

CITY OF MUSKEGON

CITY COMMISSION MEETING

AUGUST 26, 2014

CITY COMMISSION CHAMBERS @ 5:30 P.M.

AGENDA

- ☐ **CALL TO ORDER:**
- ☐ **PRAYER:**
- ☐ **PLEDGE OF ALLEGIANCE:**
- ☐ **ROLL CALL:**
- ☐ **HONORS AND AWARDS:**
- ☐ **INTRODUCTIONS/PRESENTATION:**
- ☐ **CITY MANAGER'S REPORT:**
- ☐ **CONSENT AGENDA:**
 - A. Approval of Minutes. CITY CLERK**
 - B. Amendment to the City Code of Ordinances – Livestock and Poultry. PLANNING & ECONOMIC DEVELOPMENT**
 - C. Sale of Buildable Vacant Lot at 360 East Isabella. PLANNING & ECONOMIC DEVELOPMENT**
 - D. Contract for Analysis of Impediment Study. COMMUNITY & NEIGHBORHOOD SERVICES**
 - E. Approval of Architectural Services Procurement Proposal for CNS. COMMUNITY & NEIGHBORHOOD SERVICES**
 - F. 2014 Great Lakes Shoreline Cities Green Infrastructure Grant. PLANNING & ECONOMIC DEVELOPMENT**
- ☐ **PUBLIC HEARINGS:**
 - A. Request for an Industrial Facilities Exemption Certificate – Ameriform. PLANNING & ECONOMIC DEVELOPMENT**
- ☐ **COMMUNICATIONS:**
- ☐ **UNFINISHED BUSINESS:**
- ☐ **NEW BUSINESS:**

A. Extend the Moratorium for Marihuana Licensing. CITY CLERK

☐ **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: To Discuss Pending Litigation.**

☐ **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 CUMMINGS, CITY CLERK, 933 TERRACE STREET, MUSKEGON, MI 49440 OR BY CALLING (231) 724-6705 OR TTY/TDD DIAL 7-1-1- TO REQUEST A REPRESENTATIVE TO DIAL (231) 724-6705.

Memorandum

To: Mayor and Commissioners

From: Frank Peterson

Re: City Commission Meeting

Date: August 21, 2014

We have a number of items on the agenda, and I thought you could use a little background on them as you prepare for our meeting next week.

1. Under the consent agenda, we are asking for an amendment to the code of ordinances to allow for certain types of livestock and poultry to be housed within certain parts of the city as part of educational programming. This is the result of a request by the Muskegon Intermediate School District to assist with their desire to have hands-on activities in their veterinarian program.
2. Under new business, we are asking the Commission to consider approving an IFT Exemption Certificate for Ameriform, as they look to make certain real and personal property investments, and create some new jobs for our community.
3. We are asking for additional time to tweak the Marihuana Ordinance that was originally presented at the work session earlier this month. To accomplish that, we are now asking that the moratorium be expanded. The reason for the proposed delay is a law that we anticipate will soon be signed by the Governor that lays out many of the rules/restrictions/regulations that are imposed at the State level, as well as many of the rules/restrictions/regulations that can be imposed at the local level. We want our end product to be good for the city, our residents, and our business owners – taking a little more time should help us accomplish that.

Date: August 26, 2014
To: Honorable Mayor and City Commissioners
From: Ann Marie Cummings, City Clerk
RE: Approval of Minutes

SUMMARY OF REQUEST: To approve minutes of the August 11th Commission Worksession Meeting, and the August 12th City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

City of Muskegon
City Commission Worksession
August 11, 2014
City Commission Chambers
5:30 PM

MINUTES

2014-57

Present: Commissioners Rinsema-Sybenga, Gawron, Johnson, Turnquist, and Spataro.

Absent: Commissioner German and Hood.

Redevelopment Ready Community Presentation.

The MEDC staff, Jennifer Rigterink and Michelle Parkkonen, presented their Community Assessment Report on the City's certification as a Redevelopment Ready Community to the Commission.

First Reading: Marihuana Ordinance.

The City Commission issued a moratorium on the current marihuana ordinance to give staff and counsel the opportunity to review the State law and make changes to be in conformance.

The proposed ordinance prohibits caretakers from growing and distributing marihuana from their residences. It requires all caregivers to obtain a business registration to operate a dispensary. Applicants will be responsible to pay a \$1,500 application fee and a \$1,100 renewal fee as well as all inspections required by the Building Inspection and Fire Marshal to ensure public safety of such operations. Signage will not be allowed.

Patients growing in their homes for themselves are subjects to a \$100 application fee and the necessary safety inspections by the Building Inspector and Fire Marshal. The City Clerk will serve as the medical marihuana officer of the community.

Facilities used by a primary caregiver are permitted in the following zoning districts; B-2, B-3, B-4, B-5, MC, I-1, and I-2. No facility may be located within 1000 feet of a preschool, elementary school, middle school, or high school.

The public and Commission spoke about the proposed ordinance at length. Some minor changes were proposed. This ordinance will be brought to the second meeting in August with the added changes for consideration of the Commission.

Downtown Business Improvement District.

Johnathan Seyferth, Executive Director of Downtown Muskegon Now, presented a proposal to endorse BID.

Downtown Muskegon Now board has received information regarding the establishment of a Business Improvement District (BID) in Downtown Muskegon. A recommended structure was presented to the Commission. The Commission will need to approve the boundaries.

Preliminary Design of Muskegon/Webster.

Discussion took place on the design of the project. Bump-outs on one side of the intersection from 4th Street to 9th Street were suggested. Other traffic slow-down measures were discussed. Some Commissioners expressed an interest in a bike lane being added in the commercial district.

Some believe parking should be offered on both sides of the area from Spring Street to 4th.

Prosecution Services for Muskegon Police Department.

The Director of Public Safety requests the City Commission review and authorize the proposed contract for prosecutorial services required for the police department as it relates to civil infractions and misdemeanor ordinance cases generated by Muskegon Police Department during enforcement efforts. The service time of this proposed contract will be for a one (1) year period, expiration date of July 31, 2015.

Request for prosecutorial service letters were sent to two law firms on June 10, 2014 outlining the terms and conditions of said services to be provided. Parmenter O'Toole and Muskegon County Prosecutor Offices both responded.

The Muskegon County Prosecutor forwarded a "flat rate" fee of \$75,000 which is a savings over the contract that is now in place with the prosecutor's office. Parmenter O'Toole offered a "flat rate" fee of \$90,000. Parmenter O'Toole added additional information that all other city matters will be handled at the current rate until year 2017; information was received, but not considered in the decision to select a firm for specific prosecutorial services.

This items has been placed on the August 12th Commission meeting for consideration.

Property Tax Settlement Agreement with Consumers Energy B.C. Cobb Plant.

The City and Consumers Energy wish to avoid any additional cost of a tax appeal before the Michigan Tax Tribunal. Staff has come to a tentative agreement with Consumers to stipulate a true cash value for the property located at 151 North Causeway.

This item has been placed on the August 12th Commission meeting for consideration.

Adjournment.

Motion by Vice Mayor Spataro, seconded by Commissioner Johnson to adjourn at 9:08 p.m.

MOTION PASSES

**Ann Marie Cummings, MMC
City Clerk**

CITY OF MUSKEGON

CITY COMMISSION MEETING

AUGUST 12, 2014

CITCOMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, MI at 5:30 p.m., Tuesday, August 12, 2014.

Mayor Gawron opened the meeting with prayer from Pastor Tim Cross from the Living Word 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 Gawron, Vice Mayor Lawrence Spataro, Commissioners Ken Johnson, Willie German, Dan Rinsema-Sybenga, and Byron Turnquist, City Manager Franklin Peterson, City Attorney John Schrier, and City Clerk Ann Marie Cummings.

Absent: Commissioner Eric Hood (excused).

2014-58 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve minutes of the July 22nd City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. SECOND READING: Hours at City Parks – Ordinance Amendment. CITY CLERK

SUMMARY OF REQUEST: Staff has found a discrepancy in the code of ordinances for park hours. City parks have opened at 5:00 a.m. for many years. Under the Uniform Traffic Code, Chapter 92-33, section 8.10(v), it inadvertently list the park opening as 7:00 a.m.

The amendment would change subsection (v) to list the hours of the park as being closed from the hours of 11:00 p.m. and 5:00 a.m.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff recommends approval of the ordinance amendment.

F. Property Tax Settlement Agreement with Consumers Energy B.C. Cobb Plant. CITY MANAGER

SUMMARY OF REQUEST: The City and Consumers Energy wish to avoid any additional cost of a tax appeal before the Michigan Tax Tribunal. Staff has come to a tentative agreement with Consumers to stipulate a true cash value for the property located at 151 North Causeway. The property tax settlement agreement states the following:

2014 Assessed Value agreed to - \$24,000,000

2015 Assessed Value agreed to - \$20,000,000

2016 Assessed Value agreed to - \$11,000,000

In recognition of the ongoing financial cost to the City for essential services, Consumers will make the following payments:

\$100,000 on October 1, 2014

\$100,000 on July 1, 2015

\$25,000 on July 1, 2016

These payments are conditioned upon the City's compliance with all other provisions of the agreement, including payment of any refunds and interest owed under the Stipulation for Entry of Consent Judgment.

FINANCIAL IMPACT: None, this is a budgeted item.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To authorize the Mayor and Clerk to sign the agreement as written.

G. Marihuana Ordinance. ITEM REMOVED

Motion by Vice Mayor Spataro, second by Commissioner Johnson to approve the Consent Agenda as presented minus items C, D, and E.

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

Nays: None

MOTION PASSES

2014-59 ITEMS REMOVED FROM THE CONSENT AGENDA:

C. Farmers' Market – Third Amendment to Purchase Agreement. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: The City is waiting for the contractor's lien period on the Farmers' Market to expire, so the property can be transferred from the DMDC to the City free of any claims. This should occur in the near future. Therefore, a Third Amendment to the Purchase Agreement is recommended to extend the closing date. The Third Amendment allows for a 90-day extension. It is anticipated that the closing will occur prior to that time. The Amendment allows for continued operation of the Farmers' Market prior to the official closing on the property, with the City "fully responsible for any and all liability related to operating the farmers' market" during that time. The Closing is moved to November 14, 2014, or before.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the "Third Amendment to Purchase Agreement" and authorize the City Manager's signature (after the fact).

Motion by Commissioner German, second by Commissioner Rinsema-Sybenga to approve the "Third Amendment to Purchase Agreement" and authorize the City Manager's signature (after the fact).

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

Nays: None

MOTION PASSES

D. MDOT-City Agreement for Muskegon & Webster. ENGINEERING

SUMMARY OF REQUEST: Authorize staff to sign the agreement with Michigan Department of Transportation accepting Priority Road funding to reconstruct Muskegon & Webster from 9th to Spring and adopt a resolution naming the authorized staff.

FINANCIAL IMPACT: None at this time as all elements of the projects are eligible for the awarded 3.3 million, however, some adjustments (needing more money) might be necessary as we proceed with the design and evaluation of utility needs.

BUDGET ACTION REQUIRED: Authorize staff to incorporate the project into the 2014/2015 budget.

STAFF RECOMMENDATION: Authorize staff to sing the agreement/contract with MDOT and adopt the resolution naming the authorized staff.

Motion by Commissioner German, second by Vice Mayor Spataro to authorize staff to sing the agreement/contract with MDOT and adopt the resolution naming the authorized staff.

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

Nays: None

MOTION PASSES

E. Prosecution Services for Muskegon Police Department. PUBLIC SAFETY

SUMMARY OF REQUEST: The Director of Public Safety requests that the City Commission review and authorize the proposed contract for prosecutorial services required for the police department as it relates to civil infractions and misdemeanor ordinance cases generated by Muskegon Police Department during enforcement efforts. The service time of this proposed contract will be for a one-year period, expiration date of July 31, 2015.

Request for prosecutorial service letters were sent to two law firms on June 10, 2014, outlining the terms and conditions of said services to be provided. Parmenter O'Toole & Muskegon County Prosecutor Office both responded.

The Muskegon County Prosecutor forwarded a "flat rate" fee of \$75,000, which is a savings over the contract that is now in place with the prosecutor's office. Parmenter O'Toole offered a "flat rate" fee of \$90,000. Parmenter O'Toole added additional information that all other city matters would be handled at the current rate until year 2017; information was received, but not considered in the decision to select a firm for specific prosecutorial services.

FINANCIAL IMPACT: Positive impact – proposal forwards a savings over 20% over current legal expenditures for civil infractions and misdemeanor representation.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff recommends approving Muskegon County Prosecutor's proposal.

Motion by Vice Mayor Spataro, second by Commissioner German to approve the Muskegon County Prosecutor's proposal.

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

Nays: None

MOTION PASSES

PUBLIC PARTICIPATION: Public comments were received.

ADJOURNMENT: The City Commission Meeting adjourned at 6:15 pm.

Respectfully submitted,

Ann Marie Cummings, MMC
City Clerk

Commission Meeting Date: August 26, 2014

Date: August 21, 2014
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
RE: Amendment to the City Code of Ordinances – Livestock and Poultry

SUMMARY OF REQUEST:

Staff is requesting to amend the livestock and poultry ordinance to allow for an education exception, which would allow accredited educational institutions to keep a limited number of livestock, poultry, fowl, rabbits and other animals for educational purposes. These institutions would first need to receive Planning Commission approval after a public hearing.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Approval of the ordinance amendment.

COMMITTEE RECOMMENDATION:

None

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

THE CITY OF MUSKEGON HEREBY ORDAINS:

Chapter 6, Section 6-17 of the Code of Ordinances of the City of Muskegon, Michigan is amended as follows:

Sec. 6-17. Livestock and poultry.

- (a) Except as provided in section (e), no livestock shall be kept in the city.
- (b) No live poultry shall be kept in the city except that one pet may be kept in a pen or confinement which is at least 25 feet from any dwelling.
- (c) No more than two rabbits shall be kept on any premises in the city. The two rabbits which may be kept at premises shall be in a pen located at least 25 feet from any dwelling and constructed and maintained in accordance with standards published in the industry or by a 4-H organization.
- (d) No wild animal shall be kept permanently or temporarily in the city unless affiliated with a transient circus or carnival having all required permits to operate in the city, or a licensed zoo.
- (e) Education Exception
 - a. Upon submission of a site plan and approval by the Planning Commission, an educational institution may keep a limited number of livestock, poultry, fowl, rabbits and other animals for educational purposes.
 - b. An “educational institutional” for purposes of this ordinance is defined as an accredited educational institution, such as a school within the Muskegon Area Intermediate School district, an elementary, intermediate, and/or secondary school, college, university or other such institutions of higher learning, public and private, offering courses in general, technical or religious education, not operated for profit and in full compliance with the City’s zoning ordinance.
 - c. Measures must be taken to ensure that the livestock and other animals are not a nuisance to neighboring properties for any reason, including the noise, smell, disease or danger that they may cause.
 - d. All livestock and other animals must be located at least 25 feet from any dwelling.
 - e. All state and federal laws and regulations pertaining to the housing and care of animals shall be followed. In addition, the program using the animals as part of its educational curriculum must comply with the career tech program guidelines and regulations.

This ordinance adopted:

Ayes: _____

Nays: _____

Adoption Date: _____

Effective Date: _____

First Reading: _____

Second Reading: _____

CITY OF MUSKEGON

By _____

Ann Cummings, MMC

City Clerk

CERTIFICATE

The undersigned, being the duly qualified clerk of the City of Muskegon, Muskegon County, Michigan, does hereby certify that the foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Muskegon, at a regular meeting of the City Commission on the _____ day of _____, 2014, at which meeting a quorum was present and remained throughout, and that the original of said ordinance is on file in the records of the City of Muskegon. I further certify that the meeting was conducted, and public notice was given, pursuant to and in full compliance with Act No. 267, Public Acts of Michigan of 1976, as amended, and that minutes were kept and will be or have been made available as required thereby.

DATED: _____, 2014

Ann Cummings, MMC
Clerk, City of Muskegon

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

**CITY OF MUSKEGON
NOTICE OF ADOPTION**

TO: ALL PERSONS INTERESTED

Please take notice that on _____, 2014, the City Commission of the City of Muskegon adopted an amendment to Chapter 6 “Animals,” whereby the following changes were made:

- (a) This section has been simplified to clarify that no livestock is permitted in the city except as provided for in section (e) below.
- (b) This section has been simplified by removing the reference to commercial establishments legally licensed to keep poultry, as none exist any longer in the city.
- (c) This section has been simplified by removing the reference to commercial establishments legally licensed to keep rabbits, as none exist any longer in the city.
- (d) Unchanged.
- (e) This section was added to allow for livestock and other animals as a special use approved pursuant to the zoning ordinance, only at educational institutions operated not-for-profit and in compliance with the zoning ordinance.

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

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

CITY OF MUSKEGON

Published: _____, 2014 By: _____
Ann Cummings, MMC, Its Clerk

PUBLISH ONCE WITHIN TEN (10) DAYS OF FINAL PASSAGE

Commission Meeting Date: August 26, 2014

Date: August 18, 2014
To: Honorable Mayor & City Commission
From: Planning & Economic Development Department
RE: Sale of Buildable Vacant Lot at 360 East Isabella.

SUMMARY OF REQUEST:

To approve the sale of a vacant buildable lot at 360 East Isabella (Parcel #24-205-247-0006-00) to May Property Management, LLC, a Michigan limited liability company who owns the adjacent parcel at 1089 Sophia, Muskegon, MI. The lot is 66 x 132 ft. and is being offered to May Property Management, LLC for \$900 plus the fee to register the deed. May Property Management, LLC will be combining this property with his existing property, which would be considered unbuildable should his home be destroyed over 75%. His property is 33 x 132 ft. The True Cash Value (TCV) for the property listed in the Assessor's office is \$2,500, and our price is set at \$1,875 which is 75% of that amount. The City has owned the property since 2004 and there have been no inquiries for potential construction.

FINANCIAL IMPACT:

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

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

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

On average the City spends about \$300 each year in maintenance for this property.



Picture of City lot @ 360 E Isabella: The Purchaser plans on extending this to his garage which is located behind the one in the picture below.



Resolution No. _____

MUSKEGON CITY COMMISSION

RESOLUTION APPROVING THE SALE OF A BUILDABLE LOT AT 360 EAST ISABELLA AVENUE IN MCLAUGHLIN NEIGHBORHOOD FOR \$900.

WHEREAS, May Property Management, LLC, a Michigan limited liability company be allowed to purchase the parcel designated as parcel number 24-205-247-0006-00, located at 360 East Isabella Avenue for \$900; and

WHEREAS, the price for parcel number 24-205-247-0006-00 is set by the City at \$1,875, which is 75% of the True Cash Value (TCV) listed in the City Assessor's Office; and

WHEREAS, May Property Management, LLC, a Michigan limited liability company, has offered \$900 for the property so this may be combined with his adjacent property; and

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

WHEREAS, the sale is not consistent with City policy regarding the disposition of buildable lots, in that, this property will be combined with the adjacent property located at 1089 Sophia Avenue and sold for the price of \$900.

NOW THEREFORE BE IT RESOLVED, that parcel number 24-205-247-0006-00, located at 360 East Isabella Avenue be sold to May Property Management, LLC, a Michigan limited liability company for \$900.

CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 6 BLOCK 247

Adopted this 26th day of August 2014

Ayes:

Nays:

Absent

By: _____
Stephen Gawron
Mayor

Attest: _____
Ann Marie Cummings, MMC
City Clerk

CERTIFICATION

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, Michigan at a regular meeting held on August 26, 2014.

By: _____
Ann Marie Cummings, MMC
City Clerk

QUIT CLAIM DEED

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

QUIT CLAIMS TO: **MAY PROPERTY MANAGEMENT, LLC**, a Michigan limited liability company, whose address is 3947 Norton Hills Road, Muskegon, Michigan 49441,

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

CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 6 BLOCK 247
#24-205-247-0006-00
for the sum of: Nine Hundred Dollars (\$900.00)

PROVIDED, HOWEVER, whenever possible, this property is to be combined with the owner's original parcel # 24-205-247-0008-10, otherwise known as 1089 Sophia. The improvement of parcel # 24-205-247-0006-00 to allow for this property to be utilized as access to the garage located on parcel # 24-205-247-0006-00 is up to the purchaser and must follow the guidelines allowed for a driveway/improved surface per Zoning Ordinance.

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

Dated this _____ day of August, 2014

Signed in the presence of:

CITY OF MUSKEGON

By _____
Stephen Gawron, Its Mayor

and _____
Ann Marie Cummings, MMC, Its Clerk

STATE OF MICHIGAN
COUNTY OF MUSKEGON

The foregoing instrument was acknowledged before me this _____ day of August, 2014, by STEPHEN GAWRON and ANN MARIE CUMMINGS, MMC, the Mayor and Clerk, respectively, of the CITY OF MUSKEGON, a municipal corporation, on behalf of the City.

PREPARED BY: Hope Mitchell
City of Muskegon Planning
933 Terrace Street
Muskegon, MI 49440
Telephone: (231) 724-6760

_____, Notary Public
Acting in the County of Muskegon, MI
Muskegon County, MI
My Comm. Expires: _____

WHEN RECORDED RETURN TO: GRANTEE

SEND SUBSEQUENT TAX BILLS TO: GRANTEE

Commission Meeting Date: August 26, 2014

Date: August 18, 2014

To: Honorable Mayor & City Commission

From: Community and Neighborhood Services Department

Re: Contract for Analysis of Impediment Study

SUMMARY OF REQUEST: The cities of Muskegon, Muskegon Heights, Norton Shores and the County of Muskegon are entering into an agreement with Intellectual Business Solutions to conduct an Analysis of Impediment Study in the County of Muskegon to further Fair Housing initiatives.

FINANCIAL IMPACT: The total amount of the contract is \$30,000; The City of Muskegon will pay \$12,000 of that cost.

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

Contract

Intellectual Business Solutions, known as "First Party," agrees to enter into this contract with the cities of Muskegon, known as "Second Party", Norton Shores, known as "Third Party", Muskegon Heights, known as "Fourth Party" and the County of Muskegon, known as "Fifth Party" on _____ (Date)

This agreement is based on the proposal (included) and the following provisions:

Intellectual Business Solutions will provide an analysis as follows:

- Review and mapping of Demographic Patterns of Cities of Muskegon, Muskegon Heights, Norton Shores, and surrounding areas within the County of Muskegon.
- Review of Public Policies for the Cities of Muskegon, Muskegon Heights, Norton Shores and surrounding areas within the County of Muskegon.
- Review of the Housing Discrimination Complaints Involving Properties in the Cities of Muskegon, Muskegon Heights, Norton Shores, and surrounding areas within the County of Muskegon.
- Review of Fair Housing Complaint Based and Survey Based Testing of properties in the Cities of Muskegon, Muskegon Heights, and Norton Shores.
- A Review, to the extent possible, of the Patterns of Occupancy in Section VIII, Public and Assisted Housing, and Private Rental Housing.
- Findings and Recommendations

The parties listed request a Pre-study Conference with the commissions/councils representing the communities served per this study. Furthermore, the parties agree to the study as outlined above to be completed within a period of 120 days upon execution for an amount not to exceed (\$30,000) Thirty Thousand dollars, with the exception of mutually agreed upon addendums which may require additional research/analysis and payment. Payment will be remitted to the first party, by each municipality (second, third, fourth and fifth parties as reference above) in the following percentages (%)’s:

- Muskegon- 40% \$12,000
- Muskegon Heights- 15% \$ 4,500
- Norton Shores- 20% \$ 6,000
- County of Muskegon- 25% \$ 7,500

All parties agree that payment will be remitted according to the following schedule:

1. \$15,000, payable upon execution of agreement
2. \$7,500, payable 60 days after execution of agreement
3. \$7, 500, payable upon delivery of completed analysis.

Addendums and/or additional research and analysis requested by any one individual municipality during the course of this study will be considered as a separate contract and negotiated as such. Invalidity or unenforceability of one or more provisions of this agreement shall not affect any other provision of this agreement.

This agreement is subject to the laws and regulations of the state of Michigan.

Signed:

Intellectual Business

Solutions (First Party)

{First Party Signature}

Stephen J. Gawron, Mayor

City of Muskegon (Second Party)

{Second Party Signature}

Darrell Paige, Mayor

City of Muskegon Heights (Third Party)

{Third Party Signature}

Gary L. Nelund, Mayor

City of Norton Shores (Fourth Party)

{Fourth Party Signature}

County of Muskegon Representative

Muskegon County (Fifth Party)

{Fifth Party Signature}

CITY OF MUSKEGON, CITY OF NORTON SHORES, CITY OF MUSKEGON HEIGHTS PROPOSAL FOR ANALYSIS OF IMPEDIMENTS

Intellectual Business Solutions proposes to provide an Analysis of Impediments to Fair Housing study for the Muskegon County area as outlined in the Request for Proposal for the entitlement communities of the Cities of Muskegon, Norton Shores and Muskegon Heights. These communities receive Community Development Block Group funding, and as a result, are responsible for periodically conducting an Analysis of Impediments to Fair Housing.

Intellectual Business Solutions is a qualified consultant company with over 25 years of combined experience in research, analysis and testing under the Fair Housing Act. This includes, advocacy, education and outreach, grant writing, contract administration, test design, execution and analysis, tester training and coordinating client complaints with legal counsel. IBS' experienced team has resolved hundreds of fair housing cases through both HUD and state administrative agencies. In addition IBS has experience providing training services to housing industry members including rental, real estate, lending and insurance. IBS staff has participated in a Fair Housing Task Force's regarding local and state Fair Housing laws and has National certifications in Fair Housing relating to real estate sales, rental, mortgage loans and insurance. IBS' founding member has also been a recipient of the Fair Housing Advocacy award and headed up efforts that led to a Fair Housing partnership with the Area Agency on Aging as well as led the study that provoked changes in local source of income protections.

The Analysis of Impediments to Fair Housing will research the historical and evaluate the present environment to assess fair housing issues, identify the primary determinants that account for those issues, and set forth Fair Housing priorities and goals for the City of Muskegon, The City of Norton Shores, and the City of Muskegon Heights. However, in an area as demographically diverse, yet geographically close, as Muskegon County, one in which 58% of the county's population lives outside of an entitlement community, but interacts in some way,

within the entitlement communities on a daily basis, we feel it is also of extreme importance to include in this analysis, the non entitlement communities (4 Cities, 16 Townships and 4 Villages), as far as data and research will allow, in an effort to present a “countywide” evaluation that will closely mirror HUD’S objective of utilizing this Analysis as a way to further planning around fair housing.

This study will include research for the City of Muskegon, the City of Norton Shores, the City of Muskegon Heights, and the surrounding 24 municipality area that makes up Muskegon County (as data allows) in the following areas:

- Demographic
- Employment
- Disability
- Public Policy
- Transportation
- Education
- Cultural Competency
- Cross Jurisdiction Collaboration
- Banking/Mortgages/Foreclosures
 - Real Estate
 - Appraisals
 - Group Homes
 - Rental Properties
 - Subsidized Housing
- Complaints/Testing/Resolution
- Summary of Recommendations

Intellectual Business Solutions proposes to complete this study within a period of 120 days from the start of the agreement at a cost of \$30,000. The proposed timeframe will include the extensive research required to provide a thorough analysis of any existing impediments and a series of community meetings designed to procure more up to date research and information for analysis. The Analysis of Impediments will conclude with recommendations that will cover activities that affect Fair Housing opportunity. These recommendations may include, but are not limited to, actions that the local governments can take directly, housing code enforcement, and fair housing testing.

Intellectual Business Solutions is prepared to, and recommends, including fair housing testing in this study, and is pleased to consider addendums to this proposal in order to include the additional time and research a testing component would entail or additional/different deliverables the entitlement communities would deem necessary.

This Analysis of Impediments to Fair Housing will be prepared in order to assist the cities of Muskegon, Muskegon Heights, and Norton Shores in reducing housing discrimination. It will comply with all applicable HUD regulations and guidelines and refer to the Fair Housing Planning Guide as direction. This document should be considered a research document. It will not constitute legal advice.

PUBLIC NOTICE
SOLICITATION FAIR HOUSING ANALYSIS STUDY

The City of Muskegon, in partnership with the City of Muskegon Heights, the City of Norton Shores and the County of Muskegon, is soliciting non-profits, qualified consultants and Fair Housing Agencies to submit proposals to update the Muskegon, Michigan Metropolitan Area Analysis of Impediments to Fair Housing Choices.

All proposals should contain an overview of the design of the impediment study, provide a schedule of the expected time period that the study will be complete, and confer with the proposed changes to the regulations that govern Fair Housing.

It is important to analyze each community and compare the county areas that are not represented by an entitlement city.

Some of the areas that are expected to be evaluated are:

- Population Profile
- Housing
- Employment
- Institutional Practices
- Public Policy
- Disability
- Banking Data

All proposals should be mailed or hand delivered to the City of Muskegon Clerk's Office, Room 109, 933 Terrace, Muskegon, MI, 49440 no later than 2:00 p.m. on Tuesday, May 20, 2014.

This activity is in correlation with the Title VIII of the Civil Rights Act of 1963, commonly known as the Fair Housing Act, and also Section 109 of Title 1 of the Housing and Community Development Act of 1974, and all applicable acts and orders.

Please address your sealed proposals to:

Ann Cummings, City Clerk
C/O Community and Neighborhood Svcs.
Fair Housing Proposal
933 Terrace St.
Muskegon MI 49440

Publish: April 27, 2014

Commission Meeting Date: August 26, 2014

Date: August 18, 2014

To: Honorable Mayor & City Commission

From: Community and Neighborhood Services Department

**RE: Approval of Architectural Services Procurement
Proposal for CNS**

SUMMARY OF REQUEST: To approve Andrea Riegler as the Architectural Services provider for Community and Neighborhood Services.

The bidding process resulted in 4 proposals (see attached results)

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve Andrea Riegler as the Architectural Services provider for the Community and Neighborhood Services office for two years.

COMMITTEE RECOMMENDATION: None required.

BID RESULTS
PROCUREMENT FOR ARCHITECTURAL SERVICES
AUGUST 19, 2014

Andrea J. Riegler	\$65.00 per hour Architectural Services/Design Consultation/Plan Development/Project Development
Tyson and Billy Architects	\$84.00 per hour - Design Architect
Concept Design Studio	\$90.00 per hour - Project Architect
Inform Architecture	\$110.00 per hour - Architectural Design/Project Management

Commission Meeting Date: August 26, 2014

Date: August 19, 2014
To: Honorable Mayor & City Commission
From: Planning & Economic Development Department
**RE: 2014 Great Lakes Shoreline Cities Green
Infrastructure Grant**

SUMMARY OF REQUEST: The US Environmental Protection Agency has released applications for a Green Infrastructure Grant, to be used for projects that improve the Great Lakes water quality by reducing/treating stormwater runoff via green infrastructure. The West Michigan Shoreline Redevelopment Development Commission (WMSRDC) has offered to prepare the grant application (in conjunction with Nederveld, Inc. and Golder & Associates). WMSRDC will also manage the project, if the grant funding is approved (with City participation and oversight). The project must be for public property, therefore the City must officially apply for the grant. The proposed project will be based on the SAW grant proposal (previously approved), with implementation through the new grant for stormwater management/green infrastructure. The project will include stormwater management/green infrastructure on the properties surrounding the Beidler road end area (City and County parcels). It may also include a rain garden at Hartshorn near the far back side of the Fricano's parking lot. This area would be visible from the Lakeshore Trail, Hartshorn and Fricano's. There is currently a low spot where wetland vegetation attempts to grow and this will be enhanced as it will function for stormwater filtration and will be more attractive (see attached materials for further detail).

FINANCIAL IMPACT: The previously approved SAW grant will act as match for the grant. There may be in-kind elements that the City can assist with.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the City's application for the USEPA Green Infrastructure Grant, which includes committing to preserve/maintain the green infrastructure for 15 years and erect appropriate signage; and authorize the Mayor and Clerk to sign the necessary documents for the grant submittal, as well as any documents required to accept the grant, if we receive approval.

U.S. EPA
Great Lakes Shoreline Cities Green Infrastructure Grant

Grant Overview: The U.S. Environmental Protection Agency (U.S. EPA) will award \$4.5 million of Great Lakes Restoration Initiative (GLRI) funds to eligible Great Lakes shoreline cities for the installation of green infrastructure practices that improve Great Lakes water quality. In 2014, shoreline cities with a population greater than 25,000 and less than 50,000 are eligible to apply for grants up to \$250,000. The purpose of the grant program is to improve the water quality of the Great lakes by 1) treating, slowing, or capturing polluted runoff; and 2) reducing the amount of runoff that drains into Great Lakes nearshore areas or sewer systems that discharge into these areas. Eligible green infrastructure projects include porous pavements, bioswales/greenways, rain gardens/wetlands, green roofs, stormwater tree trenches, and cisterns on public property within city limits. Twenty-five percent of the project funds must be used for design/engineering and the remaining 75 percent must be used for construction. The grant program requires the applicant to preserve and maintain the green infrastructure practices for 15 years. The installation of signage is also required as part of the project.

Project Scope: The proposed project involves the design and construction of green infrastructure practices on public property located in the Division Street Outfall/Beidler Creek Watershed. The proposed project area includes two county parcels and two city parcels located north of Beidler Street's northern termination point (see map on back page). Green infrastructure practices, such as rain gardens, bioswales, and greenways, will be designed to capture and treat storm water runoff on-site. The intent of the proposed project is to reduce the discharge of stormwater, and its associated stormwater pollutants, to Muskegon Lake from the storm sewer system. Signage will be installed to educate the public about the benefits of green infrastructure and stormwater management. WMSRDC will facilitate city and public involvement to provide project guidance and direction. WMSRDC's pending Stormwater, Asset Management, and Wastewater (SAW) grant will provide the required matching funds and the initial design work for the proposed project.

Project Budget:

Requested Grant Funds - Less than or equal to \$220,800; final budget yet to be determined

Match Requirement - 50%; in-kind match allowed; pending SAW grant to provide match (\$110,400)

City of Muskegon's Financial Contribution - \$0

Schedule:

Grant Proposal Due Date - September 1, 2014

Project Start Date/Duration - Approximately June 2015, 2 years

Project Partners and Roles:

City of Muskegon - Attend project meetings/field visits to provide project guidance/approvals, submit reports

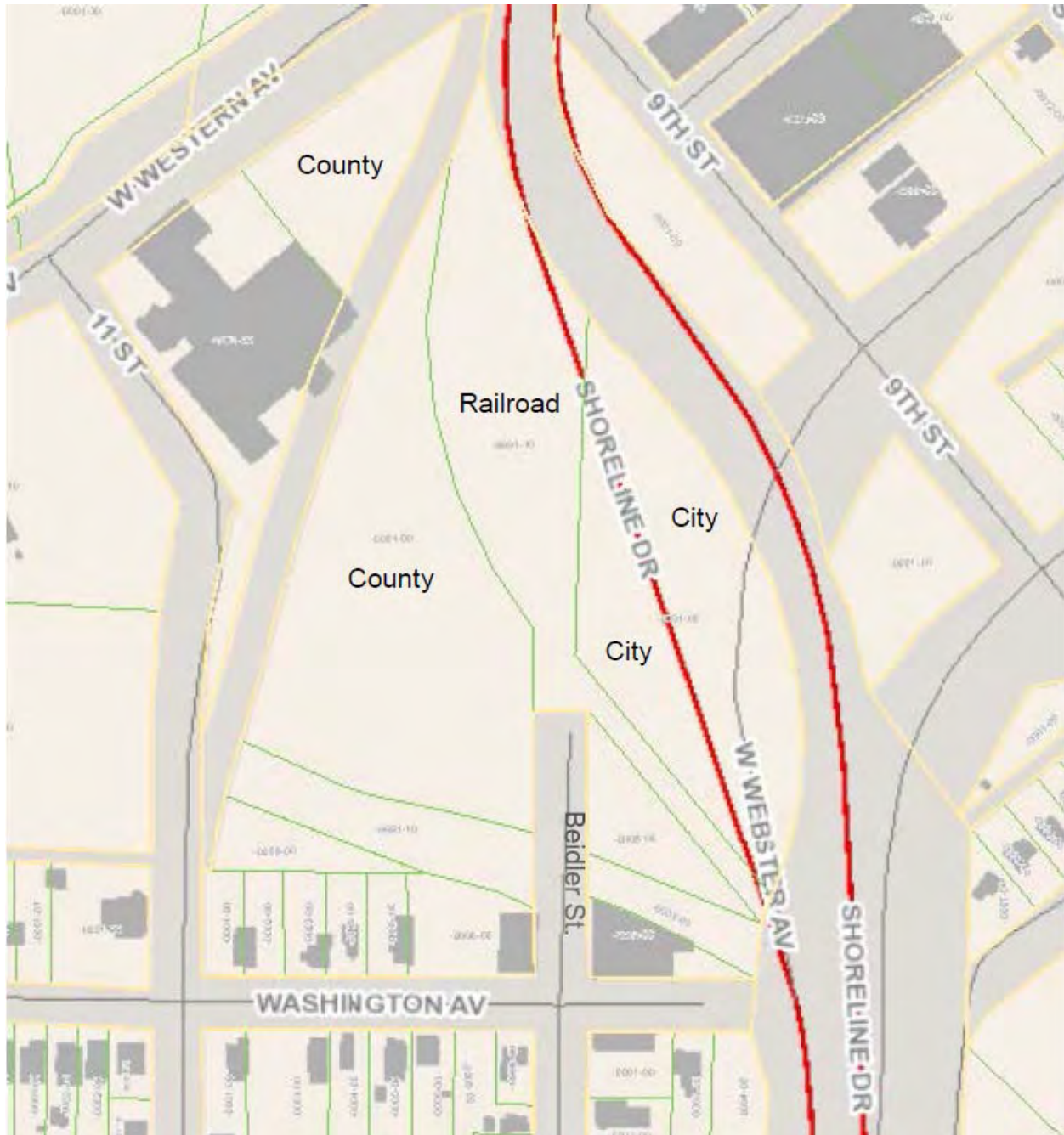
WMSRDC - Facilitate city and public involvement, manage grant, request bids, develop final report

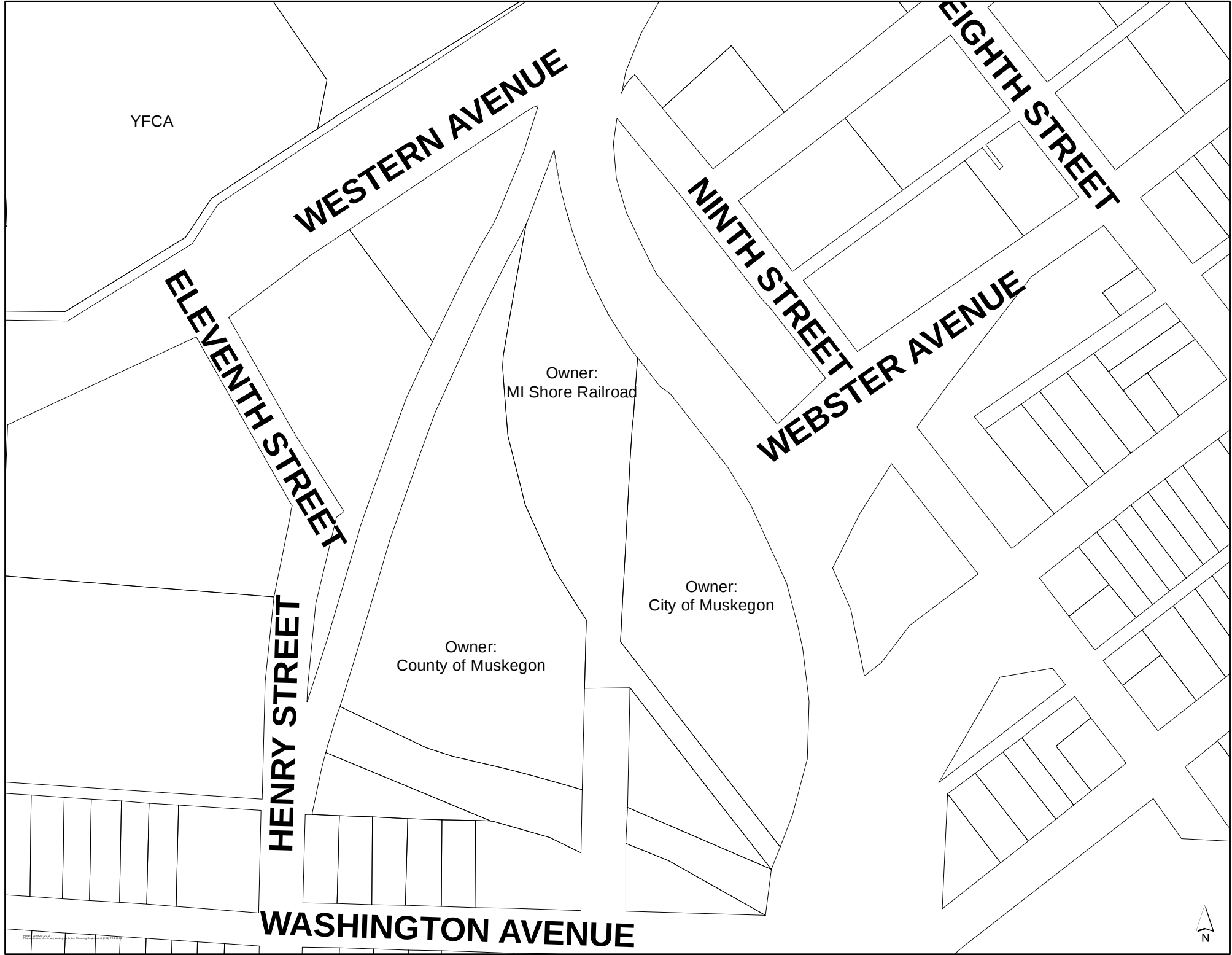
U.S. EPA

Great Lakes Shoreline Cities Green Infrastructure Grant

Consultant - Site and design practices, oversee construction, calculate runoff reductions

Project Area:





YFCA

WESTERN AVENUE

NINTH STREET

EIGHTH STREET

WEBSTER AVENUE

ELEVENTH STREET

HENRY STREET

WASHINGTON AVENUE

Owner:
MI Shore Railroad

Owner:
County of Muskegon

Owner:
City of Muskegon



Commission Meeting Date: August 26, 2014

Date: August 21, 2014
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
RE: Public Hearing - Request for an Industrial Facilities Exemption Certificate – Ameriform

SUMMARY OF REQUEST:

Pursuant to Public Act 198 of 1974, as amended, Ameriform Acquisition, LLC, 1790 Sun Dolphin Dr, has requested the issuance of an Industrial Facilities Tax Exemption Certificate. The total capital investment will be \$375,000 in real property and \$4,625,000 in personal property and will create 35 new jobs. This qualifies them for a tax abatement of 12 years on real property and nine years on personal property.

FINANCIAL IMPACT:

The City will capture certain additional property taxes generated by the expansion (see attached Summary Sheet).

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Approval of the attached resolution granting an Industrial Facilities Exemption Certificate for a term of 12 years for real property and nine years for personal property.

COMMITTEE RECOMMENDATION:

None

Resolution No. _____

MUSKEGON CITY COMMISSION

**RESOLUTION APPROVING APPLICATION FOR ISSUANCE
OF INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
*Ameriform Acquisition, LLC***

WHEREAS, pursuant to P.A. 198 of 1974 as amended, after duly noticed public hearing held on July 26, 1983, this Commission by resolution established an Industrial Development District as requested by the City of Muskegon for Port City Industrial Park, including the property leased by Ameriform Acquisitions, LLC, 1790 Sun Dolphin Dr, Muskegon, Michigan 49444; and

WHEREAS, Ameriform Acquisitions, LLC has filed an application for the issuance of an Industrial Facilities Tax Exemption Certificate with respect to new machinery and equipment has been installed within said Industrial Development District ; and

WHEREAS, said application was filed no later than six months after project commencement and the Muskegon City Commission held a public hearing on August 26, 2014, at the Muskegon City Hall in Muskegon, Michigan at 5:30 p.m. at which hearing the applicant, the assessor and representatives of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, the installation of machinery and equipment is calculated to and will have the reasonable likelihood to retain, create, or prevent the loss of employment in Muskegon, Michigan; and

WHEREAS, the aggregate SEV of real property exempt from ad valorem taxes within the City of Muskegon, will not exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE, BE IT RESOLVED by the Muskegon City Commission of the City of Muskegon, Michigan that:

- 1) The Muskegon City Commission finds and determines that the Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Act of 1974 as amended and Act No. 255 of the Public Acts of 1978 as amended shall not have the effect of substantially impeding the operation of the City of Muskegon or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Muskegon.
- 2) The application of Ameriform Acquisition, LLC, for the issuance of an Industrial Facilities Tax Exemption Certificate with respect to the installation of new machinery and equipment on the following described parcel of real property situated within the City of Muskegon to wit:

CITY OF MUSKEGON SEC 34 T10N R16W THAT PT S 1/2 SW 1/4 PARCEL 1 DESC AS COM @ S 1/4 COR SD SEC TH S 89D 34M 26S W ALG S LN SD SEC 1382 FT TH N 00D46M 26S E PAR TO N/S 1/4 LN SD SEC 900 FT TH S 89D 34M 26S W PAR TO S LN SD SEC 340 FT FOR POB TH N 00D 46M 26S E PAR TO SD N/S 1/4 LN 440.45 FT TO N LN SD S 1/2 SW 1/4 TH S 89D 46M 13S W ALG SD N LN 940.12 FT TO W LN SD SEC TH S 01D 08M 39S W AGL SD W LN 7.32 FT TO NELY LN MI ST HWY DEPT ROW AS DESC IN DEED RECOR'D 703/374 TH S 34D 43M 34S E ALG SD NELY LN 528.10 FT TH N 89D 34M 26S E 633.50 FT TO POB THAT PRT S 1/2 SW 1/4 DESC AS COM @ S 1/4 COR SD SEC TH N 00D 46M 26S E ALG N/S 1/4 LN SD SEC 350 FT TO N LN SHERMAN BLVD TH S 89D 34M 26S W PAR TO S LN SD SEC & ALG N LN SD SHERMAN BLVD 350 FT TH N 00D 46M 26S E PAR TO N/S 1/4 LN 411.78 FT TH NLY ALG ARC OF 200

FT RD CURVE TO LT DIST OF 19.22 FT (CNTRL ANG SD CURVE IS 05D 30M 20S & LC SD CURVE BEARS N 01D 58M 44S W 19.21 FT) TO POB TH NWLY ALG ARC OF 200 FT RD CURVE TO LT DIST 299.13 FT (CENTRAL ANG SD CIRVE IS 85D 41M 40S & LC SD CURVE BEARS N 47D 34M 44S W 272.02 FT) TH S 89D 34M 26S W 1007.78 FT TH N 30D 12M 47S W 67.97 FT TH S 89D 34M 26S W 125 FT TH N 00D 46M

- 3) The Industrial Facilities Tax Exemption Certificate is issued and shall be and remain in force and effect for a period of _____ years on real property and _____ years on personal property.

Adopted this 26th Day of August 2014.

Ayes:

Nays:

Absent:

BY: _____
Stephen J. Gawron
Mayor

ATTEST: _____
Ann Cummings
Clerk

CERTIFICATION

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the Muskegon City Commission, County of Muskegon, Michigan, at a regular meeting held on August 26, 2014.

Ann Cummings
Clerk

CITY OF MUSKEGON

CONTRACT FOR TAX ABATEMENT

Act 198 Public Acts of 1974

AGREEMENT between CITY OF MUSKEGON, a municipal corporation of 933 Terrace Street, Muskegon, Michigan 49441, (“City”) and Ameriform Acquisitions, LLC (“Company”).

Recitals:

A. The Company has applied to City for the establishment of an industrial development district or industrial rehabilitation district pursuant to the provisions of Act 198 of the Public Acts of 1974, as amended, which act requires a contract between the City and the Company to be agreed and submitted with the Company’s subsequent anticipated application for an industrial facilities exemption certificate.

B. That in addition to the statutory requirement, the City has determined that it is in the best interests of the taxpayers, property owners and residents of the City that this Agreement be approved and executed prior to the establishment of the requested district, and the City deems this Contract, together with the conditions set forth in the said Act to constitute a necessary element in the City’s determination whether or not to create the district.

C. The Company intends to install the project set forth in its application (“project”) which it believes qualifies for the process of establishing the district and the application for industrial facilities exemption certificate.

D. The City, provided this Agreement is executed, will determine whether to create the district based upon the potential for the production of permanent jobs, the continuation or increase of economic activity, planning and zoning considerations and the City’s general plan and intentions regarding economic development. In addition to the City policy considerations and predictions that the Company’s proposed district and certificate benefit the community in those ways, the City has further determined that the contractual commitments made by the Company to thereby assist the community shall be binding on the Company and necessary to continue the tax exemption made possible by the certificate.

NOW THEREFORE THE PARTIES AGREE:

1. **COMPANY AGREEMENT.** The Company irrevocably commits to the investment, job retention and job creation promises made in its application, a copy of which is attached hereto and incorporated herein. In particular the Company agrees:

1.1 That 100% of the jobs shall be filled and in existence with full-time employees by a date no later than two (2) years from the date of the granting of the certificate by the State Tax Commission.

1.2 The Company shall meet the affirmative action goal included in the application or in any documents supplied by the City and utilized by the Company, including any additional representations made to the City Commission on or before the date two (2) years after the granting of the certificate by the State Tax Commission. It shall maintain the said levels of employment diversity during the period of the certificate.

1.3 The Company, by the end of two (2) years from the date of the grant of the certificate by the State Tax Commission shall have completed the investment of \$5,000,000 in real and personal property improvements as shown in the application.

1.4 That the improvements and equipment to receive the tax abatement treatment shall be completed on or before the date two (2) years from the date of granting of the certificate by the State Tax Commission.

1.5 The Company shall pay its specific taxes required by the act in a timely manner, and shall not delay payments so as to incur any penalties or interest.

1.6 The Company shall not appeal the valuation of any real or personal property at the facility to the Michigan Tax Tribunal or the State Tax Commission.

1.7 The Company shall fully cooperate with the City representatives in supplying all requested and required documentation regarding jobs, investment, the meeting of all goals and the timely installation and utilization of equipment and improvements. The City shall be entitled to inspect at reasonable hours the Company's premises where the said improvements and equipment have been installed and where the said jobs are performed.

1.8 The Company shall maintain, during the entire period for which the tax abatement is granted, the level of jobs, affirmative action goals, production and utilization of the improvements and equipment at the site where the district has been created and for which the tax exemption has been granted.

1.9 The Company shall not cause or fail to cure the release of any hazardous substance, or the violation of any environmental law on its premises in the City. It shall report any releases to the appropriate governmental authority in a timely and complete manner, and provide copies of said report documentation to the City. It shall comply with all orders and actions of any governmental agency having authority.

1.10 The Company shall maintain the equipment and improvements so as to minimize physical or functional obsolescence.

1.11 The Company shall continue to operate its business location in the City, containing the same number of and type of jobs, for the term of the certificate.

2. **AGREEMENT BY THE CITY.** Provided this contract has been executed and further provided all applications to create the district and achieve the industrial facility exemption certificate have been properly filed, the City shall, in a timely manner, determine in a public meeting to create the district and receive, process, and approve thereafter the Company's application for an industrial facilities exemption certificate. The City may consider this contract in a meeting separate from and prior to the meeting in which the City considers the creation of the district and approval of the application for certificate. Further, the City shall require the submission of this contract signed by the Company together with its applications, before creating the district.

3. **EVENTS OF DEFAULT.** The following actions or failures to comply shall be considered events of default by the Company:

3.1 Failure to meet any of the commitments set forth above.

3.2 The closing of the Company's facilities in the City. Closing shall mean for purpose of this Agreement, the removal, without transfer to another site within the City of substantially all of the production facilities, and the elimination of substantially all the jobs created or retained thereby, which are set forth in the Company's application.

3.3 Failure to afford to the City the documentation and reporting required.

3.4 The failure to create or retain jobs, meet affirmative action goals or expend the funds on equipment and improvements as represented in the application within the times required hereby.

3.5 The bankruptcy or insolvency of the Company.

3.6 The failure to pay any and all taxes and assessments levied on the Company's property or any other taxes, local, state or federal, including but not limited to City income taxes and the withholding of said City income taxes from employees as required by the City Income Tax Ordinance.

3.7 The performance or omission of any act which would lead to revocation under MCLA 207.565, being §15 of the Act.

3.8 The violation of any provisions, promises, commitments, considerations or covenants of this Agreement.

4. **REMEDIES ON DEFAULT.** In the event of 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:

4.1 In the event of closing as determined after investigation of the facts and a public hearing, the Company shall be immediately liable for penalties to be paid forthwith to the city as determined as follows:

4.1.1 The Company shall pay to the City for prorata distribution to the taxing units experiencing the abatement, an amount equal to the difference between the industrial facilities tax which it has paid, and the total property taxes to the relevant taxing units which it would have paid, given its installations of improvements and equipment, during the years for which the certificate was in effect.

4.1.2 Immediate Revocation. The Company hereby consents to revocation to the IFT certificate before the State Tax Commission, without hearing, and the City shall submit a copy of this Agreement to the State Tax Commission in connection with its revocation procedure, giving notice that the default has occurred and immediate revocation should occur.

4.2 In the event the improvements and equipment have not been installed before the two (2) year period, in addition to the revocation procedures before the State Tax Commission, the abatement should immediately be reduced by the City proportionately, and any installations which have not been finished at the end of said two (2) year period shall not be eligible for the abatement thereafter and shall be placed on the regular tax roll.

4.3 Failure to Expend the Funds Represented. In the event, (whether or not the installations have been completed), the Company has not expended the funds it has represented on its application that it would invest for the installation of equipment, the abatement shall be reduced prorata, and any remaining value of equipment shall be placed on the regular tax roll.

4.4 Job Creation and Retention. In the event the promised number of jobs have not been created or retained at the end of the two (2) years after the grant of the certificate by the State Tax Commission, the abatement shall be proportionately reduced.

4.5 Affirmative Action Goals. In the event, after one (1) year from the grant of the certificate by the State Tax Commission, the affirmative action goals of the City for additional jobs have not been met on a prorata basis, the abatement shall be revoked.

4.6 For other violations of this Agreement or for actions or omissions by the Company amounting to grounds for revocation by statute, the City shall recommend to the State Tax Commission immediate revocation of the certificate.

4.7 Special Assessment. For any amount due to be paid to the City, under this Section 4, 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 and in such case the collection of the said special assessment shall be accomplished by addition by the City to the Company's property tax statement regularly rendered.

5. 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.

6. 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. Benefit. 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 Tax Commission grants the company at Industrial Facilities Exemption Certificate.

CITY OF MUSKEGON

By _____
Stephen J. Gawron, Mayor

Date _____

and _____
Ann Cummings, Clerk

Date _____

By _____

Its _____

Date _____



West Michigan's Shoreline City

City of Muskegon Industrial Facilities Exemption Application Summary Sheet

Employment Information:

Racial Characteristics:

White	125
Minority	11
Total	136

Gender Characteristics:

Male	127
Female	9
Total	136

Total No. of Anticipated New Jobs: 35

Investment Information:

Real Property:	\$375,000
Personal Property	\$4,625,000
Total:	\$5,000,000

Property Tax Information: (Annual)

	<u>All Jurisdictions</u>	<u>City Only</u>
Total New Taxes Generated	\$ 87,414	\$ 27,682
Value of Abatement	\$ 43,707	\$ 13,841
Total New Taxes Collected	\$ 43,707	\$ 13,841

Income Tax Information: (Annual)

Total Additional Income Tax Generated: \$ 6,115

Company Requirements:

Adopted Affirmative Action Policy	☒ Yes	☐ No
Meeting w/ City Affirmative Action Director	☒ Yes	☐ No
Signed Tax Abatement Contract	☒ Yes	☐ No
Taxes Paid In Full	☒ Yes	☐ No
Zoning Conflicts	☐ Yes	☒ No


Mike Franzak
Planner III


Dwana Thompson
Affirmative Action Director

Date: August 26, 2014
To: Honorable Mayor and City Commissioners
From: City Clerk's Office
RE: Extend the Moratorium for Marihuana Licensing

SUMMARY OF REQUEST: On June 24, 2014 the City Commission extended the current moratorium 60 days. Due to pending legislation that recently passed in the House and Senate, staff is asking to extend the moratorium by an additional 90 days.

If the proposed bills are signed, it will create significant changes to our proposed ordinance.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To extend the moratorium an additional 90 days.