THAT IT HAS PERSONALLY INSPECTED THE PREMISES AND IS SATISFIED WITH THE CONDITION OF THE LAND, AND THE BUILDINGS AND IMPROVEMENTS THEREON.

9. Real Estate Commission. Seller shall be solely responsible for any real estate commission or expenses of a broker or real estate consultant retained, employed, or utilized by Seller. Seller agrees to indemnify and hold the Buyer harmless from any liability, including reasonable attorney fees, occasioned by reason of any person or entity asserting a claim for such real estate commission or expenses arising from this transaction.

10. Closing. The closing date of this sale shall be on or before _____, 2007 ("Closing"). The Closing shall be conducted at Transnation Title Insurance Company, 570 Seminole Road, Ste. 102, Muskegon, MI 49444. The parties shall execute an IRS Closing Report at the Closing.

11. Delivery of Deed. Seller shall execute and deliver a warranty deed to Buyer at Closing for the Premises.

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

13. Date of Possession. Possession of Premises is to be delivered to Buyer by Seller no later than _____.

14. Costs. Seller shall be responsible to pay the Michigan transfer tax in the amount required by law. Seller shall be responsible to pay for the recording of any instrument which must be recorded to clear title to the extent required by this Agreement. Buyer shall pay for the cost of recording the warranty deed to be delivered at Closing.

15. General Provisions.

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

b. Merger. It is understood and agreed that all understandings and agreements previously made between the Buyer and Seller are merged into this

Mark R. Kiser Sole Manager
Kiser-Icard, LLC
(SS#)

Commission Meeting Date: August 28, 2007

Date: August 21, 2007
To: Honorable Mayor & City Commission
From: Community and Neighborhood Services
**RE: Signing of 2007-2008 Subrecipient and
Community Housing Development Organization
Agreements**

SUMMARY OF REQUEST: To direct staff to have the Subrecipient agreements for the following agencies signed by the Mayor and Clerk. The City Commission in April approved the funding allocations on this year.

1. West Michigan Veterans	\$3,000
2. American Red Cross	\$3,000
3. Love Inc.	\$3,000
4. Sacred Suds	\$3,000
5. Legal Aid of West Michigan	\$3,000
6. Muskegon Community Health Project	\$3,000

Also to have the CHDO agreements signed for the following agencies:

1. Neighborhood Investment Corp.	\$65,000
2. Bethany Housing Ministries	\$30,000
3. Habitat for Humanity	\$70,000

FINANCIAL IMPACT: Funding will be allocated from the 2007-2008 CDBG/HOME funds as directed by the City Commission.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To direct staff to have the documents signed by the Mayor and the Clerk.

COMMITTEE RECOMMENDATION: The Commission previously approved all of the allocations.

SUBRECIPIENT AGREEMENT / 2007-2008

This SUBRECIPIENT made this 1st day of June, 2007, by and between the City of Muskegon, Michigan, A Municipal Corporation, (hereinafter "Recipient") and _____ whose offices are located at _____, _____, MI (hereinafter "Subrecipient"),

WITNESSETH:

WHEREAS, Subrecipient will receive Community Development Block Grant (CDBG) funds from the Recipient, in the amount of \$ _____, to be used for the following:

WHEREAS, the parties wish to set forth the conditions on which the funds are to be made available;

NOW THEREFORE, in consideration of the covenants herein contained, the parties do mutually agree as follow:

I. GENERAL CONDITIONS

1. Services to be delivered are eligible activities as defined in Section 570.200 and 570.201 of the CDBG Administrative Regulations (CFR 570).
2. The Subrecipient certifies that the service is either:
 - a. a new service or
 - b. a quantifiable increase in the level of a service above the level which has been provided by or in behalf of the applicant from local revenue sources or State funds received by the applicant in the twelve (12) calendar months prior to submission of the proposal, or
 - c. a continuation of a service that would otherwise be decreased due to events beyond the control of the Subrecipient.
3. The Subrecipient is incorporated as a non-profit organization in good standing under Michigan Law.
4. The Subrecipient warrants that a current copy of its charter (if applicable), Articles of Incorporation and By-Laws are on file with the Department of Community and Neighborhood Services. The Subrecipient shall also keep

a current list of its board members, its officers and their addresses on file with the Community & Neighborhood Services Department.

5. By resolution, the Subrecipient's Board of Directors shall certify to the City a responsible contact person, who shall be considered their representative in all matters relating to this Agreement for communication and administrative purposes.

Until further written notice from the Subrecipient, said contact person shall be:

II. PERSONNEL

1. The Subrecipient shall maintain direct control of all personnel employed by it and to provide the necessary training and supervision of its employees in carrying out contracted programs. However, implementation of the "project" must meet the requirement and approval of Community and Neighborhood Services.
2. In all work made possible by or resulting from this agreement, affirmative action will be taken to insure that low income persons, particularly minorities and women, are given maximum opportunity for training and employment; and that minority business concerns located in the area, to the greatest extent feasible, are awarded sub-contracts when permitted by this Agreement (Section 3, CDF 135).
3. Incorporated by reference are Title VI of the Civil Rights Act of 1964, Executive Order 11246 and OMB Circular A-102, Attachment O which relates to equal opportunity. Copies are available at the Community Development Office.
4. The Subrecipient (including its membership body, Board of Directors, committees, and paid and other volunteer staff) agrees that it will comply with City policies and procedures concerning equal opportunity, affirmative action, and non-discrimination in employment practices because of age, religion, race, color, national origin, sex, education association, marital status or physical limitation.

III. SCOPE OF SERVICES

The Subrecipient shall provide the services specified in Attachment "A", Scope of Services, in exchange for financial compensation detailed in Attachment "B".

IV. COMPENSATION AND METHOD OF PAYMENT

1. The maximum amount which the Subrecipient may receive pursuant to this Agreement is \$_____.
2. The Subrecipient warrants that its Board of Directors has approved a budget request to provide services detailed in this Agreement (attachment "B"). The budget total of \$_____, shall remain unchanged during the year unless amended as permitted in this Agreement. The Subrecipient may not, without City Commission approval, make transfer between categories not exceeding 10% of the overall budget total, or \$2,000.00, or whichever is greater.
3. Upon approval of Subrecipient's request for payment, the Subrecipient shall be reimbursed for expenses within a maximum of twenty (20 days.)
4. To receive payments, the Subrecipient must complete and submit the following:
 - a. Request for Payment
 - b. Detailed Invoice for Actual Expenditures
 - c. Quarterly Performance Reports
5. All program income, received by the Subrecipient, (if any) shall be disbursed by the Subrecipient prior to request for payments from the Recipient. Program income resulting from the project will be handled in accordance with the requirements of 24 CFR 570.503 applicable to CDBG Recipients.
6. If at the end of the term of this Agreement there are unexpended portions of the contract amount set forth in this Agreement, the City may recapture said amount for reallocation to other purposes.
7. If Subrecipient fails to comply with terms specified in this Agreement or refused to accept and meet conditions imposed by the Department of Housing and Urban Development (HUD), the Recipient may immediately terminate payments to the Subrecipient and recover any funds it has advanced. In the event of the inability of Subrecipient to perform or complete the project, or termination of the Agreement by the City Commission, Recipient will pay only invoices for work performed or satisfactorily completed.
8. The Recipient shall not be held liable for expenditures or obligations incurred in excess of the authorized total budget, nor shall the City be held liable for expenditures or obligations for ineligible cost pursuant to Section 570.200 and 570.201 of the Housing and Community Development Act.

IV. FINANCING AUDITS AND INSPECTIONS

1. The Subrecipient shall document the costs incurred with CDBG funds with the support of properly executed payrolls, time records, invoices, contracts, vouchers, receipts, or other official documentation that shows in proper detail the nature and propriety of charges. All such documents must be clearly identifiable and readily assessable during the term of the Agreement to City and HUD officials or their authorized representative for audit and examination as often as the City may deem necessary. Additionally, the Subrecipient agrees to securely maintain such documents for a period of three (3) years after termination of this Agreement.
2. The Subrecipient is to act within thirty (30) days after the signing of this Agreement to establish a procedure for its accounting operation that will not be inconsistent with Federal Management Circular A-102, Attachment G, and can be certified auditable by the Accountant for the Community and Neighborhood Services Department. The auditable procedure shall insure that monies provided by the Community Development Block Grant program can be separately traced from other funds of the Subrecipient.
3. The Recipient shall provide the Subrecipient with a copy of any account requirements established by HUD, and the Subrecipient shall thenceforth be responsible for compliance with such requirements.
4. Program Income earned by the Service Agency during the grant period shall be retained by the Subrecipient, and in accordance with OMB Circulars A-102, A-110 and A-122 shall be:
 - a. Added to funds committed to the project by the City and the Subrecipient to be used to further eligible program objectives as defined in the scope of services of this Agreement (see Attachment A).
 - b. Deduct from the total project costs for the purposes of determining the net costs on which the Federal (CDBG) share of the cost will be based.
5. No CDBG funds shall be disbursed under this Agreement by the Subrecipient or any others contracted by the Subrecipient unless those contracted are in compliance with City and HUD requirements with regard to fiscal matter and civil rights to the extent such requirements are applicable. The Subrecipient shall provide the Recipient with a copy of such contracts.
6. The Subrecipient shall provide proof of Bonding Insurance for all employees who handle funds.

V. INSURANCE COVERAGE

The Subrecipient shall indemnify, defend, and hold the Recipient, its officers, and the employees harmless with respect to any damage claim arising out of activities specified by this Agreement. This Subrecipient shall maintain for the entire period of this Agreement a valid policy of liability insurance naming the City of Muskegon (Recipient) as an insured party with limits of not less than \$300,000 per occurrence. The Subrecipient shall also maintain coverage during the Agreement period for Workers' Compensation as required by law. The Subrecipient shall submit proof of insurance and amount of coverage to the Community and Neighborhood Services office prior to receiving any funds.

VI. REPORTS, MONITORING AND EVALUATION

1. The Subrecipient agrees to cooperate fully with the Community and Neighborhood Services office, City and HUD officials, Citizen Committees, or any other individuals appointed by City Commission to evaluate and monitor the requirements and performance of programs financed with CDBG funds. The Subrecipient agrees to provide to the same parties listed information and reports, oral or written, as may reasonably be required or requested during the term of this Agreement on matters relating to program activities, performance, or contract compliance.
2. The Subrecipient agrees to complete and submit to the Community and Neighborhood Services Office in a timely manner a Quarterly Performance Report.

The report forms are to be provided by the City. The Subrecipient agrees to collect and make available to the Community and Neighborhood Services Department the following information on its clients or program participants:

- a. Street (only) address of the client: (inside or outside City);
- b. Month and year of initial services;
- c. Number of services units rendered to each client served under this agreement;
- d. Age and sex of the client or participant;
- e. Whether the client or participant is the head of household;
- f. Whether client or participant is a member of a minority group (which group);
- g. Family income by family size (which will be indicated by checking an income range category);
- h. Whether client or participant head of household is handicapped;

The information is to be collected on a tabulation sheets provided by the City. The form will state that the client/participant information being collected is required in order for the Subrecipient to receive Community Development Block

Grant funds from the City of Muskegon. Client information will be submitted quarterly with the Performance Reports.

Alternate systems of collecting data required in this section can be developed in consultation with the Community and Neighborhood Services Office. The Recipient retains the final right to approve any waiver of, or amendment to, this reporting requirement.

VII. CONTRACT AMENDMENT

That except as expressly provided elsewhere in this Agreement, any modifications or amendments to this Agreement may be made by mutual Agreement of the Subrecipient and the City Commission. It is expressly understood that this Agreement is subject to HUD Community Development Block Grant funding regulations. Should HUD act to make changes in regulations or suspend or terminate funding, such actions shall automatically amend this Agreement, if applicable.

VIII. ASSIGNABILITY

The Subrecipient shall not assign or transfer any interest in this Agreement without consent of the City Commission.

IX. POLITICAL ACTIVITIES

None of the funds, materials, property or services provided directly or indirectly under this Agreement shall be used for any partisan political activities, or to further the election or defeat of any candidate for office.

X. CONFLICT OF INTEREST

No employee, officer or agent of the Recipient shall participate in the award or administration of this Agreement if a conflict of interest real or apparent, would be involved or any type of benefit financially, politically or asset wise. (i.e. obtain housing, illegal obtaining of contracts, etc.) See CFR 24.92.356 and CFR 570.611.

XI. CITY'S RIGHT TO ENFORCE

1. The Community and Neighborhood Services Department may unilaterally suspend (on a temporary basis) or alter this Agreement, including the amount of funds allocated, for failure to comply with the terms and conditions of this Agreement or failure to comply with regulations for the U.S. Government, or directives of the Muskegon City Commission, some examples of which follow:
 - a. Ineffective or improper use of the Community Development Block Grant funds:

- b. Failure to submit complete and correct performance or financial reports;
 - c. Failure to provide services called for in the Scope of Services section within the time frame stated: and
 - d. If for any reason, the program cannot be completed.
2. The City Commission may unilaterally terminate this Contract for failure to comply with the terms and conditions of the Agreement, the regulations of the U.S. government, or directives of the Muskegon City Commission.
3. The Community and Neighborhood Services Department office shall provide reasonable notice to the Subrecipient before action is taken to suspend, alter or terminate this Agreement. Such notice shall include the reasons for the contemplated action and the Subrecipient shall be give a right to protest.
4. In the event this Agreement is terminated by the City Commission, the Ownership of all documents, equipment and properties acquired by CDBG or Program Income funds shall revert to the Recipient with the decision for final disposition being left to the City Commission. However, the Subrecipient shall receive just compensation for any work satisfactorily completed prior to such termination.

XII. PURSUIT OF ADDITIONAL RESOURCES

The Subrecipient shall make bona fide efforts to secure funds and resources from other sources. Further, the Subrecipient shall cooperate with the Community and Neighborhood office, as requested, in its efforts to pursue additional or alternative funding. The Subrecipient shall report these efforts as part of the required Quarterly Performance Report.

XIII. TIME PERFORMANCE AGREEMENT TERM

All services rendered hereunder shall be completed by May 31, 2005. This Agreement automatically terminates at that time unless specifically extended by the City Commission. All funds allocated which are unspent or encumbered for services under this Agreement shall be repaid to the City within fifteen (15) days of this date.

XIV. OTHER

1. That it will comply with all requirements applicable to HUD Block Grant Subrecipients set forth in the CDBG Program Requirements contained in 24 Code of Federal Regulation Part 570. Such requirements pertain to, but are not limited to, compliance with OMB Circular A-102, reports and information, audits and inspection, unearned payment, non-discrimination, disposition of real property, and miscellaneous grant administration requirements.

2. That should the Subrecipient utilize any portion of CDBG funds for acquisition of property or relocation of individuals, families, or businesses as a result of a project involving federal financial assistance from HUD, as defined in regulations at 24CFR Part 42.79, all acquisition and/or relocation shall conform to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91.646), and the regulations which implement the Act (24 CFR Part 42).
3. That except with respect to the rehabilitation of residential use for less than eight families, all contractors engaged under contracts in excess of \$2000 for the construction prosecution, completion or repair of any building or work financed in whole or in part with assistance provided under this agreement, shall comply with HUD requirements pertaining to such Contracts and the applicable requirements of the regulations of the Department of Labor under 29 CFR Parts 2, 5, and 5a, governing the payment of wages and the ratio of apprentices and trainees to journeymen; provided, that if wage rates higher than those required under such regulations are imposed by State or local law, nothing hereunder is intended to relieve the Subrecipient of its obligations, if any, to require payment of the higher rates. The Subrecipient shall require to be inserted in full in all such contracts subject to such regulations, provisions meeting the requirements of 29 CFR 5.5 and for such contracts in excess of \$10,000, 29n CFR 5a.3.
4. The Subrecipient agrees to abide by all other Federal requirements not highlighted in this Agreement, but included in the Community Development Block Grant regulations at the Community and Neighborhood Services Department, or other regulations subsequently supplied to the Subrecipeint.
5. That should the Subrecipient funding involve construction work, the Subrecipient contractors(s) agree to allow access to the City or its representative for inspection purposes.
6. Should the Subrecipient acquire any real or personal property with funds provided under this Agreement, it will not dispose of such property through sale or otherwise without written permission of Recipient. If property is disposed of without written permission, the proceeds shall be returned to the Recipient, and Subrecipient may be required to reimburse the Recipient for the Federal portion of participation in the project, subject to requirements in the Office of Management and Budget Circular A-102, Attachment N, Property Management Stands.

XV. CONTRACT CLOSEOUT

All contracts will be closed out in accordance with the procedures specified in OMB Circular A-102, Attachment L, and Portions of OMB Circulars A-110 and A-122 applicable to non-profit organizations.

In Witness Whereof, the parties hereto have caused this contract to be executed the day and year above written.

Signed In the Presence Of:

CITY OF MUSKEGON, MICHIGAN
A Municipal Corporation

Witness _____

By: _____
Stephen J. Warmington, Mayor

Witness _____

By: _____
Gail Kunderling, MMC City Clerk

Agency Name

Witness _____

By: _____
It's President

Witness _____

By: _____
It's Secretary

ATTACHMENT "A"

SCOPE OF SERVICES

Subrecipient Name _____

SCOPE OF SERVICES

The Scope of Services section below lists the services to be provided under the terms of the Subrecipient Agreement. This description shall establish the basis for the Community and Neighborhood Services Office assessment of actual program accomplishments.

I. Location and Hours

The Service Agency shall provide the contracted services at the following location(s):

II. Eligible Clients

The Subrecipient shall take affirmative action to insure that the primary beneficiaries of services rendered under this Agreement are eligible CDBG clients. Eligible clients are defined as those persons of household who:

- a. Reside in the City of Muskegon and
- b. Have household incomes less than or equal to 80 percent of the median of the City.

ATTACHMENT "A"

SCOPE OF SERVICES

III. Description and Quantity of Services to be provided

Describe and number each service to be provided separately. Include the job title of the person (s) who will primarily render the service, the time span, which the service will be offered, if less than the total contract year, and how the service will be rendered.

Estimated quantity of service to be provided (number of persons to be served).

ATTACHMENT "B"

BUDGET

REVENUES

CDBG FUNDS	\$ _____
*Other (Specify Below)	_____
Program Income	_____
TOTAL REVENUES	\$ _____

Total
Budgeted

Portion to be
Funded by CDBG

EXPENDITURES

Salaries & Fringes	\$ _____	\$ _____
Consultant & Contract Services	\$ _____	\$ _____
Office Supplies	\$ _____	\$ _____
Telephone	\$ _____	\$ _____
Rent & Related Expenses	\$ _____	\$ _____
Equipment	\$ _____	\$ _____
Office Furniture	\$ _____	\$ _____
Travel	\$ _____	\$ _____
Specific Assistance to Individuals	\$ _____	\$ _____
Miscellaneous (Specify)		

_____	\$ _____
_____	\$ _____
_____	\$ _____

TOTAL EXPENDITURES	\$ _____	\$ _____
--------------------	----------	----------

*LIST OTHER REVENUE SOURCES:

1.	\$ _____
2.	\$ _____
3.	\$ _____
4.	\$ _____
5.	\$ _____

Commission Meeting Date: August 28, 2007

Date: August 17, 2007
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
RE: Vacation of a portion of W. Walton Avenue

SUMMARY OF REQUEST:

Request for the vacation of W. Walton Avenue, between Terrace and Jefferson Streets.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Staff recommends vacation of the portion of W. Walton Ave., with the condition that all utility easement rights be retained.

COMMITTEE RECOMMENDATION:

The Planning Commission unanimously recommended the vacation, with J. Aslakson and S. Warmington absent.

Staff Report [EXCERPT]
CITY OF MUSKEGON
PLANNING COMMISSION
REGULAR MEETING

August 16, 2007

Hearing: Case 2007-34: Staff-initiated request to vacate a portion of W. Walton Avenue from Jefferson to Terrace Streets.

BACKGROUND

This is a staff initiated request for vacation of the portion of W. Walton Avenue that lies between City Hall and the current Fire Station. Future uses are currently being explored for the building and the City may sell it in the near future. With the vacation of W. Walton, additional parking may be able to be added to accommodate the future use.



View looking east from Jefferson Street.

CITY OF MUSKEGON

RESOLUTION # 2007-72(c)

RESOLUTION TO VACATE A PORTION OF A PUBLIC STREET

WHEREAS, a petition has been received to vacate W. Walton Avenue, between Terrace and Jefferson Streets; and

WHEREAS, the Planning Commission held a public hearing on August 16, 2007 to consider the petition and subsequently recommended the vacation; and

WHEREAS, due notice had been given of said hearing as well as the August 28, 2007 City Commission meeting to consider the recommendation of the Planning Commission;

NOW, THEREFORE, BE IT RESOLVED that the City Commission deems it advisable for the public interest to vacate and discontinue W. Walton Avenue, between Terrace and Jefferson Streets; and

BE IT FURTHER RESOLVED that the City Commission does hereby declare the said portion of street vacated and discontinued provided, however, that this action on the part of the City Commission shall not operate so as to conflict with any fire access or the utility rights heretofore acquired by the City or by any public service utility in the City of Muskegon, operating in, over and upon said portion of street hereby vacated, and it is hereby expressly declared that any such rights shall remain in full force and effect;

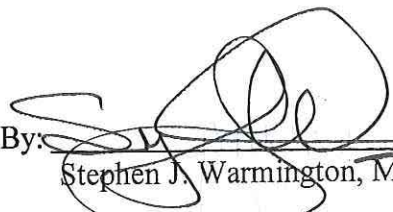
BE IT FURTHER RESOLVED that after any maintenance and repair by the City, the city shall restore the disturbed area to the grade and paving in existence at the time of vacation. The City shall not be responsible to replace special planting, landscaping, fences or any structure. No structure shall be placed in the easement which, in the sole judgment of the City, will interfere with the repair or maintenance of utilities in the easement, public or private.

Adopted this 28th day of August, 2007.

Ayes: Shepherd, Spataro, Warmington, Wierengo, Carter,
and Gawron

Nays: None

Absent: Davis

By: 

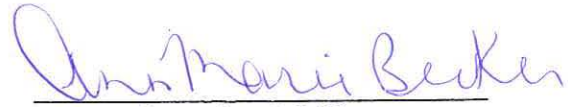
Stephen J. Warmington, Mayor

Attest: 

Ann Marie Becker, MMC, City Clerk

CERTIFICATE (Vacation of W. Walton Avenue between Terrace and Jefferson Streets)

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 August 28, 2007.



Ann Marie Becker, MMC
Clerk, City of Muskegon



STAFF RECOMMENDATION

Staff recommends approval of the request.

DELIBERATION

I move that the vacation of W. Walton Street from Jefferson to Terrace Streets, be recommended to City Commission for (approval/denial), based on (compliance/lack of compliance), with the City's 1997 Master Land Use Plan, with the following conditions:

1. All utility easements will be retained.

Date: August 28, 2007
To: Honorable Mayor and City Commission
From: Public Works
RE: Replacement Garbage Carts

SUMMARY OF REQUEST: Once again we need to replenish our supply of replacement garbage carts which is nearly depleted. We have taken quotes from Toter and Rehrig Pacific for a truck-load of carts. The low bidder is Rehrig Pacific at \$47.38 per cart for a total cost of \$26,149.00.

FINANCIAL IMPACT: \$26,149.00

BUDGET ACTION REQUIRED:

This purchase is covered by the Sanitation Budget. No action is required.

STAFF RECOMMENDATION:

To approve the purchase of 552 garbage carts at \$26,149.00 from Rehrig Pacific Company.

Bid Summary: 64-gal Carts

Name	Unit price	Shipping	Unit price w/ shipping	Total Cost
Rehrig Pacific Co.	47.00	1309.00	47.37	26,149.00
Bell Equipment Co.	53.00	included	53.00	27,825.00

Rehrig Pacific, Co. is located in Lawrenceville, Georgia.

Bell Equipment Co. is located in Lake Orion, Michigan and is distributor for Toter, Inc. of Statesville, North Carolina.

Memo

To: Robert Kuhn, Public Works Director
From: Bob Fountain
CC: Mohammed Al-Shatel, Deputy Public Works Director
Date: August 14, 2007
Re: Quotations on Replacement Garbage Carts

Our inventory of replacement garbage carts has dropped below 100 and we are issuing 1-2 carts a day. So it is now time to order another truckload of carts. The lead time to build and ship carts is 4-5 weeks. We are budgeted in the Sanitation budget for \$27,600 to purchase carts. I have obtained bids from the two vendors we have used for cart purchases in the past. Rehrig Pacific has held their price from the 2006 bid. The low bid is \$26,149 from Rehrig Pacific Co. I recommend that we purchase the carts from Rehrig Pacific Co.

Company	Address	Unit Price per Cart	Total Price-delivered
Rehrig Pacific Co.	Lawrenceville, Georgia	47.38	26,149.00 (552 carts)
Bell Equipment Co.	Lake Orion, Michigan	53.00	27,875.00 (525 carts)

Commission Meeting Date: August 28, 2007

Date: August 21, 2007
To: Honorable Mayor & City Commission
From: Community and Neighborhood Services
**RE: Public Hearing to Review 2006-2007 Consolidated
Annual Performance Evaluation Report (CAPER)**

SUMMARY OF REQUEST: To conduct a Public Hearing on August 28, 2007 to review accomplishments and receive comments from the Public concerning the 2006-2007 Consolidated Annual Performance Evaluation Report (CAPER), developed by the Community and Neighborhood Services Department.

After the Public Hearing has been conducted and all the comments have been documented; the Community and Neighborhood Services office requests that, the Commission direct the staff to submit the required documents to the U. S. Department of Housing and Urban Development (HUD) in compliance with 24 CFS 91.250, by no sooner than August 31, 2007.

FINANCIAL IMPACT: The City is required to submit the CAPER report in order to continue receiving Community Development Block Grant (CDBG) and HOME funding.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To direct staff to gather comments from the public and to submit the CAPER to HUD after the public comment period has elapsed.

COMMITTEE RECOMMENDATION: None

AGENDA ITEM NO. _____

CITY COMMISSION MEETING _____

TO: Honorable Mayor and City Commissioners

FROM: Bryon L. Mazade, City Manager

DATE: August 16, 2007

RE: Muskegon Central Dispatch Agreement

SUMMARY OF REQUEST:

To approve the First Amended and Restated Agreement to participate in Muskegon Central Dispatch 911. This agreement is begin done to update Muskegon Central Dispatch's organizational documents.

FINANCIAL IMPACT:

None.

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

To approve the attached agreement and authorize the Mayor and Clerk to execute it.

COMMITTEE RECOMMENDATION:

None.

John M. Briggs, III
Michael L. Rolf
George W. Johnson
W. Brad Groom
Eric R. Gielow
John C. Schrier
Christopher L. Kelly
Linda S. Kaare
James R. Scheuerle
William J. Meier
Keith L. McEvoy
Anna Urick Duggins
Scott M. Knowlton

PARMENTER O'TOOLE

Attorneys at Law

601 Terrace Street ■ P.O. Box 786 ■ Muskegon, Michigan 49443-0786
Phone 231.722.1621 ■ Fax 231.722.7866 or 231.728.2206
www.Parmenterlaw.com

Thomas H. Thornhill

Jeffery A. Jacobson
Dawn M. Goodwin
Nancy Ann Hornacek
Adam G. Zuwerink
Douglas J. Winkle

Of Counsel

Thomas J. O'Toole
Eric J. Fauri
Michael M. Knowlton

George A. Parmenter, 1903-1993

August 8, 2007

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

Re: Muskegon Central Dispatch: Organizational Documents

Dear Mr. Mazade:

As you are aware, Muskegon Central Dispatch is in the process of updating its organizational documents. We have previously circulated the proposed document. The County of Muskegon raised a couple of issues and those have been resolved.

As such, enclosed please find the "First Amended and Restated Agreement to Participate Muskegon Central Dispatch 911". Please present it to the City Commission and obtain authorization to have the document executed. After execution, please return the original to me. I will make sure that you receive a fully executed copy when it is available.

If you have any questions or desire that I attend a meeting, please feel free to contact me.

Very truly yours,



John C. Schrier
Direct: 231.722.5401
jcs@parmenterlaw.com

Enclosure

c: Dave McCastle

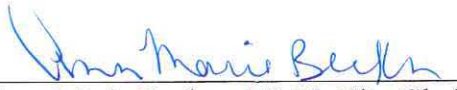
CITY OF MUSKEGON
Resolution # 2007-74(a)

Resolution approving the First Amended and Restated Agreement to Participate in Muskegon Central Dispatch for the purpose of cooperating with other governmental agencies within the Muskegon County area in providing emergency dispatch services.

Adopted this 28th day of August, 2007.

Ayes: Wierengo, Carter, Gawron, Shepherd, Spataro, and Warmington

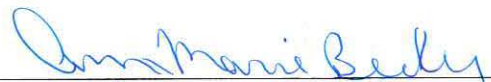
Nays: None


Ann Marie Becker, MMC, City Clerk

CERTIFICATION

This resolution was adopted at a regular meeting of the City Commission, held on February 8, 2005. The meeting was properly held and noticed pursuant to the Open Meetings Act of the State of Michigan, Act 267 of the Public Acts of 1976.

CITY OF MUSKEGON

By 
Ann Marie Becker, MMC, City Clerk

**First Amended and Restated
Agreement to Participate
Muskegon Central Dispatch 911**

This First Amended and Restated Agreement to Participate is made on _____, 2007, among the **County of Muskegon, City of Montague, City of Muskegon, City of Muskegon Heights, City of North Muskegon, City of Norton Shores, City of Roosevelt Park, City of Whitehall, Township of Fruitport, and Township of Muskegon** (collectively hereinafter referred to as "Members" and individually hereinafter referred to as a "Member"), for the purpose of cooperating with other governmental agencies within the Muskegon County area in providing emergency dispatch services, without regards to territorial boundaries, which shall mutually benefit the citizens of those Members participating. This First Amended and Restated Agreement to Participate completely amends and restates the Agreement to Participate that was executed in March, 1972.

This Agreement governs the organization known as "Muskegon Central Dispatch 911" which is hereinafter referred to throughout this Agreement as "MCD". MCD is the organization that was formerly known as "Central Operations for Police Services" or "COPS".

1. **Membership.** Membership in MCD is open to the County of Muskegon and any incorporated city or township in the Muskegon County area having a full-time, paid, law enforcement department. The County of Muskegon will act as the representative of the unincorporated areas of Muskegon County in which the Sheriff provides law enforcement services.

2. **Board of Directors.**

a. **General Powers.** The business, property, and affairs of MCD will be managed by the Board of Directors ("Board").

b. **Duties.** The Board has general duties which shall include the following:

i. Establish and implement policies for the administration and operation of MCD.

ii. Receive and act on reports from committees, officers and the Executive Director.

iii. Review and evaluate MCD's programs on an annual basis.

iv. Evaluate the performance of the Executive Director at least annually. This duty includes discipline and dismissal when necessary.

v. **Oversee the proper use and safekeeping of all resources.**

c. **Appointment of Directors.**

i. **By Members.** Each Member is entitled to appoint a representative and an alternate representative to serve as a director on the Board. Each Member is encouraged to appoint a senior elective or administrative official to the Board; however, the appointment of a director shall be the individual decision of each Member. Each Member will appoint a representative and an alternate representative to serve as a director by a formal majority vote of the governing body of the Member, and provide the Board with a written consent resolution signed by the governing body appointing the Director. Directors will serve without compensation.

ii. **By Michigan State Police.** The Director of the Michigan State Police, or the designee of the Director of the Michigan State Police, will serve as a director on the Board. Directors will serve without compensation.

d. **Meetings.** The Board will meet monthly and at such other times as the Directors determine.

e. **Quorum.** A majority of the directors then in office constitutes a quorum for the transaction of any business at any meeting of the Board. Actions voted on by a majority of directors present at a meeting where a quorum is present shall constitute authorized actions of the Board.

3. **Officers.**

a. **Number.** The officers of the organization shall be appointed by the Board. The officers shall be a chairperson, vice-chairperson, and a secretary. There may also be such other officers as the Board deems appropriate.

b. **Term of Office.** Each officer shall hold office for the term appointed and until a successor is appointed and qualified. An officer may resign at any time by providing written notice to the organization. Notice of resignation is effective on acceptance or at a later time designated in the notice.

c. **Removal.** An officer appointed by the Board may be removed with or without cause by vote of a majority of the Board.

d. **Vacancies.** A vacancy in any office for any reason may be filled by the Board.

e. **Chairperson.** The Chairperson shall preside at all Board meetings. The Chairperson shall have the power to perform duties as may be assigned by the Board. The Chairperson shall sign all corporate documents and agreements on behalf of MCD, unless the Chairperson or the Board instructs that the signing be done with or by some other officer, agent, or employee. The Chairperson shall see that all actions taken by the Board are executed and shall perform all other duties incident to the office. This is subject, however, to the Chairperson's right and the right of the Board to delegate any specific power to any other officer of MCD.

f. **Vice Chairperson.** The Vice Chairperson shall have the power to perform duties that may be assigned by the Chairperson or the Board. If the Chairperson is absent or unable to perform his or her duties, the Vice Chairperson shall perform the Chairperson's duties until the Board directs otherwise or appoints a replacement Chairperson. The Vice Chairperson shall perform all duties incident to the office.

g. **Secretary.** The secretary shall direct the following (a) keep minutes of Board meetings; (b) providing notice to each director as required by law, or this agreement; (c) be the custodian of records; (d) keep a register of the names and addresses of each officer and director; and (e) perform all duties incident to the office and other duties assigned by the Chairperson or the Board.

4. **Executive Director.**

a. **Executive Director.** There shall be an Executive Director employed by MCD and responsible to the Board, who will carry out the purposes, policies, and the programs of the organization as determined by the Board.

b. **Responsibility.** The Executive Director shall be responsible for the administration of MCD and its activities according to established policies; shall make recommendations to the Board with regard to policy changes; shall submit to the Board for approval any plans that require funding not previously budgeted; will prepare and submit an annual budget to the Board and shall provide the Board with a monthly accounting of the financial condition of MCD; and shall report and perform such other duties incident to the position as required by the Board.

c. **Authority.** The day to day operations of MCD shall be under the direction of the Executive Director. The Executive Director shall have the power to employ, dismiss, and direct activities of the employees of MCD.

d. **Evaluation.** The Executive Director shall undergo an annual evaluation by the Board.

5. **Committees.** The Board, by resolution adopted by a vote of a majority of its directors, may designate one or more committees. All committees designated by the Board shall serve at the pleasure of the Board. A committee designated by the Board may exercise any powers of the Board in managing the organization's business and affairs, to the extent provided by resolution of the Board.

6. **Function.** The primary function of MCD is to operate a central dispatch; however, the Board may from time to time add additional functions as it may deem in the best interests of the Members. MCD will operate a central dispatch system for any emergency services that the Board determines appropriate.

7. **Financing.** MCD will be financed by annual assessments paid by each Member. Such annual assessments will be determined by the following formula: a combination of the percentages of population, assessed valuation, and usage, with a minimum charge to any Member of 3% of the total assessments charged to the Members. This formula will be recomputed annually on the basis of the past 12 months.

8. **Right of Withdrawal.** Each Member may withdraw from MCD at any time by a formal majority vote of the governing body of the withdrawing Member. The effective date of a Member's withdrawal will be 60 days after MCD has been provided with notice that such vote has been taken in formal session. The withdrawing Member's financial obligations will cease as of the termination date; however the withdrawing Member will continue to owe its prorated portion of MCD's debt. MCD's service obligations will cease as of the termination date. Any equipment and all other property owned by MCD and in the withdrawing Member's possession will be returned to MCD. The arrangements for the return of this property will be mutually agreed upon by withdrawing Member and MCD, but shall take place within a reasonable amount of time after the termination date.

9. **Termination of MCD.** Upon termination of MCD for any cause, all obligations and creditors of MCD will be satisfied and an accounting made of all assets, whereupon said assets and any unsatisfied debts will be allocated to the Members in equal liquidated values or in kind, and all relative data, records and files will be distributed to the respective Members.

10. **Amendment.** The Board of Directors at any regular or special meeting may amend this Agreement to Participate, or adopt a new Agreement to Participate by a unanimous vote of the directors, if notice setting forth the terms of the proposal has been given in accordance with any notice requirement for such meeting of the Board.

This First Amended and Restated Agreement to Participate for Muskegon Central
Dispatch 911 is approved and executed by the **County of Muskegon** on
_____, 2007, in accordance with the attached certified resolution.

County of Muskegon

By: James J. Deringer
Its: _____

By: _____
Its: _____

This First Amended and Restated Agreement to Participate for Muskegon Central Dispatch 911 is approved and executed by the **City of Montague** on August 20th, 2007, in accordance with the attached certified resolution.

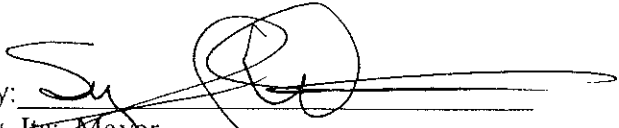
City of Montague

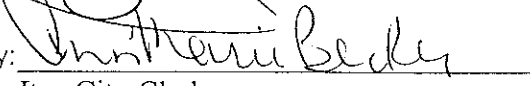
By: Henry E. Poeschl
Its: Mayor

By: Susanne M. McGee
Its: City Clerk

This First Amended and Restated Agreement to Participate for Muskegon Central Dispatch 911 is approved and executed by the **City of Muskegon** on August 28, 2007, in accordance with the attached certified resolution.

City of Muskegon

By: 
Its: Mayor

By: 
Its: City Clerk

This First Amended and Restated Agreement to Participate for Muskegon Central Dispatch 911 is approved and executed by the **City of Muskegon Heights** on 10/22, 2007, in accordance with the attached certified resolution.

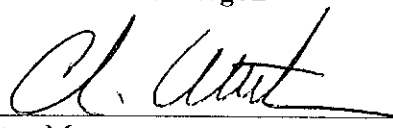
City of Muskegon Heights

By: Pellastine R. Wilkins
Its: Mayor

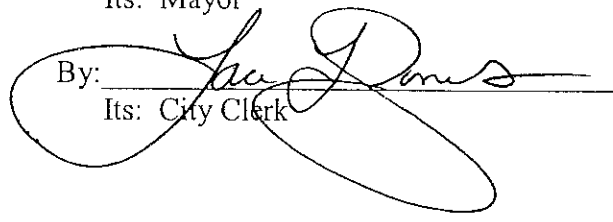
By: Gordana Buckner
Its: City Clerk

This First Amended and Restated Agreement to Participate for Muskegon Central Dispatch 911 is approved and executed by the **City of North Muskegon** on August 20, 2007, in accordance with the attached certified resolution.

City of North Muskegon

By: 

Its: Mayor

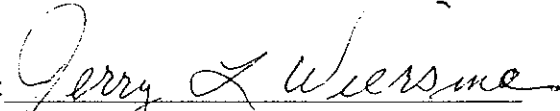
By: 

Its: City Clerk

This First Amended and Restated Agreement to Participate for Muskegon Central Dispatch 911 is approved and executed by the **City of Norton Shores** on _____, 2007, in accordance with the attached certified resolution.

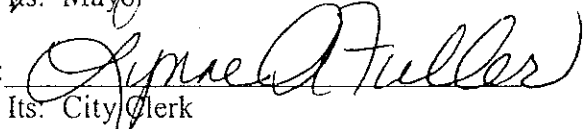
City of Norton Shores

By:



Its: Mayor

By:



Its: City Clerk

This First Amended and Restated Agreement to Participate for Muskegon Central Dispatch 911 is approved and executed by the **City of Roosevelt Park** on August 20, 2007, in accordance with the attached certified resolution.

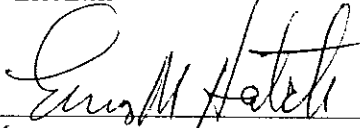
City of Roosevelt Park

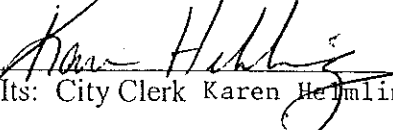
By: Robert D. Young
Its: Mayor

By: Marcia Gask
Its: City Clerk

This First Amended and Restated Agreement to Participate for Muskegon Central Dispatch 911 is approved and executed by the **City of Whitehall** on August 14, 2007, in accordance with the attached certified resolution.

City of Whitehall

By: 
Its: Mayor Emery M. Hatch

By: 
Its: City Clerk Karen Helminger

This First Amended and Restated Agreement to Participate for Muskegon Central Dispatch 911 is approved and executed by the **Township of Fruitport** on Nov. 12, 2007, in accordance with the attached certified resolution.

~~Township of Fruitport~~

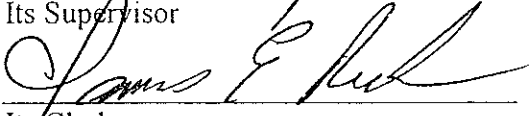
By: 
Its Supervisor

By: Carol Hueba
Its Clerk

This First Amended and Restated Agreement to Participate for Muskegon Central Dispatch 911 is approved and executed by the **Township of Muskegon** on Aug 20, 2007, in accordance with the attached certified resolution.

Township of Muskegon

By: 
Its Supervisor

By: 
Its Clerk

Commission Meeting Date: August 28, 2007

Date: August 23, 2007
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
RE: EXTENSION OF RENAISSANCE ZONE STATUS + DEVELOPMENT AGREEMENT

SUMMARY OF REQUEST:

Staff is seeking approval of the extension of the Renaissance Zone status for the former Comerica building and the two adjacent parcels to the west (285 W Western, 255 W Western and 241 W Western). The extension would grant Parkland Muskegon, LLC the rights to attain Renaissance Zone status for 15 years, starting from the date that the status is granted from the state. Upon completion of Renaissance Zone extension status, Parkland Muskegon, LLC will be redeveloping the former Comerica building, 285 W Western, into market-rate residential units, with retail on the first floor. The parcels at 255 W Western and 241 W Western will be developed into bi-level mixed-use buildings, for residential and commercial use, upon completion of the redevelopment of the former Comerica building.

FINANCIAL IMPACT:

none

BUDGET ACTION REQUIRED:

none

STAFF RECOMMENDATION:

none

COMMITTEE RECOMMENDATION:

none

Resolution No. 2007-74(b)

MUSKEGON CITY COMMISSION

**RESOLUTION APPROVING EXTENSION OF RENAISSANCE ZONE
STATUS AND REDEVELOPMENT OF FORMER COMERICA
BUILDING AND DEVELOPMENT OF ADJACENT PARCELS.**

WHEREAS, pursuant to Public Act 376 of 1996, as amended, existing Round II Renaissance Zones have been enabled to modify existing and create new sub-zones (up to 10); and

WHEREAS, the City of Muskegon is committed to the economic growth and well being of its residents; and

WHEREAS, the City of Muskegon is in agreement with the concepts of Renaissance Zones and desires to utilize such zones for the revitalization of certain areas within the City; and

WHEREAS, the City of Muskegon has adopted a policy governing the time extension of existing sub-zones; and

WHEREAS, the City of Muskegon has entered into development agreements with Parkland Muskegon, LLC to redevelop the former Comerica building, 285 W Western, into residential units and commercial business and that the adjacent lots, 241 W Western and 255 W Western, be developed into mixed use residential and commercial buildings.

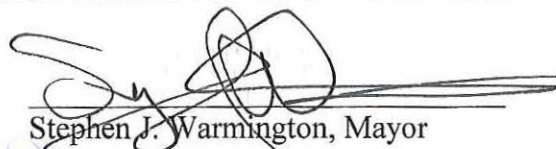
NOW THEREFORE BE IT RESOLVED, that the Muskegon City Commission hereby approves the extension of the Renaissance Zone status to qualify Parkland Muskegon, LLC, to be eligible for Renaissance Zone status for 15 years from the creation of the extension, for the properties described in the Development Agreement.

BE IT FURTHER RESOLVED, that the Muskegon City Commission approves the request for Parkland Muskegon, LLC to redevelop the former Comerica building, 285 W Western, into residential units and commercial business and that the adjacent lots be developed into mixed use residential and commercial buildings.

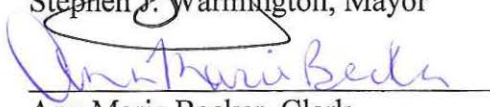
Adopted this 28th day of August, 2007.

AYES:	<u>Carter, Gawron, Shepherd, Spataro, Warmington, and Wierengo</u>
NAYS:	<u>None</u>
ABSENT:	<u>Davis</u>

BY:


Stephen J. Warmington, Mayor

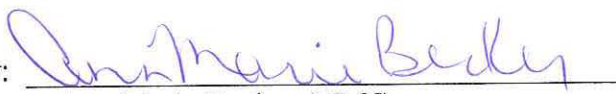
ATTEST:


Ann Marie Becker, Clerk

CERTIFICATION
2007-74(b)

This resolution was adopted at a regular meeting of the City Commission, held on August 28, 2007. The meeting was properly held and noticed pursuant to the Open Meetings Act of the State of Michigan, Act 267 of the Public Acts of 1976.

CITY OF MUSKEGON

By: 
Ann Marie Becker, MMC
City Clerk

DEVELOPMENT AGREEMENT
CITY OF MUSKEGON RENAISSANCE ZONE

THIS IS AN AGREEMENT between the CITY OF MUSKEGON, a municipal corporation, of 933 Terrace Street, Muskegon, Michigan 49441 ("City") and Parkland Muskegon, LLC, a limited liability corporation, of 600 Monroe St, Suite 406, Grand Rapids, Michigan 49503 ("Company").

Recitals:

- A. The City has an established Renaissance Zone. The Company desires to acquire property within the Renaissance Zone. The City deems this Agreement to constitute a necessary element in the City's determination regarding the location of the Company in the Renaissance Zone.
- B. The Company intends to install the projects set forth in its Application (Attached as Exhibit C) for Renaissance Zone location and approval. The Company understands that the City relies upon the undertakings of the Company in the Agreement to establish and to continue the Company's status as a Renaissance Zone Company.

NOW THEREFORE THAT PARTIES AGREE:

- 1. **DOCUMENTS ATTACHED.** Included in this Agreement are the following documents which have been collected and relied upon by the parties:
 - Exhibit A Copy of the Renaissance Zone Act, as amended to date.
 - Exhibit B City of Muskegon Extension of Time Period For Existing Renaissance Zone Parcels
 - Exhibit C The application for Renaissance Zone Designation filed by Parkland Muskegon, LLC.
 - Exhibit D Special Assessment Agreement.
- 2. **COMPANY AGREEMENT.** The Company agrees to the following commitments which it shall perform in a timely and reasonably acceptable manner:
 - 2.1 The improvement, to comply with all construction codes, of the former Comerica building, 285 W Western, for said purposes. The first phase of the redevelopment will consist of rehabilitation of the former Comerica building to create market-rate housing units for rent or sale. The ground

JR

floor will be rehabilitated to accommodate commercial business. The second phase will consist of constructing bi-level mixed-use buildings that will serve as commercial and residential. These will be constructed on the vacant lots to the east of the former Comerica building. The second phase will begin after completion of the first phase.

- 2.2 Private investment in the amount of at least \$3,000,000 within five (5) years from the date of the property's designation of Renaissance Zone extension status by the State of Michigan, pursuant to paragraph 2.7.
 - 2.3 The performance of all other undertakings set forth in the application.
 - 2.4 Assurance and completion of the payment of all real and personal property taxes due for all years prior to the creation of the Renaissance Zone on the properties.
 - 2.5 Cooperation with City representatives to supply all requested and required documentation necessary in the City's reasonable judgment to determine compliance with the undertakings set forth in this Agreement and its attachments.
 - 2.6 The Company shall take all required precautions to avoid the release of any hazardous substance in violation of any environmental law on its premises, and shall report any releases to the appropriate authority in a timely and complete manner as required by law, providing copies of said documentation to the City. Subject to its rights to contest any proposed orders and actions, the Company shall comply with all orders and actions of any governmental agency having authority.
 - 2.7 The Company shall improve the properties and improvements, in accordance with the Renaissance Zone proposal submitted by Parkland Muskegon, LLC.
 - 2.8 The Company shall maintain the equipment and improvements so as to minimize physical or functional obsolescence.
3. AGREEMENT BY THE CITY. Provided this Agreement has been executed and further provided all applications concerning Renaissance Zone status have been properly filed, the City shall, in a timely manner, proceed with the appropriate meetings or applications including as necessary the State of Michigan Renaissance Zone Review Board, and with all local review entities by law. The City may consider this agreement in a meeting separate from and prior to the meeting in which the City or any entity considers the creation of the district or approval of the application for Renaissance Zone extension status.

4. **EVENTS OF DEFAULT.** The following actions or failures to comply, subject to events of force majeure, shall be considered events of default by the Company if not cured within sixty (60) days after receipt of written notice from the City of such act or failure to comply.

- 4.1 Failure to meet any of the commitments set forth above.
- 4.2 Failure to afford to the City the documentation and reporting required.
- 4.3 Failure to expend the funds on equipment and improvements as represented in the attachments within the times required hereby.
- 4.4 The bankruptcy or insolvency of the Company.
- 4.5 The failure to pay any taxes other than those exempted by the Renaissance Zone Act, and the failure to pay any special assessments levied on the Company's property timely after levy or final appeal.
- 4.6 The violation of any provisions, promises, commitments, considerations or covenants of this Agreement.

5. **REMEDIES ON DEFAULT.** In the event that any of the above defaults the City shall have the following remedies which it may invoke without notice, except as may be reasonably required by the Company's rights to due process. The amounts due by reason of the exercise of the remedies, shall be payable by a special assessment as outlined in the attached Special Assessment agreement.

- 5.1 In the event of default and after investigation of the facts and a public hearing, the Company shall be immediately liable for the amounts below, to be paid forthwith to the City, and the Renaissance Zone status of the Company shall be revoked or void, with the following consequences:

5.1.1 The Company shall begin making payments, as outlined in the attached Special Assessment agreement, to the City, the amount of \$9,333.33 per year. The assessment will not be charged during the first two years, pending partial completion of the proposed project. Partial completion of the project will be met once 10% of the total project cost (\$300,000) is spent on either hard or soft costs. If partial completion has not been made within the first two years, the Company shall be liable for payment of the assessment for those two years plus future year's assessments.

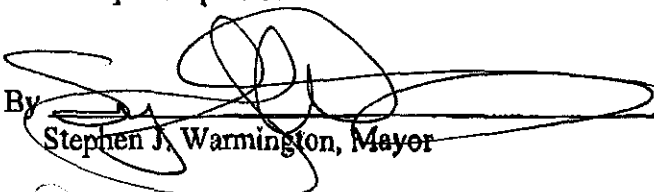
5.1.2 The Company shall pay to the State of Michigan all amounts of the corporate income tax which have been abated under the Renaissance Zone Act, if any.

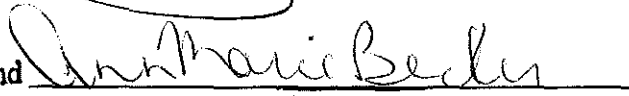


- 5.1.3 The Company shall immediately pay to the City any corporate City income tax which have been abated under the Renaissance Zone Act, if any.
- 5.2 Failure to Install Improvements. In the event the improvements, renovations and the equipment have not been completed or installed by the time set forth in the attachments, the Special Assessment shall be paid to the City.
- 5.3 Failure to Expend the Funds Represented. In the event the improvements, renovations and the equipment have not been completed or installed by the time set forth in the attachments, the Special Assessment shall be paid to the City.
- 5.4 Other Violations. For any material violations of this Agreement, the City reserves the right to seek declaration by a court entity with authority that the Special Assessment shall be paid to the City.
- 5.5 Special Assessment. For any amount to be paid to the City as a result of default by the Company, the Company consents that the City shall have a personal action against the Company for the said amount, and in addition, cumulatively, and not by election, the City shall have a special assessment lien on all the property of the Company, personal and real, located in the City, for the collection of the amounts due as and in the manner of property taxes.
- 5.6 City Considerations for Determination in Matters of Default. The City shall consider the following factors, but the determination to invoke remedies are the sole and reasonable discretion of the City:
- 5.6.1 The economic conditions, if any, reasonably known to the City, which are found to be directly related to the default or circumstance causing the proposed action by the City.
- 5.6.2 The performance of the Company in meeting the commitments and requirements of the Application, the submitted materials, and the provisions of the Certificate and this Agreement.
- 5.6.3 Whether the effect on the City's finances of the Company's actions is material and substantial.
- 5.6.4 Whether the circumstance affecting the status of the Company was created by occurrences beyond the control of the Company or could reasonably have been avoided, and, in particular, whether the Company could economically and feasibly continue to perform as required by this Agreement.

6. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Michigan applicable to contracts made and to be performed within the State of Michigan, and in particular the Renaissance Zone Act of the State, as amended.
7. Counterparts. This Agreement may be executed in one or more counterparts. Notwithstanding such execution all such counterparts shall constitute one and the same Agreement.
7. Benefits. This Agreement shall be binding upon and inure to the benefit of the respective parties, their successors and personal representatives.
8. Effective Date. This Agreement shall be effective on the date the State of Michigan grants the Renaissance Zone designation.
9. Invalidity. In the event any provision of this agreement is declared invalid by a court or tribunal having competent jurisdiction, the remainder of the agreement shall remain in full force and effect.

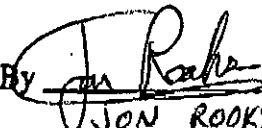
CITY OF MUSKEGON,
a municipal corporation

By 
Stephen J. Warmington, Mayor

and 
Ann Marie Becker, Clerk

Dated: September 4, 2007

Parkland Muskegon, LLC
a Limited Liability Corporation

By 
JON ROOKS, Its member

Dated: AUG 21, 2007

MICHIGAN RENAISSANCE ZONE ACT
Act 376 of 1996

AN ACT to create and expand certain renaissance zones; to foster economic opportunities in this state; to facilitate economic development; to stimulate industrial, commercial, and residential improvements; to prevent physical and infrastructure deterioration of geographic areas in this state; to authorize expenditures; to provide exemptions and credits from certain taxes; to create certain obligations of this state and local governmental units; to require disclosure of certain transactions and gifts; to provide for appropriations; and to prescribe the powers and duties of certain state and local departments, agencies, and officials.

History: 1996, Act 376, Imd. Eff. July 17, 1996;—Am. 1999, Act 98, Eff. Oct. 11, 1999.

The People of the State of Michigan enact:

125.2681 Short title.

Sec. 1. This act shall be known and may be cited as the "Michigan renaissance zone act".

History: 1996, Act 376, Imd. Eff. July 17, 1996.

Compiler's note: For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

125.2682 Legislative findings and declarations.

Sec. 2. The legislature of this state finds and declares that there exists in this state continuing need for programs to assist certain local governmental units in encouraging economic development, the consequent job creation and retention, and ancillary economic growth in this state. To achieve these purposes, it is necessary to assist and encourage the creation of renaissance zones and provide temporary relief from certain taxes within the renaissance zones.

History: 1996, Act 376, Imd. Eff. July 17, 1996.

Compiler's note: For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

125.2683 Definitions.

Sec. 3. As used in this act:

(a) "Agricultural processing facility" means 1 or more facilities or operations that transform, package, sort, or grade livestock or livestock products, agricultural commodities, or plants or plant products, excluding forest products, into goods that are used for intermediate or final consumption including goods for nonfood use, and surrounding property.

(b) "Board" means the state administrative board created in 1921 PA 2, MCL 17.1 to 17.3.

(c) "Development plan" means a written plan that addresses the criteria in section 7 and includes all of the following:

(i) A map of the proposed renaissance zone that indicates the geographic boundaries, the total area, and the present use and conditions generally of the land and structures within those boundaries.

(ii) Evidence of community support and commitment from residential and business interests.

(iii) A description of the methods proposed to increase economic opportunity and expansion, facilitate infrastructure improvement, and identify job training opportunities.

(iv) Current social, economic, and demographic characteristics of the proposed renaissance zone and anticipated improvements in education, health, human services, public safety, and employment if the renaissance zone is created.

(v) Any other information required by the board.

(d) "Elected county executive" means the elected county executive in a county organized under 1966 PA 293, MCL 45.501 to 45.521, or 1973 PA 139, MCL 45.551 to 45.573.

(e) "Forest products processing facility" means 1 or more facilities or operations that transform, package, sort, recycle, or grade forest or paper products into goods that are used for intermediate or final use or consumption or for the creation of biomass or alternative fuels through the utilization of forest products or forest residue, and surrounding property. Forest products processing facility does not include an existing facility or operation that is located in this state that relocates to a renaissance zone for a forest products processing facility. Forest products processing facility does not include a facility or operation that engages primarily in retail sales.

(f) "Local governmental unit" means a county, city, village, or township.

(g) "Person" means an individual, partnership, corporation, association, limited liability company,

governmental entity, or other legal entity.

(h) "Qualified local governmental unit" means either of the following:

(i) A county.

(ii) A city, village, or township that contains an eligible distressed area as defined in section 11 of the state housing development authority act of 1966, 1966 PA 346, MCL 125.1411.

(i) "Recovery zone" means a tool and die renaissance recovery zone created in section 8d.

(j) "Renaissance zone" means a geographic area designated under this act.

(k) "Renewable energy facility" means a system that creates energy from a process using residues from agricultural products, forest products, paper products industries, and food production and processing; trees and grasses grown specifically to be used as energy crops; and gaseous fuels produced from solid biomass, animal wastes, or landfills.

(l) "Residential rental property" means that term as defined in section 7ff of the general property tax act, 1893 PA 206, MCL 211.7ff.

(m) "Review board" means the renaissance zone review board created in section 5.

(n) "Rural area" means an area that lies outside of the boundaries of an urban area.

(o) "Urban area" means an urbanized area as determined by the economics and statistics administration, United States bureau of the census according to the 1990 census.

History: 1996, Act 376, Imd. Eff. July 17, 1996;—Am. 1999, Act 98, Eff. Oct. 11, 1999;—Am. 2000, Act 259, Imd. Eff. June 29, 2000;—Am. 2005, Act 275, Imd. Eff. Dec. 19, 2005;—Am. 2006, Act 273, Imd. Eff. July 7, 2006;—Am. 2006, Act 304, Imd. Eff. July 20, 2006.

Compiler's note: For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

125.2684 Designation of local governmental unit as renaissance zone; application; criteria; additional distinct geographic areas; extension of status.

Sec. 4. (1) One or more qualified local governmental units may apply to the review board to designate the qualified local governmental unit or units as a renaissance zone if all of the following criteria are met:

(a) The geographic area of the proposed renaissance zone is located within the boundaries of the qualified local governmental unit or units that apply.

(b) The application includes a development plan.

(c) The proposed renaissance zone is not more than 5,000 acres in size.

(d) The renaissance zone does not contain more than 10 distinct geographic areas. Except as otherwise provided in this subdivision, the minimum size of a distinct geographic area is not less than 5 acres. A qualified local governmental unit or units may designate not more than 4 distinct geographic areas in each renaissance zone to have no minimum size requirement.

(e) The application includes the proposed duration of renaissance zone status, not to exceed 15 years, except as otherwise provided in this section.

(f) If the qualified local governmental unit has an elected county executive, the county executive's written approval of the application.

(g) If the qualified local governmental unit is a city, that city's mayor's written approval of the application.

(2) A qualified local governmental unit may submit not more than 1 application to the review board for designation as a renaissance zone. A resolution provided by a city, village, or township under section 7(2) does not constitute an application of a city, village, or township for a renaissance zone under this act.

(3) For a distinct geographic area described in subsection (1)(d), a village may include publicly owned land within the boundaries of any distinct geographic area.

(4) Beginning December 1, 2006 through December 31, 2011, a qualified local governmental unit or units in which a renaissance zone was designated under section 8 or 8a(1) or (3) may designate additional distinct geographic areas not to exceed a total of 10 distinct geographic areas upon application to and approval by the board of the Michigan strategic fund if the distinct geographic area is located in an eligible distressed area as defined in section 11 of the state housing development authority act of 1966, 1966 PA 346, MCL 125.1411, or is contiguous to an eligible distressed area, and if the additional distinct geographic area will increase capital investment and job creation. The duration of renaissance zone status for the additional distinct geographic areas shall not exceed 15 years.

(5) Through December 31, 2002, if a qualified local governmental unit or units designate additional distinct geographic areas in a renaissance zone under subsection (4), the qualified local governmental unit or units may extend the duration of the renaissance zone status of 1 or more distinct geographic areas in that renaissance zone until 2017 upon application to and approval by the board.

(6) Through December 31, 2002, a qualified local governmental unit or units in which a renaissance zone

was designated under section 8 or 8a may, upon application to and approval by the board, seek to extend the duration of renaissance zone status until 2017. Upon application, the board may extend the duration of renaissance zone status.

(7) Through December 31, 2011, a qualified local governmental unit or units in which a renaissance zone was designated under section 8 or 8a(1) or (3) that has not experienced significant development may, upon application to and approval by the board of the Michigan strategic fund, seek to extend the duration of renaissance zone status for 1 or more portions of the renaissance zone. The board of the Michigan strategic fund may extend renaissance zone status for 1 or more portions of the renaissance zone under this subsection for a period of time not to exceed 15 years from the date of the application to the board of the Michigan strategic fund under this subsection.

History: 1996, Act 376, Imd. Eff. July 17, 1996;—Am. 1999, Act 139, Imd. Eff. Oct. 11, 1999;—Am. 2000, Act 259, Imd. Eff. June 29, 2000;—Am. 2002, Act 477, Imd. Eff. June 27, 2002;—Am. 2006, Act 440, Imd. Eff. Oct. 5, 2006.

Compiler's note: Enacting section 1 of Act 477 of 2002 provides:

"Enacting section 1. This amendatory act is retroactive and is effective for 1 or more distinct geographic areas whose duration of renaissance zone status has been extended on and after April 1, 2002. Any action by a qualified local governmental unit on and after April 1, 2002 and until the effective date of this amendatory act to extend the duration of renaissance zone status on additional distinct geographic areas without approval by the board is null and void."

For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

125.2685 Renaissance zone review board; creation; membership; review of applications; recommendations; submission date; compensation; reimbursement for travel and expenses.

Sec. 5. (1) The renaissance zone review board is created. The review board shall consist of the board of the Michigan strategic fund described in section 4 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2004.

(2) The review board shall review all applications submitted by qualified local governmental units and make recommendations to the board for approval based on the criteria contained in section 7.

(3) The review board and the board shall not consider an application if the application was submitted after September 30, 1996 for designations under section 8.

(4) Members of the board and the review board shall serve without compensation for their membership on the board and the review board, but members of the board and the review board may receive reasonable reimbursement for necessary travel and expenses.

History: 1996, Act 376, Imd. Eff. July 17, 1996;—Am. 1999, Act 98, Eff. Oct. 11, 1999.

Compiler's note: For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

125.2686 Renaissance zone review board; duties; prohibitions; modifications; payment in lieu of taxes.

Sec. 6. (1) The board shall review all recommendations submitted by the review board and determine which applications meet the criteria contained in section 7.

(2) The board shall do all of the following:

(a) Designate renaissance zones.

(b) Subject to subsection (3), approve or reject the duration of renaissance zone status.

(c) Subject to subsection (3), approve or reject the geographic boundaries and the total area of the renaissance zone as submitted in the application.

(3) The board shall not alter the geographic boundaries of the renaissance zone or the duration of renaissance zone status described in the application unless the qualified local governmental unit or units and the local governmental unit or units in which the renaissance zone is to be located consent by resolution to the alteration.

(4) The board shall not designate a renaissance zone under section 8 before November 1, 1996 or after December 31, 1996.

(5) The designation of a renaissance zone under this act shall take effect on January 1 in the year following designation. However, for purposes of the taxes exempted under section 9(2), the designation of a renaissance zone under this act shall take effect on December 31 in the year of designation.

(6) The board shall not designate a renaissance zone under section 8a after December 31, 2002.

(7) Through December 31, 2002, a qualified local governmental unit in which a renaissance zone was designated under section 8 or 8a may modify the boundaries of that renaissance zone to include contiguous parcels of property as determined by the qualified local governmental unit and approval by the review board.

The additional contiguous parcels of property included in a renaissance zone under this subsection do not constitute an additional distinct geographic area under section 4(1)(d). If the boundaries of the renaissance zone are modified as provided in this subsection, the additional contiguous parcels of property shall become part of the original renaissance zone on the same terms and conditions as the original designation of that renaissance zone.

(8) Notwithstanding any other provisions of this act, before July 1, 2004, a qualified local governmental unit in which a renaissance zone was designated under section 8a(1) as a renaissance zone located in a rural area may modify the boundaries of that renaissance zone to include a contiguous parcel of property as determined by the qualified local governmental unit. The contiguous parcel of property shall only include property that is less than .5 acres in size and that the qualified local governmental unit previously sought to have included in the zone by submitting an application in February 2002 that was not acted upon by the review board. The additional contiguous parcel of property included in a renaissance zone under this subsection does not constitute an additional distinct geographic area under section 4(1)(d). If the boundaries of the renaissance zone are modified as provided in this subsection, the additional contiguous parcel of property shall become part of the original renaissance zone on the same terms and conditions as the rest of the property in that renaissance zone.

(9) A business that is located and conducts business activity within a renaissance zone designated under this act, except as designated under section 8a(2), shall not make a payment in lieu of taxes to any taxing jurisdiction within the qualified local governmental unit in which the renaissance zone is located.

(10) Notwithstanding any other provisions of this act, before July 1, 2006, a qualified local governmental unit in which a renaissance zone of less than 50 contiguous acres but more than 20 contiguous acres was designated under section 8 or 8a as a renaissance zone in a city located in a county with a population of more than 160,000 and less than 170,000 may modify the boundaries of that renaissance zone to include a contiguous parcel of property as determined by the qualified local governmental unit. The contiguous parcel of property shall only include property that is less than 12 acres in size. The additional contiguous parcel of property included in a renaissance zone under this subsection does not constitute an additional distinct geographic area under section 4(1)(d). If the boundaries of the renaissance zone are modified as provided in this subsection, the additional contiguous parcel of property shall become part of the original renaissance zone on the same terms and conditions as the rest of the property in that renaissance zone.

(11) Notwithstanding any other provisions of this act, before July 1, 2006, a qualified local governmental unit in which a renaissance zone of more than 500 acres was designated under section 8 or 8a as a renaissance zone in a county with a population of more than 61,000 and less than 64,000 may modify the boundaries of that renaissance zone to include a contiguous parcel of property as determined by the qualified local governmental unit. The contiguous parcel of property shall only include property that is less than 12 acres in size. The additional contiguous parcel of property included in a renaissance zone under this subsection does not constitute an additional distinct geographic area under section 4(1)(d). If the boundaries of the renaissance zone are modified as provided in this subsection, the additional contiguous parcel of property shall become part of the original renaissance zone on the same terms and conditions as the rest of the property in that renaissance zone.

(12) Notwithstanding any other provisions of this act, before July 1, 2006, a qualified local governmental unit in which a renaissance zone of more than 137 acres was designated under section 8 or 8a as a renaissance zone in a county with a population of more than 61,000 and less than 63,000 may modify the boundaries of that renaissance zone to include a parcel of property that is separated from the existing renaissance zone by a roadway as determined by the qualified local governmental unit. The parcel of property shall only include property that is less than 67 acres in size. The additional contiguous parcel of property included in a renaissance zone under this subsection does not constitute an additional distinct geographic area under section 4(1)(d). If the boundaries of the renaissance zone are modified as provided in this subsection, the additional contiguous parcel of property shall become part of the original renaissance zone on the same terms and conditions as the rest of the property in that renaissance zone.

History: 1996, Act 376, Imd. Eff. July 17, 1996;—Am. 1999, Act 139, Imd. Eff. Oct. 11, 1999;—Am. 2000, Act 259, Imd. Eff. June 29, 2000;—Am. 2002, Act 478, Imd. Eff. June 27, 2002;—Am. 2003, Act 93, Imd. Eff. July 24, 2003;—Am. 2004, Act 16, Imd. Eff. Mar. 4, 2004;—Am. 2004, Act 430, Imd. Eff. Dec. 20, 2004;—Am. 2006, Act 116, Imd. Eff. Apr. 11, 2006;—Am. 2006, Act 304, Imd. Eff. July 20, 2006.

Compiler's note: For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

125.2687 Renaissance zone; designation; criteria; resolution; report of transaction with or gift to official or employee of local governmental unit.

Sec. 7. (1) The board shall consider the following criteria in designating a renaissance zone:

- (a) Shall give priority to applications that include new business activity.
- (b) Evidence of adverse economic and socioeconomic conditions within the proposed renaissance zone.
- (c) The viability of the development plan.
- (d) Whether the development plan is creative and innovative.
- (e) Public and private commitment to and other resources available for the proposed renaissance zone.
- (f) How renaissance zone designation would relate to a broader plan for the community as a whole.
- (g) The level of demonstrated cooperation from surrounding communities.
- (h) How the local regulatory burden will be eased for businesses operating in the proposed renaissance zone.

- (i) Public and private commitment to improving abandoned real property.
- (j) Any other information required by the board.

(2) The board shall not designate an area as a renaissance zone unless each city, village, or township, within which the proposed renaissance zone is to be located, provides a resolution from its governing body that states if the renaissance zone designation is granted, persons and property within the renaissance zone are exempt from taxes levied by that city, village, or township as provided in this act.

(3) Within a 12-month period immediately preceding and immediately following designation of a renaissance zone or submission of an application for consideration as a renaissance zone, an individual who is a resident of a renaissance zone or an area being considered for designation as a renaissance zone, a business that is located and conducts business activity within a renaissance zone or an area being considered for designation as a renaissance zone, or an officer of a business that is located and conducts business activity within a renaissance zone or an area being considered for designation as a renaissance zone shall report to the chief executive officer of the local governmental unit in which the renaissance zone is designated or the local governmental unit that has applied for renaissance zone designation any transaction with or gift to any official or employee of that local governmental unit. As used in this subsection, "gift" means that term as defined in section 4 of 1978 PA 472, MCL 4.414.

History: 1996, Act 376, Imd. Eff. July 17, 1996;—Am. 2000, Act 259, Imd. Eff. June 29, 2000.

Compiler's note: For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

125.2688 Designation of renaissance zones; limitation; additional zones; submission of designations to legislature; rejection of designations by concurrent resolution.

Sec. 8. (1) Except as otherwise provided in this act, the board shall not designate more than 9 renaissance zones within this state. Not more than 6 of the renaissance zones shall be located in urban areas and not more than 4 of the renaissance zones shall be located in rural areas. For purposes of determining whether a renaissance zone is located in an urban area or rural area under this section, if any part of a renaissance zone is located within an urban area, the entire renaissance zone shall be considered to be located in an urban area.

(2) The board may designate additional renaissance zones within this state in 1 or more qualified local governmental units if that qualified local governmental unit or units contain a military installation that was operated by the United States department of defense and has closed after 1990.

(3) Each renaissance zone designated by the board under section 8a shall be submitted to the legislature, which, by concurrent resolution adopted by a majority vote of those elected to and serving in each house, on a record roll call vote, may reject that designation no later than the earlier of 45 days following the date of the designation by the board or December 31 of the year of designation.

History: 1996, Act 376, Imd. Eff. July 17, 1996;—Am. 1999, Act 139, Imd. Eff. Oct. 11, 1999;—Am. 2003, Act 93, Imd. Eff. July 24, 2003;—Am. 2003, Act 266, Imd. Eff. Jan. 5, 2004;—Am. 2006, Act 304, Imd. Eff. July 20, 2006.

Compiler's note: For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

125.2688a Additional renaissance zones; designation; property located in alternative energy zone; definitions.

Sec. 8a. (1) Except as provided in subsections (2), (3), and (4), the board shall not designate more than 9 additional renaissance zones within this state under this section. Not more than 6 of the renaissance zones shall be located in urban areas and not more than 5 of the renaissance zones shall be located in rural areas. For purposes of determining whether a renaissance zone is located in an urban area or rural area under this section, if any part of a renaissance zone is located within an urban area, the entire renaissance zone shall be considered to be located in an urban area.

(2) The board of the Michigan strategic fund described in section 4 of the Michigan strategic fund act,

1984 PA 270, MCL 125.2004, may designate not more than 13 additional renaissance zones within this state in 1 or more cities, villages, or townships if that city, village, or township or combination of cities, villages, or townships consents to the creation of a renaissance zone within their boundaries. The board of the Michigan strategic fund may designate not more than 1 of the 13 additional renaissance zones described in this subsection as an alternative energy zone. An alternative energy zone shall promote and increase the research, development, testing, and manufacturing of alternative energy technology, alternative energy systems, and alternative energy vehicles, as those terms are defined in the Michigan next energy authority act, 2002 PA 593, MCL 207.821 to 207.827. An alternative energy zone shall have a duration of renaissance zone status for a period not to exceed 20 years as determined by the board of the Michigan strategic fund. Not later than April 16, 2004, the board of the Michigan strategic fund may designate not more than 1 of the 13 additional renaissance zones described in this subsection as a pharmaceutical renaissance zone. A pharmaceutical renaissance zone shall promote and increase the research, development, and manufacturing of pharmaceutical products of an eligible pharmaceutical company. The board of the Michigan strategic fund may designate not more than 8 of the additional 13 renaissance zones described in this subsection as a redevelopment renaissance zone. A redevelopment renaissance zone shall promote the redevelopment of existing industrial facilities or the development of property for industrial purposes. Before designating a renaissance zone under this subsection, the board of the Michigan strategic fund may enter into a development agreement with the city, township, or village in which the renaissance zone will be located and the owner or developer of the facility or property located in the renaissance zone. The development agreement for a redevelopment renaissance zone described only in subsection (6)(b)(vi) or (vii) may provide for the payment of 1 or more of the taxes described in section 9.

(3) In addition to the not more than 9 additional renaissance zones described in subsection (1), the board may designate additional renaissance zones within this state in 1 or more qualified local governmental units if that qualified local governmental unit or units contain a military installation that was operated by the United States department of defense and was closed in 1977 or after 1990.

(4) Land owned by a county or the qualified local governmental unit or units adjacent to a zone as described in subsection (3) may be included in this zone.

(5) Notwithstanding any other provision of this act, property located in the alternative energy zone that is classified as commercial real property under section 34c of the general property tax act, 1893 PA 206, MCL 211.34c, and that the authority, with the concurrence of the assessor of the local tax collecting unit, determines is not used to directly promote and increase the research, development, testing, and manufacturing of alternative energy technology, alternative energy systems, and alternative energy vehicles as those terms are defined in the Michigan next energy authority act, 2002 PA 593, MCL 207.821 to 207.827, is not eligible for any exemption, deduction, or credit under section 9.

(6) As used in this section:

(a) "Eligible pharmaceutical company" means a company that meets all of the following criteria:

(i) Is engaged primarily in manufacturing, research and development, and sale of pharmaceuticals.

(ii) Has not less than 8,499 employees located in this state, all of whom are located within a 100-mile radius of each other.

(iii) Of the total number of employees located in this state, has not less than 4,800 engaged primarily in research and development of pharmaceuticals.

(b) "Redevelopment renaissance zone" means a renaissance zone that meets 1 of the following:

(i) All of the following:

(A) Is located in a city with a population of more than 7,500 and less than 8,500 and is located in a county with a population of more than 60,000 and less than 70,000.

(B) Contains only all or a portion of an industrial site of 200 or more acres.

(ii) All of the following:

(A) Is located in a city with a population of more than 13,000 and less than 14,000 and is located in a county with a population of more than 1,000,000 and less than 1,300,000.

(B) Contains only all or a portion of an industrial site of 300 or more contiguous acres.

(iii) All of the following:

(A) Is located in a township with a population of more than 5,500 and is located in a county with a population of less than 24,000.

(B) Contains only all or a portion of an industrial site of more than 850 acres and has railroad access.

(iv) All of the following:

(A) Is located in a city with a population of more than 40,000 and less than 44,000 and is located in a county with a population of more than 81,000 and less than 87,000.

(B) Contains only all or a portion of an industrial site of more than 475 acres.

- (v) All of the following:
 - (A) Is located in a city with a population of more than 21,000 and less than 26,000 and is located in a county with a population of more than 573,000 and less than 625,000.
 - (B) Contains only all or a portion of an industrial site of less than 45 acres in size.
- (vi) All of the following:
 - (A) Is located in a city with a population of more than 190,000 and less than 250,000 and is located in a county with a population of more than 573,000 and less than 625,000.
 - (B) Contains only all or a portion of an industrial site of more than 14 acres and less than 16 acres in size.
 - (C) Is approved by the board of the Michigan strategic fund on or before April 1, 2007.
- (vii) All of the following:
 - (A) Is located in a city with a population of more than 35,500 and less than 36,800 and is located in a county with a population of more than 157,000 and less than 162,000.
 - (B) Contains only all or a portion of an industrial site comprised of 1 or more adjacent parcels totaling 5 or more acres.
 - (C) Is approved by the board of the Michigan strategic fund on or before April 1, 2007.
- (viii) All of the following:
 - (A) Is located in a city with a population of more than 40,000 and less than 44,000 and is located in a county with a population of more than 81,000 and less than 87,000.
 - (B) Contains only all or a portion of an industrial site composed of 1 or more adjacent parcels totaling 100 or more acres.
 - (C) Is approved by the board of the Michigan strategic fund on or before April 1, 2008.

History: Add. 1999, Act 98, Eff. Oct. 11, 1999;—Am. 2000, Act 259, Imd. Eff. June 29, 2000;—Am. 2002, Act 512, Imd. Eff. July 23, 2002;—Am. 2002, Act 587, Imd. Eff. Oct. 16, 2002;—Am. 2004, Act 430, Imd. Eff. Dec. 20, 2004;—Am. 2006, Act 116, Imd. Eff. Apr. 11, 2006;—Am. 2006, Act 440, Imd. Eff. Oct. 5, 2006;—Am. 2006, Act 475, Imd. Eff. Dec. 21, 2006;—Am. 2006, Act 476, Imd. Eff. Dec. 21, 2006.

Compiler's note: For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

125.2688b Applicability of §§ 15.261 to 15.275 to local governmental units.

Sec. 8b. It is the intent of the legislature that local governmental units subject to this act shall follow all state statutes that relate to condemnation of property and the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

History: Add. 1999, Act 98, Eff. Oct. 11, 1999.

Compiler's note: For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

125.2688c Additional renaissance zones for agricultural processing facilities.

Sec. 8c. (1) The board, upon recommendation of the board of the Michigan strategic fund defined in section 4 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2004, and upon recommendation of the commission of agriculture, may designate not more than 30 additional renaissance zones for agricultural processing facilities within this state in 1 or more cities, villages, or townships if that city, village, or township or combination of cities, villages, or townships consents to the creation of a renaissance zone for an agricultural processing facility within their boundaries.

(2) Each renaissance zone designated for an agricultural processing facility under this section shall be 1 continuous distinct geographic area.

(3) The board may revoke the designation of all or a portion of a renaissance zone for an agricultural processing facility if the board determines that the agricultural processing facility does 1 or more of the following in a renaissance zone designated under this section:

- (a) Fails to commence operation.
 - (b) Ceases operation.
 - (c) Fails to commence construction or renovation within 1 year from the date the renaissance zone for the agricultural processing facility is designated.
- (4) Beginning on the date of the amendatory act that added this subsection, the board shall consider all of the following when designating a renaissance zone for an agricultural processing facility:

- (a) The economic impact on local suppliers who supply raw materials, goods, and services to the agricultural processing facility.
- (b) The creation of jobs relative to the employment base of the community rather than the static number of jobs created.

- (c) The viability of the project.
- (d) The economic impact on the community in which the agricultural processing facility is located.
- (e) All other things being equal, giving preference to a business entity already located in this state.
- (5) Beginning on the date of the amendatory act that added this subsection, the board shall do all of the following:
 - (a) Require a development agreement between the Michigan strategic fund and the agricultural processing facility.
 - (b) Designate not less than 3 of the renaissance zones for agricultural processing facilities that have an initial capital investment of less than \$7,000,000.00.
 - (c) Designate not less than 5 of the renaissance zones for agricultural processing facilities in rural areas.
 - (6) As used in this section, "development agreement" means a written agreement between the Michigan strategic fund and the agricultural processing facility that includes, but is not limited to, all of the following:
 - (a) A requirement that the agricultural processing facility comply with all state and local laws.
 - (b) A requirement that the agricultural processing facility report annually to the Michigan strategic fund on all of the following:
 - (i) The amount of capital investment made at the facility.
 - (ii) The number of individuals employed at the facility at the beginning and end of the reporting period as well as the number of individuals transferred to the facility from another facility owned by the agricultural processing facility.
 - (iii) The percentage of raw materials purchased in this state.
 - (c) Any other conditions or requirements reasonably required by the Michigan strategic fund.

History: Add. 2000, Act 259, Imd. Eff. June 29, 2000;—Am. 2003, Act 93, Imd. Eff. July 24, 2003;—Am. 2006, Act 284, Imd. Eff. July 10, 2006.

Compiler's note: For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

125.2688d Tool and die renaissance recovery zones; definitions.

Sec. 8d. (1) The board of the Michigan strategic fund described in section 4 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2004, may designate not more than 25 tool and die renaissance recovery zones within this state in 1 or more cities, villages, or townships if that city, village, or township or combination of cities, villages, or townships consents to the creation of a recovery zone within their boundaries. A recovery zone shall have a duration of renaissance zone status for a period of not less than 5 years and not more than 15 years as determined by the board of the Michigan strategic fund. If the Michigan strategic fund determines that the duration of renaissance zone status for a recovery zone is less than 15 years, then the Michigan strategic fund, with the consent of the city, village, or township or combination of cities, villages, or townships in which the qualified tool and die business is located, may extend the duration of renaissance zone status for the recovery zone for 1 or more periods that when combined do not exceed 15 years. Not less than 1 of the recovery zones shall consist of 1 or more qualified tool and die businesses that have a North American industrial classification system (NAICS) of 332997.

(2) The board of the Michigan strategic fund may designate a recovery zone within this state if the recovery zone consists of not less than 4 and not more than 20 qualified tool and die businesses at the time of designation. If the board of the Michigan strategic fund designated 1 or more recovery zones that contain less than 20 qualified tool and die businesses before December 19, 2005, the board of the Michigan strategic fund may add additional qualified tool and die businesses to that recovery zone subject to the limitations contained in this subsection. A recovery zone shall consist of only qualified tool and die business property. The board of the Michigan strategic fund may combine existing recovery zones that are comprised solely of tool and die businesses that are parties to the same qualified collaborative agreement. Where 2 or more recovery zones have been combined, the board of the Michigan strategic fund may continue to designate additional recovery zones, provided that no more than 25 tool and die recovery zones exist at 1 time.

(3) The board of the Michigan strategic fund may revoke the designation of all or a portion of a recovery zone with respect to 1 or more qualified tool and die businesses if those qualified tool and die businesses fail or cease to participate in or comply with a qualified collaborative agreement. A qualified tool and die business may enter into another qualified collaborative agreement once it is designated part of a recovery zone.

(4) One or more qualified tool and die businesses subject to a qualified collaborative agreement may merge into another group of qualified tool and die businesses subject to a different qualified collaborative agreement upon application to and approval by the Michigan strategic fund.

(5) A qualified tool and die business in a recovery zone may have a different period of renaissance zone status than other qualified tool and die businesses in the same recovery zone.

(6) The board of the Michigan strategic fund may modify an existing recovery zone to add 1 or more qualified tool and die businesses with the consent of all other qualified tool and die businesses that are participating in the recovery zone.

(7) As used in this section:

(a) "Qualified collaborative agreement" means an agreement that demonstrates synergistic opportunities, including, but not limited to, all of the following:

(i) Sales and marketing efforts.

(ii) Development of standardized processes.

(iii) Development of tooling standards.

(iv) Standardized project management methods.

(v) Improved ability for specialized or small niche shops to develop expertise and compete successfully on larger programs.

(b) "Qualified tool and die business" means a business entity that meets all of the following:

(i) Has a North American industrial classification system (NAICS) of 332997, 333511, 333512, 333513, 333514, or 333515; or has a North American industrial classification system (NAICS) of 337215 and operates a facility within an existing renaissance zone, which facility is adjacent to real property not located in a renaissance zone and is located within 1/4 mile of a Michigan technical education center.

(ii) Has entered into a qualified collaboration agreement as approved by the Michigan strategic fund consisting of not fewer than 4 or more than 20 other business entities at the time of designation that have a North American industrial classification system (NAICS) of 332997, 333511, 333512, 333513, 333514, or 333515.

(iii) Has fewer than 75 full-time employees.

(c) "Qualified tool and die business property" means 1 or more of the following:

(i) Property owned by 1 or more qualified tool and die businesses and used by those qualified tool and die businesses primarily for tool and die business operations. Qualified tool and die business property is used primarily for tool and die business operations if the qualified tool and die businesses that own the qualified tool and die business property generate 75% or more of the qualified tool and die businesses' gross revenue from tool and die operations that take place on the qualified tool and die business property at the time of designation.

(ii) Property leased by 1 or more qualified tool and die business for which the qualified tool and die business is liable for ad valorem property taxes and which is used by those qualified tool and die businesses primarily for tool and die business operations. Qualified tool and die business property is used primarily for tool and die business operations if the qualified tool and die businesses that lease the qualified tool and die business property generate 75% or more of the qualified tool and die businesses' gross revenue from tool and die operations that take place on the qualified tool and die business property at the time of designation. The qualified tool and die business shall furnish proof of its ad valorem property tax liability to the department of treasury.

History: Add. 2003, Act 266, Imd. Eff. Jan. 5, 2004;—Am. 2004, Act 202, Imd. Eff. July 13, 2004;—Am. 2005, Act 276, Imd. Eff. Dec. 19, 2005;—Am. 2006, Act 93, Imd. Eff. Apr. 4, 2006.

Compiler's note: For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

125.2688e Designation of additional renaissance zones for renewable energy facilities.

Sec. 8e. (1) The board, upon recommendation of the board of the Michigan strategic fund defined in section 4 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2004, may designate not more than 10 additional renaissance zones for renewable energy facilities within this state in 1 or more cities, villages, or townships if that city, village, or township or combination of cities, villages, or townships consents to the creation of a renaissance zone for a renewable energy facility within their boundaries.

(2) Each renaissance zone designated for a renewable energy facility under this section shall be 1 continuous distinct geographic area.

(3) The board may revoke the designation of all or a portion of a renaissance zone for a renewable energy facility if the board determines that the renewable energy facility does 1 or more of the following in a renaissance zone designated under this section:

(a) Fails to commence operation.

(b) Ceases operation.

(c) Fails to commence construction or renovation within 1 year from the date the renaissance zone for the renewable energy facility is designated.

(4) When designating a renaissance zone for a renewable energy facility, the board shall consider all of the

following:

(a) The economic impact on local suppliers who supply raw materials, goods, and services to the renewable energy facility.

(b) The creation of jobs relative to the employment base of the community rather than the static number of jobs created.

(c) The viability of the project.

(d) The economic impact on the community in which the renewable energy facility is located.

(e) All other things being equal, giving preference to a business entity already located in this state.

(f) Whether the renewable energy facility can be located in an existing renaissance zone designated under section 8 or 8a.

(5) Beginning on the effective date of the amendatory act that added this subsection, the board shall require a development agreement between the Michigan strategic fund and the renewable energy facility.

(6) Until the maximum number of additional renaissance zones for renewable energy facilities described in subsection (1) is met, if the board designates a renaissance zone under this section, section 8c, or section 8f for a facility that is a forest products processing facility or an agricultural processing facility and that also meets the definition of a renewable energy facility, then the board shall only designate that renaissance zone as a renaissance zone for a renewable energy facility under this section.

(7) As used in this section, "development agreement" means a written agreement between the Michigan strategic fund and the renewable energy facility that includes, but is not limited to, all of the following:

(a) A requirement that the renewable energy facility comply with all state and local laws.

(b) A requirement that the renewable energy facility report annually to the Michigan strategic fund on all of the following:

(i) The amount of capital investment made at the facility.

(ii) The number of individuals employed at the facility at the beginning and end of the reporting period as well as the number of individuals transferred to the facility from another facility owned by the renewable energy facility.

(iii) The percentage of raw materials purchased in this state.

(c) Any other conditions or requirements reasonably required by the Michigan strategic fund.

History: Add. 2006, Act 270, Imd. Eff. July 7, 2006.

Compiler's note: For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

125.2688f Forest products processing facility; designation of additional renaissance zones.

Sec. 8f. (1) The board, upon recommendation of the board of the Michigan strategic fund defined in section 4 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2004, may designate not more than 10 additional renaissance zones for forest products processing facilities within this state in 1 or more cities, villages, or townships if that city, village, or township or combination of cities, villages, or townships consents to the creation of a renaissance zone for a forest products processing facility within their boundaries. The board shall designate not more than 5 renaissance zones for a forest products processing facility each year until the maximum number of renaissance zones for a forest products processing facility is met.

(2) Each renaissance zone designated for a forest products processing facility under this section shall be 1 continuous distinct geographic area.

(3) The board may revoke the designation of all or a portion of a renaissance zone for a forest products processing facility if the board determines that the forest products processing facility does 1 or more of the following in a renaissance zone designated under this section:

(a) Fails to commence operation.

(b) Ceases operation.

(c) Fails to commence construction or renovation within 1 year from the date the renaissance zone for the forest products processing facility is designated.

(4) Beginning on the effective date of the amendatory act that added this subsection, the board shall consider all of the following when designating a renaissance zone for a forest products processing facility:

(a) The economic impact on local suppliers who supply raw materials, goods, and services to the forest products processing facility.

(b) The creation of jobs relative to the employment base of the community rather than the static number of jobs created.

(c) The viability of the project.

(d) The economic impact on the community in which the forest products processing facility is located.

(e) Whether the forest products processing facility can be located in an existing renaissance zone

designated under section 8 or 8a.

(5) Beginning on the effective date of the amendatory act that added this subsection, the board shall require a development agreement between the Michigan strategic fund and the forest products processing facility.

(6) As used in this section, "development agreement" means a written agreement between the Michigan strategic fund and the forest products processing facility that includes, but is not limited to, all of the following:

(a) A requirement that the forest products processing facility comply with all state and local laws.
(b) A requirement that the forest products processing facility report annually to the Michigan strategic fund on all of the following:

(i) The amount of capital investment made at the facility.
(ii) The number of individuals employed at the facility at the beginning and end of the reporting period as well as the number of individuals transferred to the facility from another facility owned by the forest products processing facility.

(iii) The percentage of raw materials purchased in this state.

(c) Any other conditions or requirements reasonably required by the Michigan strategic fund.

History: Add. 2006, Act 305, Imd. Eff. July 20, 2006.

Compiler's note: For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

125.2689 Exemption, deduction, or credit.

Sec. 9. (1) Except as otherwise provided in section 10, an individual who is a resident of a renaissance zone or a business that is located and conducts business activity within a renaissance zone shall receive the exemption, deduction, or credit as provided in the following for the period provided under section 6(2)(b):

(a) Section 39b of the single business tax act, Act No. 228 of the Public Acts of 1975, being section 208.39b of the Michigan Compiled Laws.

(b) Section 31 of the income tax act of 1967, Act No. 281 of the Public Acts of 1967, being section 206.31 of the Michigan Compiled Laws.

(c) Section 35 of chapter 2 of the city income tax act, Act No. 284 of the Public Acts of 1964, being section 141.635 of the Michigan Compiled Laws.

(d) Section 5 of the city utility users tax act, Act No. 100 of the Public Acts of 1990, being section 141.1155 of the Michigan Compiled Laws.

(2) Except as otherwise provided in section 10, property located in a renaissance zone is exempt from the collection of taxes under all of the following:

(a) Section 7ff of the general property tax act, Act No. 206 of the Public Acts of 1893, being section 211.7ff of the Michigan Compiled Laws.

(b) Section 11 of Act No. 198 of the Public Acts of 1974, being section 207.561 of the Michigan Compiled Laws.

(c) Section 12 of the commercial redevelopment act, Act No. 255 of the Public Acts of 1978, being section 207.662 of the Michigan Compiled Laws.

(d) Section 21c of the enterprise zone act, Act No. 224 of the Public Acts of 1985, being section 125.2121c of the Michigan Compiled Laws.

(e) Section 1 of Act No. 189 of the Public Acts of 1953, being section 211.181 of the Michigan Compiled Laws.

(f) Section 12 of the technology park development act, Act No. 385 of the Public Acts of 1984, being section 207.712 of the Michigan Compiled Laws.

(g) Section 51105 of part 511 (commercial forests) of the natural resources and environmental protection act, Act No. 451 of the Public Acts of 1994, being section 324.51105 of the Michigan Compiled Laws.

(h) Section 9 of the neighborhood enterprise zone act, Act No. 147 of the Public Acts of 1992, being section 207.779 of the Michigan Compiled Laws.

(3) During the last 3 years that the taxpayer is eligible for an exemption, deduction, or credit described in subsections (1) and (2), the exemption, deduction, or credit shall be reduced by the following percentages:

(a) For the tax year that is 2 years before the final year of designation as a renaissance zone, the percentage shall be 25%.

(b) For the tax year immediately preceding the final year of designation as a renaissance zone, the percentage shall be 50%.

(c) For the tax year that is the final year of designation as a renaissance zone, the percentage shall be 75%.

History: 1996, Act 376, Imd. Eff. July 17, 1996.

Compiler's note: For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

125.2690 Individuals or businesses ineligible for exemption, deduction, or credit; limitations.

Sec. 10. (1) An individual who is a resident of a renaissance zone or a business that is located and conducts business activity within a renaissance zone or a person that owns property located in a renaissance zone is not eligible for the exemption, deduction, or credit listed in section 9(1) or (2) for that taxable year if 1 or more of the following apply:

(a) The resident, business, or property owner is delinquent on December 31 of the prior tax year under 1 or more of the following:

(i) The single business tax act, 1975 PA 228, MCL 208.1 to 208.145.

(ii) The income tax act of 1967, 1967 PA 281, MCL 206.1 to 206.532.

(iii) 1974 PA 198, MCL 207.551 to 207.572.

(iv) The commercial redevelopment act, 1978 PA 255, MCL 207.651 to 207.668.

(v) The enterprise zone act, 1985 PA 224, MCL 125.2101 to 125.2123.

(vi) 1953 PA 189, MCL 211.181 to 211.182.

(vii) The technology park development act, 1984 PA 385, MCL 207.701 to 207.718.

(viii) Part 511 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.51101 to 324.51120.

(ix) The neighborhood enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

(x) The city utility users tax act, 1990 PA 100, MCL 141.1151 to 141.1177.

(b) The resident, business, or property owner is substantially delinquent as defined in a written policy by the qualified local governmental unit in which the renaissance zone is located on December 31 of the prior tax year under 1 or both of the following:

(i) The city income tax act, 1964 PA 284, MCL 141.501 to 141.787.

(ii) Taxes, fees, and special assessments collected under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157.

(c) For residential rental property in a renaissance zone, the residential rental property is not in substantial compliance with all applicable state and local zoning, building, and housing laws, ordinances, or codes and, except as otherwise provided in this subdivision, the residential rental property owner has not filed an affidavit before December 31 in the immediately preceding tax year with the local tax collecting unit in which the residential rental property is located as required under section 7ff of the general property tax act, 1893 PA 206, MCL 211.7ff. Beginning December 31, 2004, a residential rental property owner is not required to file an affidavit if the qualified local governmental unit in which the residential rental property is located determines that the residential rental property is in substantial compliance with all applicable state and local zoning, building, and housing laws, ordinances, and codes on December 31 of the immediately preceding tax year.

(2) An individual who is a resident of a renaissance zone is eligible for an exemption, deduction, or credit under section 9(1) and (2) until the department of treasury determines that the aggregate state and local tax revenue forgone as a result of all exemptions, deductions, or credits granted under this act to that individual reaches \$10,000,000.00.

(3) A casino located and conducting business activity within a renaissance zone is not eligible for the exemption, deduction, or credit listed in section 9(1) or (2). Real property in a renaissance zone on which a casino is operated, personal property of a casino located in a renaissance zone, and all property associated or affiliated with the operation of a casino is not eligible for the exemption, deduction, or credit listed in section 9(1) or (2). As used in this subsection, "casino" means a casino or a parking lot, hotel, motel, or retail store owned or operated by a casino, an affiliate, or an affiliated company, regulated by this state pursuant to the Michigan gaming control and revenue act, the Initiated Law of 1996, MCL 432.201 to 432.226.

(4) For tax years beginning on or after January 1, 1997, an individual who is a resident of a renaissance zone shall not be denied the exemption under subsection (1) if the individual failed to file a return on or before December 31 of the prior tax year under subsection (1)(a)(ii) and that individual was entitled to a refund under that act.

History: 1996, Act 376, Imd. Eff. July 17, 1996;—Am. 1998, Act 239, Imd. Eff. July 3, 1998;—Am. 1999, Act 36, Imd. Eff. June 3, 1999;—Am. 1999, Act 139, Imd. Eff. Oct. 11, 1999;—Am. 2000, Act 259, Imd. Eff. June 29, 2000;—Am. 2005, Act 164, Imd. Eff. Oct. 6, 2005.

Compiler's note: For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

125.2691 Application form.

Sec. 11. The form of the application for a renaissance zone designation shall be as specified by the Michigan strategic fund. After the form of the application is specified by the Michigan strategic fund, the Michigan strategic fund shall file a copy of the application with each house of the legislature. The board may request any information from an applicant, in addition to that contained in an application, as may be needed to permit the board to discharge its responsibilities under this act.

History: 1996, Act 376, Imd. Eff. July 17, 1996;—Am. 2006, Act 440, Imd. Eff. Oct. 5, 2006.

Compiler's note: For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

125.2692 Reimbursement to intermediate school districts, local school districts, community college districts, public libraries, and school aid fund.

Sec. 12. (1) This state shall reimburse intermediate school districts each year for all tax revenue lost as the result of the exemption of property under this act, based on the property's taxable value in that year, from taxes levied under section 625a of the revised school code, 1976 PA 451, MCL 380.625a; from taxes levied for area vocational-technical program operating purposes under section 681 of the revised school code, 1976 PA 451, MCL 380.681; and from taxes levied for special education operating purposes under section 1724a of the revised school code, 1976 PA 451, MCL 380.1724a.

(2) This state shall reimburse local school districts each year for all tax revenue lost as the result of the exemption of property under this act from taxes levied under section 1211 of the revised school code, 1976 PA 451, MCL 380.1211, based on the property's taxable value in that year.

(3) This state shall reimburse a community college district and a public library each year for all tax revenue lost as a result of the exemption of property under this act, based on the property's taxable value in that year, from taxes levied or collected under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157.

(4) Intermediate school districts, community college districts, and public libraries eligible for reimbursement under subsections (1) and (3) shall report to and on a date determined by the department of treasury all revenue lost for which reimbursement under subsections (1) and (3) is claimed. A local school district eligible for reimbursement under subsection (2) shall report each year on a date determined by the department of treasury all revenue lost for which reimbursement under subsection (2) is claimed.

(5) This state shall reimburse the school aid fund for all revenues lost as the result of the establishment of renaissance zones. Foundation allowances calculated under section 20 of the state school aid act of 1979, 1979 PA 94, MCL 388.1620, shall not be reduced as a result of lost revenues arising from this act.

History: 1996, Act 376, Imd. Eff. July 17, 1996;—Am. 2002, Act 745, Imd. Eff. Dec. 30, 2002.

Compiler's note: For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

125.2693 Business conducted at public meeting.

Sec. 13. (1) The board and the review board shall conduct all business at public meetings held in compliance with the open meetings act, Act No. 267 of the Public Acts of 1976, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Public notice of the time, date, and place of each meeting shall be given in the manner required by Act No. 267 of the Public Acts of 1976.

(2) A record or a portion of a record, material, application, or other data received, prepared, used, or retained by the board or review board is subject to the freedom of information act, Act No. 442 of the Public Acts of 1976, being sections 15.231 to 15.246 of the Michigan Compiled Laws.

History: 1996, Act 376, Imd. Eff. July 17, 1996.

Compiler's note: For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

125.2694 Construction of act.

Sec. 14. This act shall be construed liberally to effectuate the legislative intent and the purposes of this act and as complete and independent authority for the performance of each and every act and thing authorized by this act, and all powers granted by this act shall be broadly interpreted to effectuate the intent and purposes of this act and not as a limitation of powers.

History: 1996, Act 376, Imd. Eff. July 17, 1996.

Compiler's note: For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

125.2695 Report to legislature.

Sec. 15. The department of Michigan jobs commission shall annually report to the legislature on the economic effects of this act in each renaissance zone. The report shall include, but is not limited to, all of the following for each renaissance zone:

- (a) Number of new jobs created.
- (b) Percentage change in aggregate taxable value and state equalized value.
- (c) Average wage of new jobs created.
- (d) Percentage change of adjusted gross income of residents.

History: 1996, Act 376, Imd. Eff. July 17, 1996.

Compiler's note: For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

125.2696 Report by state research university.

Sec. 16. A state research university shall annually report to the legislature on the economic effects of this act in each renaissance zone. The report shall include, but is not limited to, all of the following for each renaissance zone:

- (a) Number of new jobs created.
- (b) Percentage change in aggregate taxable value and state equalized value.
- (c) Average wage of new jobs created.
- (d) Percentage change of adjusted gross income of residents.

History: 1996, Act 376, Imd. Eff. July 17, 1996.

Compiler's note: For transfer of Michigan strategic fund from department of management and budget to department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

CITY COMMISSION POLICY

Exhibit B

EXTENSION OF TIME PERIOD FOR EXISTING RENAISSANCE ZONE PARCELS
(July 24, 2007)

POLICY: The City will establish a program which allows individuals, businesses, developers and business areas to submit proposals for extending the timeline for properties in the City's Renaissance zone for significant new economic development projects. Applications will be accepted to extend the time period for individual parcels for specific economic development projects located within the existing Zones and will be evaluated on the basis of the criteria identified in this policy.

PURPOSE: To provide guidelines for evaluating and approving requests for extension of Renaissance Zone parcels for new development in zones that have not experienced significant development.

GOALS: The City's goals in extending the time period for existing individual Renaissance Zone parcels are:

1. To create jobs;
2. To encourage investment; and
3. To clean up and reutilize vacant and underutilized properties.

BACKGROUND

In 1999, the Cities of Muskegon and Muskegon Heights were jointly designated as a Renaissance Zone. At that time, the City of Muskegon selected two areas of the city as sub-zones. The City of Muskegon Heights designated four sub-zones. These sub-zones are identified as development zones that are virtually tax free for fifteen years. In 2000, the State of Michigan approved legislation, permitting the Muskegon/Muskegon Heights Renaissance Zone to apply to the Michigan Economic Development Corporation to expand existing zones contiguously and designate up to four new sub-zones. In 2002, four new sub-zones were approved by the State for the City of Muskegon. The goal of the program has been to encourage investment and create jobs by reutilizing vacant, contaminated, and underutilized properties in blighted neighborhoods and industrial zones

In 2006, the State of Michigan approved legislation which allows communities to apply to the Michigan Economic Development Corporation to extend the time period for existing Renaissance Zone parcels when a major economic development opportunity is proposed.

PROGRAM

The City will establish a program which allows individuals, businesses, developers and business areas to submit proposals for extending the timeline for properties in the City's Renaissance Zone for significant new economic development projects. Applications will be accepted to extend the time period for individual parcels for specific economic development

projects located within the existing Zones and will be evaluated on the basis of the criteria identified in this policy.

REVIEW PROCESS

Proposal Content: All proposals must demonstrate that the project cannot reasonably be facilitated in the existing Renaissance Zone time frame. They must identify the parcels being proposed for extension of the Zone, the amount of real and personal property tax currently assessed to the site(s), and verify that the property meets at least three of the threshold criteria. Also, proposals should describe the type of use, amount of investment, jobs to be created, and other pertinent information about the project. A pro forma showing the difference in return on investment with and without Renaissance Zone savings must be submitted with the proposal.

The applicant will supply a statement of Renaissance Zone outcomes achieved since inclusion of the property in the zone, which include the number of years that the property has been in the Zone, the total investment in the property and building, the investment in personal property, the employment at the start of the Zone and the current employment at the site. The applicant will provide an estimate of the tax savings, to date, from the Renaissance Zone designation.

Applicants must pay a \$5000 application fee and agree to pay all legal fees associated with the preparation of a Development Agreement.

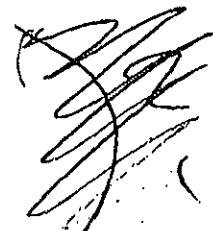
Review: A proposal must meet a minimum of three of the threshold requirements that will be reviewed by City Staff based on the extent to which the project addresses the evaluating factors cited in this policy.

A review of the capacity, if any, below the modified (see next paragraph) \$500,000 cap of property and income tax revenue the City may forego to support the Renaissance Zone program will be made as each application is reviewed.

INVESTMENT CAP LIMITATION

- The original City Renaissance Zone established an investment cap in 1999 at \$50,000, focusing solely on lost City tax revenue.
- This revised policy maintains the \$50,000 cap, but will evaluate projects on a case-by-case basis to determine whether the project is cap neutral, adds cap capacity or reduces available cap capacity.
- Cap Capacity will be determined by analyzing the annual value of income tax receipts from new jobs created within the City Renaissance Zones. The value will be used to calculate the available cap capacity as follows:

\$50,000	Base Cap Established 1999
<u>(\$8,200)</u>	Existing Cap Capacity Utilized
\$41,800	Existing Cap Capacity (before Income Tax Factor)



\$1,000 Total 1999 Job Value (from new jobs created in Ren. Zone)

\$42,800 Total Remaining Cap Capacity

Where:

Base Cap	=	The Cap of \$50,000 established by City Commission in 1999
Utilized Cap Value	=	The estimated amount of actual property and income tax abated as of January 1999
Existing Cap Capacity	=	The difference between the Base Cap and the Utilized Cap Value
Job Value	=	The total number of jobs created by all projects in the City's Renaissance Zone multiplied by an estimated income tax value of \$300 per job
Remaining Cap Capacity	=	Amount of City public revenue remaining to be Invested in Renaissance Program

- A project's cap capacity impact will be determined by calculating the difference between property tax loss and income tax to be generated by the proposal. Projects may be neutral, may add cap capacity or may reduce cap capacity.

DEVELOPMENT AGREEMENT

Successful applicants will be required to enter into a development agreement with the City committing to the investment and/or job creation it has proposed and posting a performance bond or other guarantee of performance acceptable to the City. The City Commission will make a determination as to the number years each new or expanded area will be designated as a zone on a case-by-case basis and in compliance with State law. In no case will the designation be for more than fifteen years from the date of application to the Board of the Michigan Strategic Fund.

THRESHOLD CRITERIA

Must meet "a" or "b" of the following criteria plus two others to be considered for a Renaissance Zone Extension.

- Project will be a catalyst for a major development or for multiple redevelopment opportunities in the City.
- Project will add significant new City income tax from the creation of jobs new to Muskegon within three years of project completion. This income tax is to offset the loss of property taxes which are abated under the Renaissance Zone expansion.
- Property has been vacant or fifty percent of building(s) unoccupied, for at least one year.
- Project Investment will be significant on a square foot basis.

- e. Property is a contaminated site or functionally obsolete, as defined by current Michigan law.
- f. Project shows other evidence of under-utilization or disinvestment.

EVALUATION FACTORS

Proposals for extending existing Zone areas which meet the appropriate threshold criteria will be considered based on the extent to which a project addresses the following evaluation factors:

- a. The amount of income tax to be generated by new jobs relative to the amount of local City taxes abated.
- b. The amount of investment in buildings and equipment.
- c. The project allows a business to expand in the City, retains a significant number of jobs in the City, and/or will add jobs.
- d. The project includes other investment in neighborhood revitalization or public infrastructure improvements or utilizes other public and private financing tools to maximize redevelopment benefits.
- e. In the case of residential property, the extent to which the project will work to deconcentrate poverty, create mixed use redevelopment or develop downtown housing.
- f. The amount of tax loss for the project does not exceed the amount the City Commission identifies for support of Renaissance Zones.
- g. The extent to which designation may adversely affect DDA or other City financial obligations.
- h. The project will enhance an area of the City and/or cause additional investment.
- i. The project is consistent with the City's Master Plan.
- j. Compliance with the following City ordinances and policies:
 - 1. All applicants must be current with all real and personal property taxes.
 - 2. All applicants must not be under written orders for violations of the zoning ordinance.
 - 3. All applicants must have a satisfactory record of compliance with regulations enforced by the City's Environmental Services Department.
- k. History of investment. What is the history of ownership of and investment in the property since it was designated as a Renaissance Zone? What are the reasons that the property is still blighted and underutilized?

OTHER CONDITIONS

The City reserves the right to not award Renaissance Zone status to any or all proposals, nor is it obligated to abate taxes to the limit of capacity available. It may also decide to exceed the cap, if it believes the benefits of a project to the City warrant doing so. Applications must be filed by October 15, 2011, in order that they can be filed with the State by December 31, 2011. New Renaissance Zone designations are subject to approval by the Michigan Economic Development Corporation.

EXHIBIT C**Development Plan Including Reference to Schedule**

Plans for Development. Plans to include a combination of residential on the top 6 or 7 upper floors with the best views, common rooftop deck above residential, office on 1, 2, or 3 of the lower floors, and possibly a restaurant, bank, or other retail on the first floor. Substantial completion of construction to be completed within 5 years of Renaissance Zone extension for 15 more years.

The property which is to be subject to the Renaissance Zone extension shall be the land shown in yellow in the diagram below, between Western Avenue on the north, 1st Street on the west, Jefferson Street on the east, and the alley on the south, legally described as units 1, 2, and 3 at Downtown Muskegon Development Center No. 2, a site condominium located in the City of Muskegon, Michigan.



IR

Exhibit D

CITY OF MUSKEGON

SPECIAL ASSESSMENT ROLL

Parkland Muskegon, LLC, Special Assessment District No.1

The undersigned, pursuant to the direction of the City Commission, and based upon the request and consent of Parkland Muskegon, LLC, hereby levies a special assessment on the property described in Schedule "A" attached herto, commonly referred to as the former Comerica building. The following properties are hereby assessed for the said costs:

OWNER	PROPERTY NO.	ASSESSMENT
Parkland Muskegon, LLC	24-234-000-0001-00	\$140,000
	24-234-000-0002-00	
	24-234-000-0003-00	

Installment Payments. The annual principal installments shall be paid over a period of fifteen (15) years. Each said annual payment shall be made on or before December 1. If Parkland Muskegon, LLC has fully complied with its obligations pursuant to the Development Agreement for Renaissance Zone status between it and the City, executed on or about August _____, 2007 this special assessment and the consent thereto is void. The payments scheduled for December 1, 2008 and 2009 as in accordance with Schedule B, are waived pending Parkland Muskegon, LLC's compliance with terms of the Development Agreement. In the event Parkland Muskegon, LLC is in default under the terms of that agreement, the required special assessment shall be due and payable, as in accordance with Schedule B, including amounts temporarily waived in 2008 and 2009 pending compliance with the Agreement.

Acceleration. In the event any annual installment is not timely paid, the entire balance of the assessment, plus interest to accrue a 5% per annum, shall become immediately due and payable. This provision shall apply to the annual installment of the original and unpaid assessment.

Deposit and Investment of Assessment Payments. Assessment payments received shall be held and used by the City in such funds as may be required by the Renaissance Zone Act.

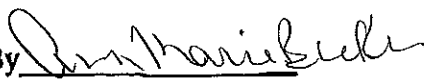
Certification

The above special assessment roll was confirmed on _____, 2007, at a regular meeting held at the City Hall. 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.

JR

Date: _____, 2007

CITY OF MUSKEGON

By 
Ann Marie Becker, Clerk

Endorsement and Warrant

The above special assessment roll was confirmed on August 28, 2007, and is hereby endorsed. Warrant is hereby issued to the City Treasurer to collect same in accordance with its terms.

Date: August 28, 2007

CITY OF MUSKEGON

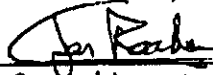
By 
Stephen J. Warmington, Mayor


Ann Marie Becker, Clerk

Consent to Special Assessment

The Special Assessment approved by the City Commission for the City of Muskegon is being done based upon the request of Parkland Muskegon, LLC, owner of all property described in schedule A.

Parkland Muskegon, LLC
A Limited Liability Corporation

By 
Jan Rooks's Member

Dated: 8-21, 2007

SCHEDULE "A"

Property Description

CITY OF MUSKEGON DOWNTOWN MUSKEGON DEVELOPMENT CENTER NO
2 UNIT 1 SBJT TO ESMNT FOR OVERHEAD/UNDERGROUND ELECTRIC LNS
RECOR'D 3724/701

CITY OF MUSKEGON DOWNTOWN MUSKEGON DEVELOPMENT CENTER NO
2 UNIT 3 SBJT TO ESMNT FOR OVERHEAD/UNDERGROUND ELECTRIC LNS
RECOR'D 3724/701

CITY OF MUSKEGON DOWNTOWN MUSKEGON DEVELOPMENT CENTER NO
2 UNIT 2 SBJT TO ESMNT FOR OVERHEAD/UNDERGROUND ELECTRIC LNS
RECOR'D 3724/701

JR

SCHEDULE "B"

	Total Assessment
December 1, 2008	\$9,333.33 (waived)
December 1, 2009	\$9,333.33 (waived)
December 1, 2010	\$9,333.34
December 1, 2011	\$9,333.33
December 1, 2012	\$9,333.33
December 1, 2013	\$9,333.34
December 1, 2014	\$9,333.33
December 1, 2015	\$9,333.33
December 1, 2016	\$9,333.34
December 1, 2017	\$9,333.33
December 1, 2018	\$9,333.33
December 1, 2019	\$9,333.34
December 1, 2020	\$9,333.33
December 1, 2021	\$9,333.33
December 1, 2022	\$9,333.34

JR

Date: August 28, 2007
To: Bryon Mazade/City Commission
From: Robert H. Kuhn, Director of Public Works
Re: Modifications of Solid Waste Contract

SUMMARY OF REQUEST:

The Department of Public Works staff has negotiated a number of price concessions from Allied Waste Services in return for a contract extension.

The results of the negotiations are attached and were discussed at the City Commission work session on August 13th.

Based on these negotiations and discussions, the Department of Public Works staff recommends that the City of Muskegon grant a five-year contract extension to Allied Waste Services from January 1, 2008 to December 31, 2012.

FINANCIAL IMPACT:

Estimated reduction in anticipated costs of \$90,000 to \$95,000 per year.

BUDGET ACTION REQUIRED:

Concessions will be incorporated in the 2008 budget.

STAFF RECOMMENDATION:

The Department of Public Works staff recommends a five-year contract extension to December 31, 2012.

COMMITTEE RECOMMENDATION:

MEMORANDUM

TO: Bryon Mazade, City Manager
City Commission

FROM: Robert H. Kuhn, Director of Public Works

DATE: August 13, 2007

RE: Solid Waste Services Current Proposal

Allied Waste Services is requesting that the City of Muskegon consider a three- or a five-year contract extension from January 1, 2008 to December 31, 2010 or 2012.

To date, Allied Waste has offered the following alternate proposals.

For a three-year extension:

1. Waive the Cost of Living Adjustment for 2008 (estimated at 3% increase $\approx$ \$45,000/year).
2. Allied Waste to purchase one truckload of replacement carts per year (\$27,000/year).
3. Allied Waste will institute an education effort in city schools, public and private, and neighborhood associations to increase inner-city recycling efforts.
4. Allied Waste will reinstitute a modified Pitch-It Sticker Program. Allied Waste will reprint Pitch It Stickers and distribute them through the neighborhood associations. (Value \$4,000 $\pm$ /year.)
5. Provide free dumpster service to neighborhood "dumpster days." City to pay disposal costs. (100 dumpsters @ \$100 fee/tip = Value \$10,000/year.)
6. Provide waste disposal at all City parks, cemetery, Marina, and Farmers' Market sites. Allied Waste to continue to provide free disposal to all City offices (\$11,277/year).
7. If legislation is passed (current proposal is \$7.50/ton) which surcharges tipping fees, Allied Waste will be allowed to pass on State-mandated tipping fee charge.
8. The yard waste tipping fee remains at \$10.00/ton for 2008, with an annual Cost of Living adjustment beginning in 2009.
9. Recycling fee to remain at \$1.00/month for the life of the contract.
10. Neighborhood association dumpster tipping fee shall remain at \$14.50/ton. There will be no dumpster charges. (See #5.)

11. Tipping fee for mixed refuse pick-up and city dumpsters shall remain at \$21.00/ton for the life of the contract.
12. Should Muskegon County enact a "flow control" ordinance or any form of flow control, Allied Waste will have the option to either negotiate new rates with the City or opt out of the contract with six months' notice.
13. Recycling program shall be expanded to include plastics #3, #4, #5, #6, #7 (currently #1 and #2) and aerosol cans.
14. Allied Waste to work with the City of Muskegon to recycle old trash carts.
15. The City reserves the rights to continue negotiation with Kent County on a regional recycling coalition and may cancel the recycling portion of this contract with a 90-day notification.

For an additional two-year extension (from three to five years):

16. Allied Waste will waive the COL adjustment in 2012 (estimated at 3%; \$50,000/year).
17. Allied Waste will buy an additional truck of replacement carts per year (total of two per year; valued at \$54,000/year for the life of the contract).
18. City will agree to negotiate a fuel surcharge schedule if prices should exceed \$4.00/gallon for diesel fuel. Surcharge to be determined on the actual bulk cost of Allied Waste fuel purchases and shall be audited by the City. (See attached schedule.)

RECOMMENDATION

I recommend that we approve a five-year contract extension.

1. Allied Waste is a City of Muskegon employer from which we capture significant revenues and qualifies for local preference.
2. Allied Waste has given excellent customer service for the life of the existing contract.
3. Allied Waste is a major supporter of local charities and events (Summer Celebration, Unity Fest, etc.).
4. With this and prior negotiations, we have reduced the sanitation millage from 3.0 mills to 2.5 mills.

ATTACHMENT

In the event that the actual diesel fuel price paid by Allied Waste Services of Muskegon exceeds \$4.00 per gallon, the City Will pay a fuel surcharge fee of 1.5% of the then current monthly rate per residential unit. For each additional 50¢ increase in the price of fuel, the City will pay an additional 1.5% fuel surcharge fee. The fee would be paid each month that the monthly average fuel price remained above the trigger price (\$4.00 and each 50¢ increase thereafter). In any month that the price of fuel dropped below the trigger price, the surcharge would be removed (see example below).

Average Monthly		
Month	Fuel Price	Monthly Surcharge
April	\$3.90	0
July	\$4.05	1.5%
August	\$4.60	3.0%
October	\$4.45	1.5%
December	\$3.98	0

ALLIED WASTE CONTRACT

Summary of Services: 2007

Service	Price Per Unit Per Month	Tipping Fee
Mixed Refuse Pick-Up	\$8.94	\$21.00
Recycling Pick-Up	\$1.00	\$10.00
Yard Waste Pick-Up	Included	\$10.00
City Office Dumpsters	No Charge	No Charge
City Parks Dumpsters	Fee Schedule	Included In Fee
Neighborhood Assn. Dumpsters	\$100.00	\$14.50
CPI Adjustment	January	
Base Count	13,364	
Refuse Benchmark	952 Tons	Tipping Fee Adjustment
Recycling Benchmark	67 Tons	Tipping Fee Adjustment
Cart Delivery and Removal	Included	
Monthly Report	Included	
DPW 30-Yard Dumpster	\$100.00	\$21.00
Concessions Value---3-Year Contract	Decrease of 42¢ per Month	
Concessions Value---5-Year Contract	Decrease of 67¢ per Month	

M E M O R A N D U M

TO: Bryon Mazade, City Manager
City Commission

FROM: Robert H. Kuhn, Director of Public Works

DATE: July 20, 2007

RE: Solid Waste Services

HISTORICAL

Prior to 1974, the City of Muskegon collected solid waste in-house, including the operation and maintenance of its own vehicles. Around 1975, the City of Muskegon privatized this operation. Waste Management was the low bidder and took over the garbage collection and took possession of the City's garbage packers. During that period of time, the City had a policy that anything that was brought to the curb was picked up. That included yard waste, garbage, and even hazardous-type wastes.

In the mid 1980s, the City experienced a tremendous increase in residential solid waste volumes. As tipping fees throughout the area increased, the City became aware that many landlords were bringing solid wastes in from other properties and putting them out for disposal in front of their Muskegon properties. We witnessed people coming to work within the City of Muskegon from outer areas and placing their garbage on the curb near their places of employment. At that time, the only source of funding for solid waste services was the three-mil levy on assessed property values.

City staff began developing new policies and procedures and worked very closely with Waste Management and White Lake Landco in developing specifications and requirements. Those two vendors provided valuable service and insight in the setting up of our specifications. In 1990, the City sought proposals based on the new contract. It was an innovative and unique refuse collection program. Research had indicated that 'pay as you go' programs worked very well in reducing solid waste volumes and costs.

The City of Muskegon developed a hybrid program where individuals who generate larger amounts of waste would have to pay more. For over a year, various members of the community utilized and tried a cart system of various sizes to come up with the ideal system. As a result of that study, the City provided a 65-gallon cart for each residence. In addition, the City started a curbside recycling program. The State Legislature initiated a bill prohibiting yard waste from landfills. This necessitated an entirely separate yard waste collection system. The City of Muskegon provided a spring collection of yard waste (2 weeks) and a fall collection (6-8 weeks) of leaves and yard waste as well as a Christmas tree collection program. They later introduced Saturday morning yard waste drop-offs and neighborhood association dumpster days.

The cart system provided a financial incentive to recycle. Any garbage that did not fit within the container necessitated the purchase of a sticker at \$1.25 each. The individuals and households who recycled, therefore, had more room in their carts and did not have to purchase stickers. The City initially billed each resident \$6.00 per month for these services. This fee was eliminated by the City Income Tax. The City provided mechanisms for those with physical limitations and smaller carts for those who did not need a 65-gallon cart.

The City's volume-based system resulted in a significant decrease in the amount of garbage collected and landfilled. The City no longer witnessed an entire terrace filled with garbage and furniture as landlords evicted tenants. Animal attacks on plastic bags no longer resulted in garbage being strewn all over the street.

The City of Muskegon's cart system has accomplished many goals. The total volume per household has decreased. All these programs were initiated, coordinated, and financed by the City of Muskegon; no other community provides so many options for its residents.

THE LAIDLAW/SUNSET/ALLIED WASTE ERA

Bids were received in late 1990 from four vendors---Laidlaw, Waste Management, White Lake Landco, and BFI. Although Waste Management and White Lake Landco participated in the contract development process, neither was the low bidder. Laidlaw (which became Sunset Waste and then Allied Waste) was the low bidder at \$1,357,440 for the garbage collection, and with recycling included, the bid came to \$1,730,400. The initial contract price called for \$8.08 per household per month for garbage service and \$2.22 per month for weekly recycling. The difference between the low bid and the second low for basic service was about \$.60 per household per month. A five-year contract was awarded to Laidlaw in 1991.

Once the program was initiated, it was much more successful than anyone anticipated. The 1992 volumes of garbage collected was less than 40% of the peak year collection of 1988. Overall, we saw about a 50% decrease in the total volumes collected. This was an amazing statistic that no one had predicted. We could only assume that the amount of garbage being imported to the city at that time was much greater than we had initially thought. In 1993, the City negotiated with Sunset Waste a significant cost reduction, amounting to approximately \$2.00 per household per month. A three-year extension was granted (until February 1999).

In 1994, additional price reductions were granted for reduced recycling collection, and an additional three-year extension was granted (until February 2002). In 1998, an additional price reduction was granted for landfill costs being reduced from \$24 per ton to \$18 per ton.

Sunset Waste and the City of Muskegon later negotiated so that recycling would be picked up every other week rather than twice a month (two additional pick ups per year).

In 2000, the City of Muskegon staff negotiated a three-year contract extension from March 2002 to February 2005. Additional services were added as outlined below and an additional savings of \$32,000 to \$57,000 was negotiated on the City's behalf.

1. Full season yard waste pick up at the curb on all household garbage days.
2. The elimination of Saturday morning drop-offs.
3. Establishment of an \$.18 per household credit per month towards recycling fees (10% discount).
4. Continuation of the limitation of \$1.00 per year maximum landfill charge increase.
5. The addition of corrugated cardboard to the recycling stream.
6. Increase yard waste handling fee to \$10.00 from \$5.00.

In 2003, the City of Muskegon granted a three-year extension from March 1, 2005 to December 31, 2007.

As part of the 2004 budgetary process, the City Commission directed the Public Works Department to reduce the Recycling Budget by \$100,000. The result of our negotiations was as follows:

- The new price for Mixed Refuse (Garbage) which included year-round waste collection was \$8.423 per household. (\$8.423 x 13,364 x 12 months) \$1,350,780
- The new price for Recycling Services for 26 weeks per year was \$1.00 Per household. \$160,000
- Disposal of yard waste remained at \$10 per ton with estimated tonnage of 3,300 tons per year. \$33,000
- Special Tire Disposal from clean-ups and City-owned lots at \$35 per ton estimated at 71.4 tons. \$2,250
- Neighborhood clean-ups with each box at \$100 each and disposal at \$21/ton or less. Estimated 120 boxes at 2 tons. \$17,040
- Revised Estimated Contract \$1,563,070

Sunset Waste agreed to:

- Waive the 2004 Cost Of Living adjustments on mixed refuse and recycling (\$39,700 savings).
- Waive the \$1 per ton annual increase in tipping fee allowed by previous contract.
- Adjust the refuse benchmark from 854 tons to 952 tons per month.
- Adjust the recycling benchmark to 67 tons per month.
- Absorb the new state tax on tipping fees of 21 cents per ton (\$2,400).

The City of Muskegon agreed to:

- Waive performance bond requirements (\$16,000).
- Waive some public relations requirements (\$12,000).
- Pay or receive \$21 per ton for mixed refuse exceeding or below the benchmark of 952 tons per month.
- Pay or receive \$10 per ton for recycling exceeding or below the benchmark of 67 tons per month.
- Eliminate the Pitch-It Sticker Program (\$7,000).
- Change the anniversary date from March 1 to January 1 with Cost of Living adjustments to be made retroactive effective on that date beginning in 2005.

AGENDA ITEM NO. _____

CITY COMMISSION MEETING _____

TO: Honorable Mayor and City Commissioners

FROM: Bryon L. Mazade, City Manager

DATE: August 21, 2007

RE: Agreement to Repair Ladder 44

SUMMARY OF REQUEST:

To approve an agreement with Rosenbauer America, LLC/General Safety Division to repair the ladder assembly on Ladder 44 (L44). Rosenbauer will agree to make certain repairs to the truck and the City will be required to transport the truck to and from the necessary repair facilities.

FINANCIAL IMPACT:

Cost of transporting the truck to and from repair facilities (approximately \$5,190).

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

To approve the agreement and authorize the City Manager to execute it, and authorize the expenditure of funds to transport the truck.

COMMITTEE RECOMMENDATION:

None.

LETTER AGREEMENT

THIS LETTER AGREEMENT ("Agreement") is made and entered into this 16th day of August, 2007, by and between ROSENBAUER AMERICA, LLC/GENERAL SAFETY DIVISION ("Rosenbauer") whose address is 5181 260th Street, Wyoming, MN 55092 and the CITY OF MUSKEGON and the MUSKEGON FIRE DEPARTMENT (collectively, "Muskegon") whose address is 933 Terrace Street, P.O. Box 536, Muskegon, MI 49443-0536.

ARTICLE ONE **RECITALS**

1. The following Recitals contain capitalized terms which, if not defined in such Recital are defined in subsequent provisions of this Agreement and are hereby made an integral part of and form the consideration for this Agreement:

1.1 Truck. Approximately five (5) years prior to the date of this Agreement, Muskegon and Rosenbauer contracted for Rosenbauer's assembly and delivery to Muskegon of a pumper fire truck (hereinafter the "Truck") identified as unit L44.

1.2 Aerial Ladder. The Truck contained an aerial ladder and bucket assembly (the "Ladder Assembly") designed, manufactured and installed by American LaFrance, LLC and/or its subsidiary Aerial Innovations (collectively referred to herein as "ALF").

1.3 Truck Concerns. Muskegon has raised concerns regarding the Ladder Assembly including the concern that the Ladder Assembly is unstable when extended upon rotation (collectively hereinafter referred to as the "Ladder Assembly Issues").

1.4 Rosenbauer Disclaimer. It is the position of Rosenbauer that none of the Ladder Assembly Issues are the fault or responsibility of Rosenbauer and that such fault and responsibility, if any, lies with ALF and/or their contractors and subcontractors.

1.5 Intent. Notwithstanding the foregoing Rosenbauer is willing to examine and agrees to attempt to correct the Ladder Assembly Issues so long as Muskegon agrees to release Rosenbauer from any and all liability with respect to such Ladder Assembly Issues and the corrective efforts undertaken by Rosenbauer and Muskegon is willing to release Rosenbauer from such liability pursuant to this Agreement.

ARTICLE TWO **AGREEMENT**

2. In consideration of the foregoing and other good and valuable consideration, Rosenbauer and Muskegon, for themselves, their successors, assigns, affiliates, subsidiaries, commissions, departments and elected and appointed officials hereby agree as follows:

2.1 Transportation. Muskegon, shall be responsible for all transportation costs for moving the vehicle. This includes transporting the vehicle to and from Muskegon, and between each repair facility including RK Aerials, LLC ("RKA") at 870 South Broad Street, Fremont, Nebraska 68025-6099, and Rosenbauer General Safety Equipment LLC at 5181 260th Street Wyoming, Minnesota 55092.

2.2 Examination and Ladder Assembly Work.

Rosenbauer, at its cost, shall cause the Ladder Assembly to be examined by RK Aerial, representatives and cause RKA to issue a written report on the findings with respect to such Ladder Assembly (the "Ladder Issues Report"). Rosenbauer, at its cost, shall cause RKA to perform such modifications or repairs as RKA deems necessary pursuant to the Ladder Issues Report. After all repairs are completed, Rosenbauer shall cause Underwriters Laboratory ("UL") to inspect the aerial device as required by NFPA 1911 "Standard for the Inspection, Maintenance, Testing, and Retirement of In-Service Automotive Fire Apparatus" 2007 Edition.

Upon completion of such work by RKA, Muskegon shall cause the Truck to be delivered to Rosenbauer Wyoming, Minnesota facility. Rosenbauer shall perform a pump test and other inspections of the Truck. After all tests have been conducted and all repairs have been completed Rosenbauer shall cause UL to provide certification that the aerial assembly, fire pump, 12 and 110 volt electrical systems conform to NFPA 1911 standards. Such certification paperwork shall be provided to the City of Muskegon before the Truck leaves the Rosenbauer facility. Upon successful completion of the UL inspection, Muskegon shall pick the Truck up at the Rosenbauer Wyoming, Minnesota facility. The parties agree that the financial exposure to Rosenbauer with respect to the services performed by RKA and Rosenbauer shall not exceed \$25,000.00 and if the estimated cost of such work is in excess of \$25,000.00, Rosenbauer shall have the right to terminate this Agreement by written notice to Muskegon. Muskegon shall be provided a list of work to be performed and the amount to be charged as repairs are being performed. Upon such termination, the respective costs of each of the parties hereto incurred prior to the date of such termination shall be such party's sole responsibility and shall not be a claim against or the responsibility of the other party.

2.2 Release of Liability. On completion of the foregoing work determined by RKA to be necessary to address the Ladder Assembly Issues disclosed in the Ladder Issues Report and upon providing Muskegon with the UL certification that all such work has been completed (the "Completion Notice"), Muskegon shall be obligated to pick up the Truck at the Rosenbauer Wyoming, Minnesota facility and in any event, effective as of the date such notice of completion of the work is mailed to Muskegon, Muskegon agrees on behalf of itself, its successors, assigns, elected and appointed officials, commissions and departments (the "Releasing Parties"), to release and discharge Rosenbauer and their successors, assigns, subsidiaries and related entities (the "Released Parties") from any and all liability, cost, damages, attorney's fees incurred by the Releasing Parties or relating to or arising out of the Ladder

Assembly or the Ladder Assembly Issues and Muskegon agrees to look solely to ALF for other responsible third party other than the Released Parties with respect to any further claims relating to such Ladder Assembly or Ladder Assembly Issues.

ARTICLE THREE **MISCELLANEOUS**

3. The following miscellaneous provisions are hereby made a part of this Agreement:

3.1 Risk of Loss. At all times during the processes and matters described in this Agreement, Muskegon shall keep the Truck fully insured and the risk of loss shall remain with Muskegon at all such times and irrespective of where the Truck is located.

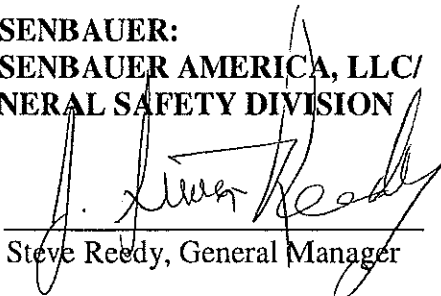
3.2 Governing Law. All matters relating to this Agreement, the Truck and/or the Ladder Assembly shall be governed by and construed in accordance with the laws of the State of Minnesota and any suit commenced by either party with respect to the foregoing matters must be brought in Chisago County Minnesota District Court.

3.3 Binding Effect. This Agreement shall be binding on the parties hereto, their respective heirs, successors and assigns.

3.4 Inconsistent Provisions. To the extent the provisions of this Agreement are inconsistent with the provisions of the original contract between Rosenbauer and Muskegon or any amendments thereto, the terms and conditions of this Agreement shall control.

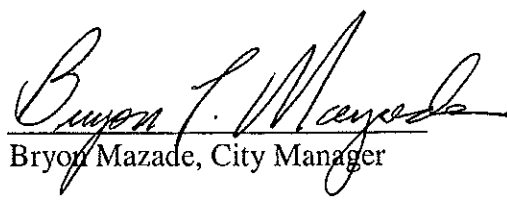
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

ROSENBAUER:
ROSENBAUER AMERICA, LLC/
GENERAL SAFETY DIVISION

By: 

Steve Reedy, General Manager

MUSKEGON:
CITY OF MUSKEGON

By: 

Bryon Mazade, City Manager

DATE: August 21, 2007
TO: Honorable Mayor and Commissioners
FROM: Mark Kincaid, Deputy Director of Public Safety
RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN-060393(Garage)

SUMMARY OF REQUEST: This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the structure located at **1660 Dyson (Garage) Area -13** is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

Case# & Project Address: # EN-060393 – 1660 Dyson (Garage)

Location and ownership: This structure is located on Dyson between Dale and Forest Streets and is owned by Rosemary J. Harris, 1660 Dyson, Muskegon, MI 49442.

Staff Correspondence: A dangerous building inspection was conducted on 08/31/06. The Notice and Order to Repair was issued on 09/19/06. The HBA on 12/07/06 tabled case until June 2007. The case was scheduled before the HBA on 06/07/07 and the structure was declared dangerous, substandard and a public nuisance.

Owner Contact: The owner was present for the HBA meeting dated 12/07/06 and stated she planned to secure financing and complete repairs by the summer of 2007. No permits have been issued, no inspections scheduled and no contact with owner since that meeting.

Financial Impact: General Funds

Budget action required: None

State Equalized value: \$16,900 (Entire)

Estimated cost to repair: \$3,000 (Garage Only)

Staff Recommendation: To concur with the Housing Board of Appeals decision to demolish.

INSPECTION SUMMARY

FOR: 1660 Dyson (Garage)

The building is a wood frame detached garage. The roof system appears to be structurally failing. If left unrepaired this building will continue to deteriorate. As of this date, no permits for repairs have been applied for or issued.

CITY OF MUSKEGON

933 Terrace St., P.O. Box 537, Muskegon, MI 49443 (231) 724-6715

DANGEROUS BUILDING INSPECTION REPORT

Monday, September 11, 2006

Enforcement # EN060393 **Property Address** 1660 DYSON ST
Parcel #24-185-101-0010-00 **Owner** HARRIS ROSEMARY J

Inspector: Henry Faltinowski

Date completed: 08/31/2006

DEFICENCIES:

Uncorrected

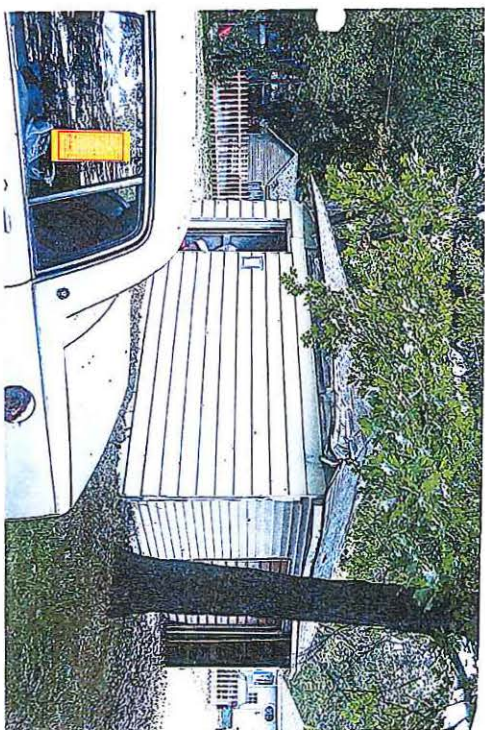
1. Roof structural damage - replace damaged roof rafters.
2. Scrape and paint exposed wood on garage.

Request interior inspection by all trades, electrical, mechanical and plumbing. Please contact Inspection Services with any questions or to schedule an inspection at 933 Terrace St., Muskegon, MI 49440 (231) 724 6758.

Based upon my recent inspection of the above property I determined that the structure meets the definition of a Dangerous Building and/or Substandard Building as set forth in Section 10-61 of the Muskegon City Code.

Henry Faltinowski, Building Inspector

Date



1660 Dyson (garage)

DATE: August 20, 2007
TO: Honorable Mayor and Commissioners
FROM: Mark Kincaid, Deputy Director of Public Safety
RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN-060422

SUMMARY OF REQUEST: This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the structure located at **316 E. Forest – AREA 13** is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

Case# & Project Address: # EN-060422

Location and ownership: This structure is located on E. Forest between Dyson and Jarman and is owned by Ideal Property Solutions.

Staff Correspondence: A dangerous building inspection was conducted on 10/06/06. The Notice and Order to Repair was issued on 10/12/06. On 06/07/07 the HBA declared the structure substandard and dangerous and a public nuisance.

Owner Contact: The previous owner Wendy Hannosh had a phone conversation with the building official, Don LaBrenz and followed up with a letter stating her intent was to apply for exterior permits as soon as possible and schedule interior inspection for early spring and work to be completed within the six months. No permits were issued and no further contact from Ms Hannosh. The case was scheduled before the Housing board of Appeals when Inspections was made aware of a new owner and all notices were sent to new owner. Don LaBrenz had meeting with potential buyers. Mr. Chaney owner of Ideal Properties was present for the HBA meeting dated 06/07/07 and stated it was not disclosed to him that property was on dangerous building list when he purchased it. He in turn had an agreement with option to buy with two sisters who were also just made aware of the dangerous building status. No permits have been issued, no interior inspections scheduled and no owner contact since that time.

Financial Impact: CDBG Funds

Budget action required: None

State Equalized value: \$11,700

Estimated cost to repair: \$9,000 (Exterior Only)

Staff Recommendation: To concur with the Housing Board of Appeals decision to demolish.

INSPECTION SUMMARY

FOR: 316 E. Forest

This structure is a single family wood frame dwelling. It has been vacant and partially boarded for well over 180 days. It appears that the roof system leaks and the roof sheeting has started to rot. The back porch would require additional investigation to determine the extent of repairs required. There have been discussions about repairs with the last three owners. No one has applied for or been issued permits for repair.

11/30/2006

Wendy Hannosh
11118 Old Bridge Rd
Grand Blanc, M 48439

RE: 316 E. Forest

Dear Wendy Hannosh:

I have had an opportunity to review your request for additional time to rehabilitate this property as well as the case file for this property.

As I stated in my conversation with you, any time a building can be rehabilitated instead of being demolished both the property owner as well as the City benefits.

With that in mind, I would be willing to hold this case over until spring to allow you to effect the necessary repairs to this structure with the following conditions:

1. The requested interior inspection be scheduled and occur on or before March 1, 2007.
2. Permits be secured and work commence by April 15, 2006.
3. Work to be completed by June 15, 2007.

If this timeline is acceptable please contact my office so I can hold this case over. Also during our conversation you had a number of questions about what constitutes a substandard or dangerous building. For your convenience I have enclosed a copy of our ordinance as it pertains to "Dangerous Buildings".

If I can answer any of your questions, please feel free to contact me at 231 724-6758.

Sincerely,

Don LaBrenz II
Building Official
City of Muskegon

CITY OF MUSKEGON

933 Terrace St., P.O. Box 537, Muskegon, MI 49443 (231) 724-6715

DANGEROUS BUILDING INSPECTION REPORT

Thursday, October 12, 2006

Enforcement # EN060422 **Property Address** 316 E FOREST AVE
Parcel #24-205-283-0009-00 **Owner** COUNTY OF MUSKEGON/ Wendy
Hannosh

Inspector: Henry Faltinowski

Date completed: 10/06/2006

DEFICENCIES:

Uncorrected

1. Remove and replace damaged roof covering - call for sheathing inspection when roof is stripped of shingles (proper flashings also.)
2. Replace and repair all damaged missing siding.
3. Replace all damaged, rotted window frames, broken out windows and screen.
4. Structural damage back porch - Rafter, framing investigation needed.
5. Scrape and paint entire home or reside.

Request interior inspection by all trades, electrical, mechanical and plumbing. Please contact Inspection Services with any questions or to schedule an inspection at 933 Terrace St., Muskegon, MI 49440 (231) 724 6758.

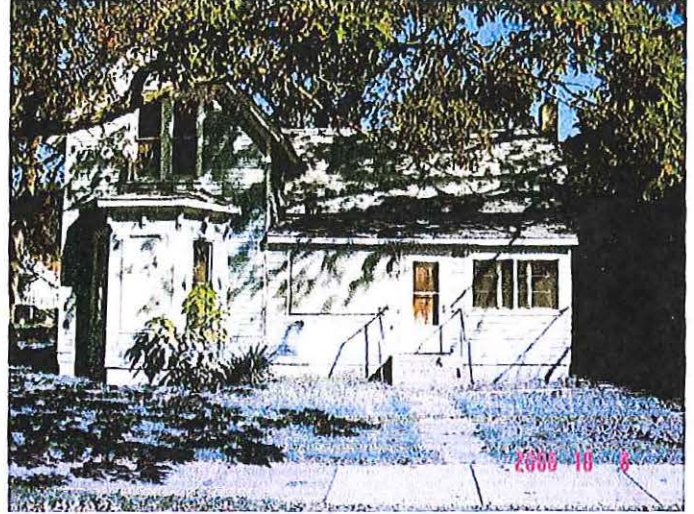
Based upon my recent inspection of the above property I determined that the structure meets the definition of a Dangerous Building and/or Substandard Building as set forth in Section 10-61 of the Muskegon City Code.

Henry Faltinowski, Building Inspector

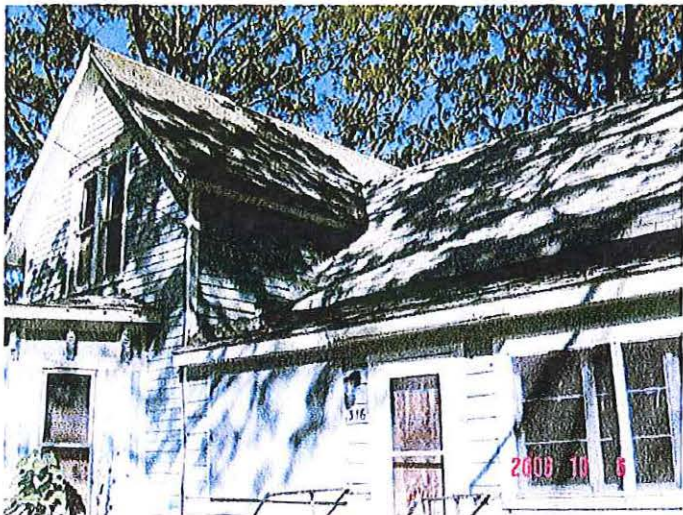
Date



10/6/2006



10/6/2006



10/6/2006

316 E Forest

DATE: August 21, 2007
TO: Honorable Mayor and Commissioners
FROM: Mark Kincaid, Deputy Director of Public Safety
RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN-060030

SUMMARY OF REQUEST: This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the structure located at 2409 Crozier is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

Case# & Project Address: # EN-060030 – 2409 Crozier

Location and ownership: This structure is located on Crozier between Lincoln St and Fountain and is owned by Carl/Louie Hadix and Mary J. Bartels/Marilee Dolisager on a land contract.

Staff Correspondence: A dangerous building inspection was conducted on 05/04/06. The Notice and Order to Repair was issued on 05/05/06. A permit was issued 05/16/06 and expired in 90 days then the permit was renewed 03/15/07 and expired 06/01/07. A progress inspection was conducted on 08/24/06. The case went before the HBA January 4, 2007 and was tabled until March 2007. On 03/01/07 the HBA declared the structure substandard and dangerous. A progress inspection was conducted 04/12/07.

Owner Contact: The owner was present for the HBA meeting dated 01/04/07 and stated he was told to secure building, so he installed steel door and was waiting for tax refund to complete electrical work and planned on finishing project by February of 2007. Permits were renewed but have now expired again and project has not been completed.

Financial Impact: General Funds

Budget action required: None

State Equalized value: \$21,500

Estimated cost to repair: \$10,000

Staff Recommendation: To concur with the Housing Board of Appeals decision to demolish.

INSPECTION SUMMARY

FOR 2409 Crozier

This is a wood frame single family dwelling that is essentially stripped out inside. Initially the property owner made structural repairs and some cosmetic repairs. However during the past year progress has come to a standstill. All permits have expired and there has been no contact from the property owner since permits were renewed last winter.

CITY OF MUSKEGON

933 Terrace St., P.O. Box 537, Muskegon, MI 49443 (231) 724-6715

DANGEROUS BUILDING INSPECTION REPORT

Thursday, May 4, 2006

Enforcement # EN060030 **Property Address** 2409 CROZIER AVE
Parcel # 24-205-673-0001-00 **Owner** HADIX CARL/HADIX LOUIE

Inspector: Henry Faltinowski

Date completed: 05/04/2006

DEFICENCIES:

Uncorrected

1. Rotted siding, siding falling off home.
2. Sags in rafter system.
3. Interior ceiling missing sections of drywall.
4. Front concrete steps tilting.
5. Provide protection from decay on siding and framing on back section of home per section R 319 MRC 2003
6. Repairs windows - falling out.

Request interior inspection by all trades, electrical, mechanical and plumbing. Please contact Inspection Services with any questions or to schedule an inspection at 933 Terrace St., Muskegon, MI 49440 (231) 724 6758.

Based upon my recent inspection of the above property I determined that the structure meets the definition of a Dangerous Building and/or Substandard Building as set forth in Section 10-61 of the Muskegon City Code.

Henry Faltinowski, Building Inspector

Date

CITY OF MUSKEGON
DANGEROUS BUILDING PROGRESS INSPECTION REPORT

2409 CROZIER AVE
04/12/2007

Uncorrected

1. Installed main bearing beam on interior.
2. Completing framing on interior 85% complete.
3. Needs to install fire blocking on balloon portions of home interior.
4. Needs to complete electrical.

Making good progress.

BASED UPON MY RECENT INSPECTION OF THE ABOVE PROPERTY, I HAVE DETERMINED THAT THE STRUCTURE MEETS THE DEFINITION OF A DANGEROUS AND/OR SUBSTANDARD BUILDING AS SET FORTH IN SECTION 10-61 OF THE MUSKEGON CITY CODE.

HENRY FALTINOWSKI, BUILDING INSPECTOR

DATE

CITY OF MUSKEGON
DANGEROUS BUILDING PROGRESS INSPECTION REPORT

2409 CROZIER AVE
08/25/2006

Uncorrected

1. Cleaning up home ready to start demo walls and framing.
2. Roof Investigation
3. Painted and installed new doors.

BASED UPON MY RECENT INSPECTION OF THE ABOVE PROPERTY, I HAVE DETERMINED THAT THE STRUCTURE MEETS THE DEFINITION OF A DANGEROUS AND/OR SUBSTANDARD BUILDING AS SET FORTH IN SECTION 10-61 OF THE MUSKEGON CITY CODE.

HENRY FALTINOWSKI, BUILDING INSPECTOR

DATE

