CITY OF MUSKEGON

CITY COMMISSION MEETING

February 25, 2025 @ 5:30 PM

MUSKEGON CITY COMMISSION CHAMBERS
933 TERRACE STREET, MUSKEGON, MI 49440

AGENDA

- ☐ **CALL TO ORDER:**
- ☐ **PRAYER:**
- ☐ **PLEDGE OF ALLEGIANCE:**
- ☐ **ROLL CALL:**
- ☐ **HONORS, AWARDS, AND PRESENTATIONS:**
- ☐ **PUBLIC HEARINGS:**

  A. Public Hearing-Brownfield Plan Amendment, Muskegon-Central Park, LLC (Krimson Exploratory Fund, LLC) 1700 Oak Ave. Economic Development

- ☐ **FEDERAL/STATE/COUNTY OFFICIALS UPDATE:**
- ☐ **PUBLIC COMMENT ON AGENDA ITEMS:**
- ☐ **CONSENT AGENDA:**

  A. Approval of Minutes City Clerk

  B. City of Muskegon 4th of July Fireworks Agreement DPW- Parks

  C. City of Muskegon Park Rules DPW- Parks

  D. Use Agreement - Muskegon YMCA DPW- Parks

  E. Sale of 1325 Terrace Planning

  F. Amendment to the zoning ordinance - Cottage Court Developments Planning

  G. Amendment to the zoning ordinance - Accessory Commercial Units Planning

  H. Muskegon Police Department Renovations Public Safety-Police

I. **880 First St. Demolition- Asbestos Abatement Proposal** Economic Development

☐ **UNFINISHED BUSINESS:**

☐ **NEW BUSINESS:**

☐ **ANY OTHER BUSINESS:**

☐ **GENERAL PUBLIC COMMENT:**

► 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. ►Limit of 3 minutes to address the Commission.

☐ **CLOSED SESSION:**

A. **Discuss two different attorney client confidential communications** Manager's Office

☐ **ADJOURNMENT:**

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

To give comment on a live-streamed meeting the city will provide a call-in telephone number to the public to be able to call and give comment. For a public meeting that is not live-streamed, and which a citizen would like to watch and give comment, they must contact the City Clerk's Office with at least a two-business day notice. The participant will then receive a zoom link which will allow them to watch live and give comment. Contact information is below. For more details, please visit: www.shorelinecity.com
The City of Muskegon will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities who want to attend the meeting with twenty-four (24) hours' notice to the City of Muskegon. Individuals with disabilities requiring auxiliary aids or services should contact the City of Muskegon by writing or by calling the following:

Ann Marie Meisch, MMC. City Clerk. 933 Terrace St. Muskegon, MI 49440. (231)724-6705. clerk@shorelinecity.com

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: February 25, 2025	**Title:** Public Hearing-Brownfield Plan Amendment, Muskegon-Central Park, LLC (Krimson Exploratory Fund, LLC) 1700 Oak Ave.
Submitted by: Contessa Alexander, Development Analyst	**Department:** Economic Development

Brief Summary:
Muskegon-Central Park, LLC (Krimson Exploratory Fund, LLC) is requesting the approval of their brownfield plan amendment for the site located at 1700 Oak Ave.

Detailed Summary & Background:
The Brownfield Plan Amendment will help facilitate the redevelopment of the former Muskegon General Hospital site, located at 1700 Oak Avenue. This amendment will enable the use of Tax Increment Financing (TIF) to reimburse Muskegon-Central Park, LLC (Krimson Exploratory Fund, LLC) for eligible environmental and site redevelopment activities, supporting the creation of new affordable housing units.

The former Muskegon General Hospital has remained vacant and blighted, posing environmental and safety concerns for the surrounding neighborhood. The proposed redevelopment project by Muskegon-Central Park, LLC (Krimson Exploratory Fund, LLC) aims to demolish the obsolete hospital structure and construct six new, three-story multifamily residential buildings. These buildings will provide 144 new rental housing units, designed as affordable workforce housing for individuals and families earning between 69-77% of Muskegon County's Area Median Income (AMI). The total project investment is estimated at $21,532,385.

Eligible Activities: The plan covers a wide range of eligible activities necessary for site redevelopment, including:

- Demolition of the former hospital building- $1,417,375
- Asbestos abatement and removal of other hazardous materials- $621,000
- Site preparation activities, such as grading, clearing, and utility work- $934,835
- Public infrastructure improvements, including road, sidewalk, and utility upgrades to support the new development- $2,273,090
- Gap financing assistance to close the housing affordability gap, ensuring the project's financial viability- $3,500,000
- Brownfield Plan/Work Preparation- $25,000
- Brownfield Plan/Work Plan Implementation- $30,000

Tax Increment Financing (TIF): The plan allows for the capture of new local and state tax increment revenues generated by the redevelopment to reimburse the developer for eligible costs. The total

cost of eligible activities is estimated at $8,801,300. Authority administrative costs are anticipated to be $674,440. The capture of TIR for the Local Brownfield Revolving Fund (LBRF) is estimated to be $1,924,857.

- Local Tax Capture: $4,373,700
- State Tax Capture: $4,427,600

The reimbursement period is anticipated to last until 2048, with collection of TIF revenues beginning in 2026.

Project Timeline:

- Demolition and Site Preparation: Early 2025
- Construction Start: Mid-2025
- Completion of Construction: Late 2026
- TIF Revenue Collection: Beginning in 2026
- Developer Reimbursement Period: 2026-2048

Affordable Housing Impact:

The project will provide 144 rental units, addressing approximately 25% of the city's projected rental housing needs for individuals and families earning 51%-80% AMI by 2027.

Community and Economic Benefits:

- Elimination of a longstanding blighted and hazardous structure, improving neighborhood safety.
- Creation of new jobs during both the construction and operational phases.
- Increase in property tax revenues to support public services.
- Revitalization of the Oak Avenue corridor, encouraging further private investment in the area.

The developer intends to apply for a PA 210 (Commercial Rehabilitation Exemption Certificate. If the developer is approved, the taxable value of the property will be frozen during the duration of the certificate (1-10 years).

The Brownfield Redevelopment Authority approved this Brownfield Plan Amendment on February 10th during their scheduled monthly meeting and recommended moving it forward for final approval by the City Commission.

Goal/Focus Area/Action Item Addressed:

Key Focus Areas:

Diverse housing types

Progress toward completion of ongoing economic development projects

Goal/Action Item:

2027 Goal 2: Economic Development Housing and Business

Amount Requested:

N/A

Budgeted Item:

Yes		No		N/A	X	

Fund(s) or Account(s):	**Budget Amendment Needed:**
N/A	Yes ☐ No ☐ N/A ☒

Recommended Motion:
I move to close the Public Hearing and approve the Brownfield Plan Amendment for the redevelopment project located at 1700 Oak Ave. and authorize the Mayor and City Clerk to sign the attached resolution.

Approvals:

Immediate Division Head	X	
Information Technology		
Other Division Heads		
Communication		
Legal Review		

Guest(s) Invited / Presenting:

No

Act 381 Brownfield Plan Amendment

Muskegon – Central Park, LLC
1700 Oak Avenue
Muskegon, Michigan 49442

City of Muskegon Brownfield Redevelopment Authority

Project No. 240603
January 16, 2025

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Engineers | Architects | Scientists | Constructors

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1515 Arboretum Drive, SE
Grand Rapids, Michigan 49546

616.575.3824 | fishbeck.com

Act 381 Brownfield Plan Amendment

Muskegon – Central Park, LLC
1700 Oak Avenue
Muskegon, Michigan 49442

Prepared For:
City of Muskegon Brownfield Redevelopment Authority
Muskegon, Michigan

January 16, 2025
Project No. 240603

Recommended for Approval by the Brownfield Redevelopment Authority on: _____
Adopted by the City Council on: _____

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Appendix 3: MSHDA Total Housing Subsidy (THS) Calculation
Appendix 4: Development/Reimbursement Agreement

1.0 Introduction

The City of Muskegon Brownfield Redevelopment Authority (Authority or MBRA) was established pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act 381 of 1996, as amended (Act 381). Act 381 enables the MBRA to help facilitate the redevelopment of brownfields by providing economic development incentives through tax increment financing (TIF).

This Brownfield Plan Amendment (Plan Amendment) permits the use of TIF to reimburse Krimson Exploratory Fund, LLC (Developer) for the cost of eligible activities required to redevelop a portion of the former Muskegon General Hospital site located at 1700 Oak Avenue, Muskegon, Michigan (Eligible Property, Site, or Property) – see Eligible Property Maps (Figures 1 & 2). Copies of Plan Amendment resolutions are provided in Appendix 1.

1.1 Proposed Redevelopment and Future Use for Each Eligible Property

The Developer intends to acquire and redevelop the Eligible Property for multi-family residential purposes, consistent with existing zoning for the Site. The Site includes the western 13.89 acres of the former Muskegon General Hospital campus, which was developed in the 1960s and remained operational until 2020.

Due to the functional obsolete condition of the hospital, the proposed redevelopment will require demolition of the former hospital to facilitate construction of six new, three story, multifamily buildings consisting of 144 total dwelling units for rent (the Project). Each building will include 24 units comprised of one to bedroom ranging from 663 to 1,307 square feet of finished living space and one to three bathrooms based on the unit square footage. The total capital investment for the Project is expected to be $21,532,385. The proposed site plan is included as Figure 3.

The Project focuses on providing affordable workforce housing for individuals and families earning approximately 69-77% of Muskegon County's Area Median Income (AMI). Upon Project completion, 144 new housing units will be available to offset more than 25% of the community housing need (prior to 2027) for renters within 51%-80% of the AMI, as defined in the 2023 Muskegon Housing Needs Assessment (MHNA) as the greatest housing demand for the City of Muskegon. With a unit mix of 40% one-bedroom, 40% two-bedroom, and 20% three-bedroom, the Project successfully aligns with the MHNA goal for rental housing projects.

In addition to providing sorely needed workforce housing in the City of Muskegon, the Project will remove a functionally obsolete structure and safety concern for the community. Project benefits also include significant local and state tax base growth and new full-time equivalent jobs.

1.2 Eligible Property Information

Parcel ID No: The western 13.89 acres of 61-24-122-300-0003-00
Address: 1700 Oak Avenue, Muskegon, Muskegon County, Michigan
Size: Approximately 13.89 acres

The legal description is found under Section 2.8.

Basis of Eligibility

The Property qualifies as "Eligible Property" under Act 381, on the basis of meeting the definition of a "Housing Property." Act 381 defines Housing Property, in part, as property on which one or more units of residential housing are proposed to be constructed. The Project will have six residential buildings with a total of 144 dwelling units for rent.

The Project is also located in the City of Muskegon, a community that has identified a specific housing need and has absorption data or job growth data included in the brownfield plan." Additionally, pursuant to Section 2(o)(ii) of Act 381, The Project meets these criteria based on the following:

- The MHNA (2023) identified low-income rental housing ($895-$1,430/month rent) as the greatest housing need for the City of Muskegon at 403 units by 2027. A significant factor contributing to this need, as identified in the MHNA (2023), is high poverty (greater than 22% in the Project area). People are spending more money on rent and cannot afford critical needs like food. Affordable housing options will improve poverty rates. The Project provides 144 new housing rental units within 69%-77% of AMI, most falling within the low-income rental category.
- According to the MHNA (2023), existing housing stock vacancy rates are low (7.6%) in the Project area - well below the statewide vacancy rate, 11.6%. In conjunction with the low vacancy rate, the MHNA (2023) noted that households are projected to increase more than double that of the state in the next five years, adding to the housing demand. New housing stock created by the Project will increase availability to support this growth.

Relevant housing data from the sources above is provided in Appendix 2. Michigan State Housing Development Authority's (MSHDA) Total Housing Subsidy Site-Specific Calculation demonstrating Project congruence with meeting specific housing need is provided in Appendix 3.

2.0 Information Required by Section 13(2) of the Statute

2.1 Description of Costs to be Paid for with Tax Increment Revenues

This Plan Amendment has been developed to reimburse eligible brownfield costs incurred by the Developer to support the transition from a former hospital to new affordable workforce housing that meets community needs. New local and state tax increment revenues (TIR) will be captured for reimbursement of eligible expenses based on actual available new TIR generated from the Project and subject to local Authority and Michigan State Housing Development Authority (MSHDA) approval, as appropriate. Base local and state taxes associated with the Property will continue to be levied and distributed to local and state taxing jurisdictions. No local debt or special assessment taxes will be captured to reimburse eligible activity costs. Eligible activities in this Plan support "for rent" housing units with households earning a projected 69-77% of AMI.

The total cost of eligible activities, including contingency is anticipated to be $8,801,300, described below and summarized in Table 1 (attached). Authority administrative costs are anticipated to be $674,440. The capture of TIR for the Local Brownfield Revolving Fund (LBRF) is estimated to be $1,924,857.

2.1.1 MSHDA Housing Development Activities

<u>Building Demolition</u>

Building Demolition costs are anticipated on the property. This includes building demolition/deconstruction ($820,000), backfill ($412,000), and a 15% contingency cost of $184,875. The total cost of these eligible activities is anticipated to be $1,417,375.

<u>Lead and Asbestos Abatement</u>

Lead and asbestos abatement activities are anticipated on the property. This includes abatement including disposal and air monitoring ($540,000) and a 15% contingency cost of $81,000. The total cost of these eligible activities is anticipated to be $621,000.

Site Preparation

Site preparation activities is anticipated on the Property. This includes cut and fill operations ($80,000), geotechnical engineering ($30,000), grading ($14,000), land balancing ($35,000), relocation of active utilities ($72,000), solid waste disposal ($82,500), staking ($28,000), temporary construction access and/or roads ($5,000), temporary erosion control ($15,000), temporary facility ($50,000), temporary sheeting/shoring ($125,000), temporary site control ($29,000), temporary traffic control ($6,000), soft costs related to site preparation ($241,400) and a 15% contingency cost of $121,935. The total cost of these activities is anticipated to be $934,835.

Infrastructure Improvements

Infrastructure improvements activities are anticipated on the Property This includes streets & roads ($543,000), sidewalks ($77,000), lighting ($85,000), sanitary sewer mains ($150,000), water mains ($340,000), curb and gutter ($6,600), sanitary sewer mains ($150,000), landscaping ($110,000), urban storm water management systems ($200,000), soft costs ($315,000), and a 15% contingency cost ($296,490). The total cost of these activities is anticipated to be $2,273,090.

Development of a Housing Financing Gap

A development of a housing financing gap cost is anticipated on the property. The total cost if this activity is anticipated to be $3,500,000.

Brownfield Plan/Work Plan Preparation

Preparation of the Brownfield Plan and Work Plan is estimated to cost $25,000.

Brownfield Plan/Work Plan Implementation

Implementation of the Brownfield Plan is estimated to cost $30,000.

2.1.2 Authority Administration Fee

This Plan Amendment includes a 10% administration fee for the MBRA, which will be captured from new local TIR generated as a result of the Project. The estimated administration fee capture amount during the duration of the Plan is $674,440.

2.1.3 Local Brownfield Revolving Fund

The Authority can capture new tax revenue from the Project for deposit in the LBRF, up to five years after Developer reimbursement occurs or not more than the eligible activities, whichever occurs first and as allowed by the statute. It is estimated that $1,924,857 will be captured for deposit in the LBRF.

2.2 Summary of Eligible Activities

Eligible Activities to Support Housing Property

- Lead and asbestos abatement activities include abatement, disposal, and air monitoring.
- Demolition of functionally obsolete hospital to support new housing.
- Site preparation activities include cut and fill operations, geotechnical engineering, grading, land balancing, relocation of active utilities, solid waste disposal, staking, temporary construction access and/or roads, temporary erosion control, temporary facility, temporary sheeting/shoring, temporary site control, temporary traffic control, soft costs, and a 15% contingency.

- Infrastructure Improvements include streets/roads, sidewalks, lighting, sanitary sewer mains, water mains, curb and gutter, sanitary sewer mains, landscaping, urban storm water management systems, soft costs, and a 15% contingency.
- Development of Housing Financing Gap.
- Brownfield Plan/Work Plan preparation and implementation.

Authority Expenses

A 10% administration fee to cover eligible administrative costs incurred by the MBRA that are related to the Project are included in this Plan Amendment. These expenses will be reimbursed with local TIR only.

Contingency

A 15% contingency is included to cover unexpected cost overruns related to future eligible activities completed. The contingency is limited to infrastructure and site preparation activities.

2.3 Estimate of Captured Taxable Value and Tax Increment Revenues

The initial taxable value will be the 2025 anticipated taxable value of $945,146. An estimate of the captured taxable value for this redevelopment by year is depicted in Table 2. This Plan Amendment captures real property tax increment revenues and assumes a 2% annual increase in taxable value of the Eligible Property.

Project activities will commence in 2025. Completion of construction is anticipated in 2026. Tax increment revenue collection is anticipated to begin in 2026.

After the completion of the Project, the projected taxable is estimated to be $9,633,629. Reimbursements will be made based on actual tax increment revenues. The estimated captured taxable value for this redevelopment by year and in aggregate for each taxing jurisdiction is depicted in tabular form (Table 2). Once eligible expenses are reimbursed, the Authority may capture up to five full years of the tax increment and deposit the revenues into an LBRF provided the amount does not exceed the total cost of eligible activities. A summary of the estimated reimbursement schedule and the amount of capture into the LBRF by year and in aggregate is presented in Table 3.

2.4 Method of Financing and Description of Advances Made by the Municipality

The eligible activities contemplated under this Plan Amendment will be financed by the Developer. Reimbursement of approved Developer eligible costs will conform to a Development and Reimbursement Agreement between the Developer and MBRA, included in Appendix 4. TIF utilizing new local and state tax increment revenue from the Project will be the source of the reimbursement, as outlined in this Plan Amendment. No interest expenses will be reimbursed.

2.5 Maximum Amount of Note or Bonded Indebtedness

At this time, there are no plans by the Authority to incur indebtedness to support the development of this Site, but such plans could be made in the future to assist in the development if the Authority so chooses.

2.6 Duration of Brownfield Plan

The Authority intends to begin the capture of tax increment revenue in 2026. It is anticipated that Developer reimbursement will be completed in 2048. Following Developer reimbursement, the MBRA may capture tax increment revenue for five years, or an amount equivalent to reimbursed Developer costs (whichever occurs sooner), for deposit into the LBRF. An analysis showing the reimbursement schedule is attached in Table 3.

2.7 Estimated Impact of Tax Increment Financing on Revenues of Taxing Jurisdictions

An estimate of the impact of tax increment financing on the revenues of all taxing jurisdictions is illustrated in detail in Table 2.

2.8 Legal Description, Property Map, Statement of Qualifying Characteristics, and Personal Property

The Eligible Property is in the City of Muskegon, Muskegon County, Michigan, and consists of 13.89 acres of a 25-acre parent parcel. The parent parcel ID number is 61-24-122-300-0003-00. A Site layout map is attached as Figure 2. The legal description of the Eligible Property is as follows:

Eligible Property - The Western 13.89 acres of PARCEL ID 61-24-122-300-0003-00

Part of the North 1/2 of the Southwest 1/4 of Section 22, Town 10 North, Range 16 West, City of Muskegon, Muskegon County, Michigan, described as: Beginning at a point on the West line of said Section 22 that is 750.77 feet South 00 degrees 10 minutes 00 seconds East of the West 1/4 corner of Section 22; thence North 88 degrees 59 minutes 00 seconds East 476.68 feet; thence North 02 degrees 06 minutes 10 seconds West 295.47 feet; thence North 89 degrees 50 minutes 00 seconds East 1.35 feet; thence South 65 degrees 27 minutes 17 seconds East 121.09 feet; thence North 88 degrees 44 minutes 43 seconds East 98.19 feet; thence South 01 degrees 44 minutes 05 seconds East 97.05 feet; thence North 89 degrees 08 minutes 54 seconds East 226.07 feet; thence South 01 degrees 01 minutes 00 seconds East 715.27 feet along a line which is 66.0 feet West of the west boundary of Osteopathic Medical Plats No.1 & No.2; thence South 89 degrees 01 minutes 03 seconds West 915.58 feet along the south line of the North 1/2 of said SW 1/4 to the West line of said Section 22; thence North 00 degrees 10 minutes 00 seconds West 568.92 feet along said west line to the Point of Beginning.
Parcel contains 604,850 square feet.

The Property qualifies as Eligible Property under Act 381 on the basis of meeting the definition of a "Housing Property."

2.9 Estimates of Residents and Displacement of Individuals/Families

There are no residents or families residing at this Property, thus no residents, families, or individuals will be displaced by the Project.

2.10 Plan for Relocation of Displaced Persons

No persons reside on the Eligible Property. Therefore, this section is not applicable.

2.11 Provisions for Relocation Costs

No persons reside on the Eligible Property. Therefore, this section is not applicable.

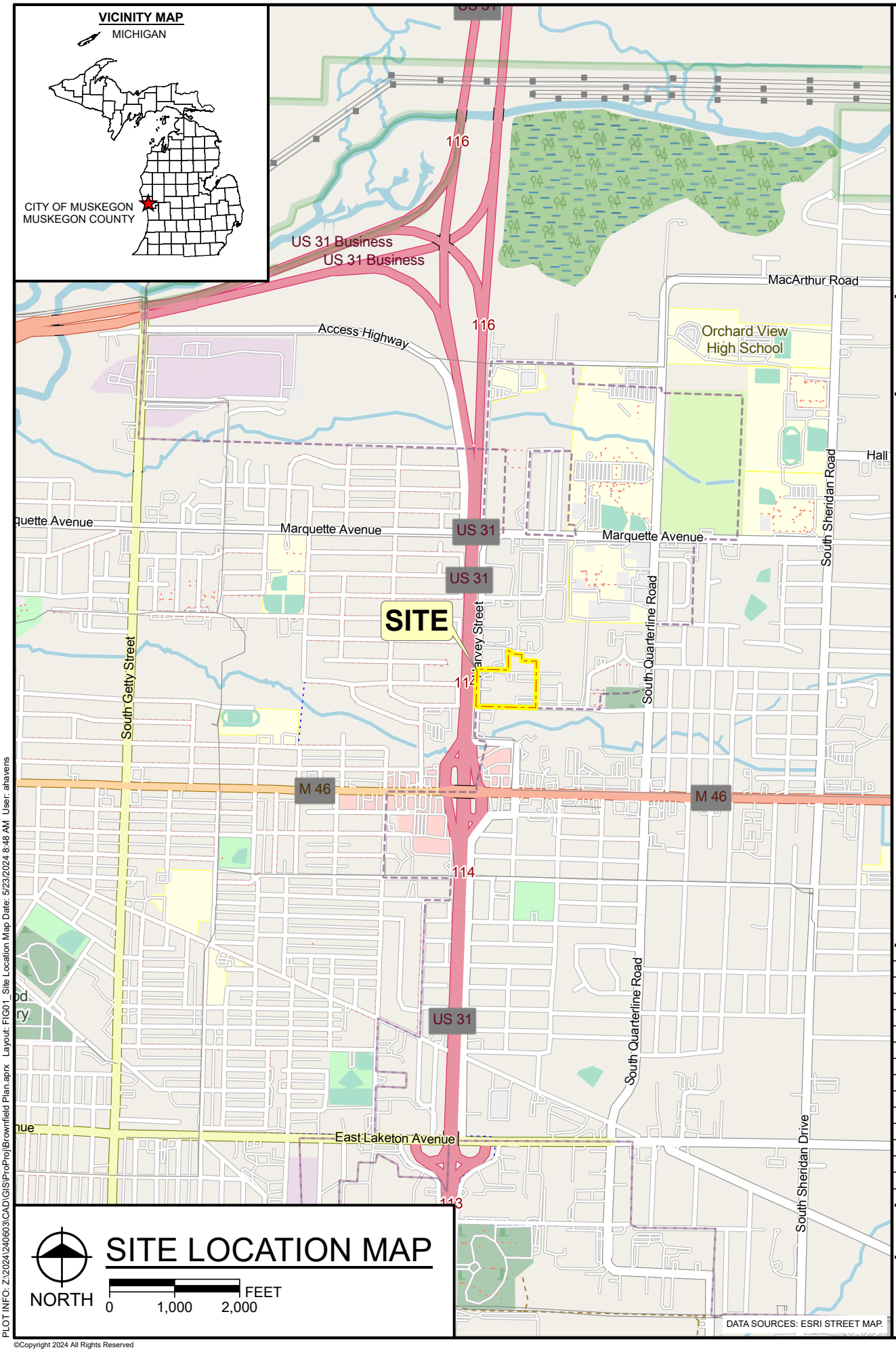
2.12 Strategy for Compliance with Michigan's Relocation Assistance Law

No persons reside on the Eligible Property. Therefore, this section is not applicable.

2.13 Other Material that the Authority or Governing Body Considers Pertinent

In addition to providing much needed workforce housing to the community, redevelopment of the Site will eliminate vandalism and attractive nuisance concerns related to the vacant hospital, lessening public safety burdens. Site redevelopment will also serve as a potential catalyst for future development of the remaining former hospital campus to the east, providing new tax base to the community.

Figures



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Hard copy is intended to be 8.5"x11" when plotted. Scale(s) indicated and graphic quality may not be accurate for any other size.

Krimson Development
1700 Oak Avenue, Muskegon, Michigan

Brownfield Plan

PROJECT NO.
240603

FIGURE NO.
1

PLOT INFO: Z:\2024\240603\CAD\GIS\ProProj\Brownfield Plan.aprx Layout: FIG01_Site Location Map Date: 5/23/2024 8:48 AM User: ahavens

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ELIGIBLE PROPERTY MAP

DATA SOURCES: ESRI HYRBID REFERENCE LAYER & MiSAIL IMAGERY.

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Hard copy is intended to be 8.5"x11" when plotted. Scale(s) indicated and graphic quality may not be accurate for any other size.

Krimson Development
1700 Oak Avenue, Muskegon, Michigan

Brownfield Plan

PROJECT NO.
240603

FIGURE NO.
2

PLOT INFO: Z:\2024\240603\CAD\GIS\ProProj\Brownfield Plan.aprx Layout: FIG02_Eligible Property Map Date: 5/23/2024 8:48 AM User: ahavens

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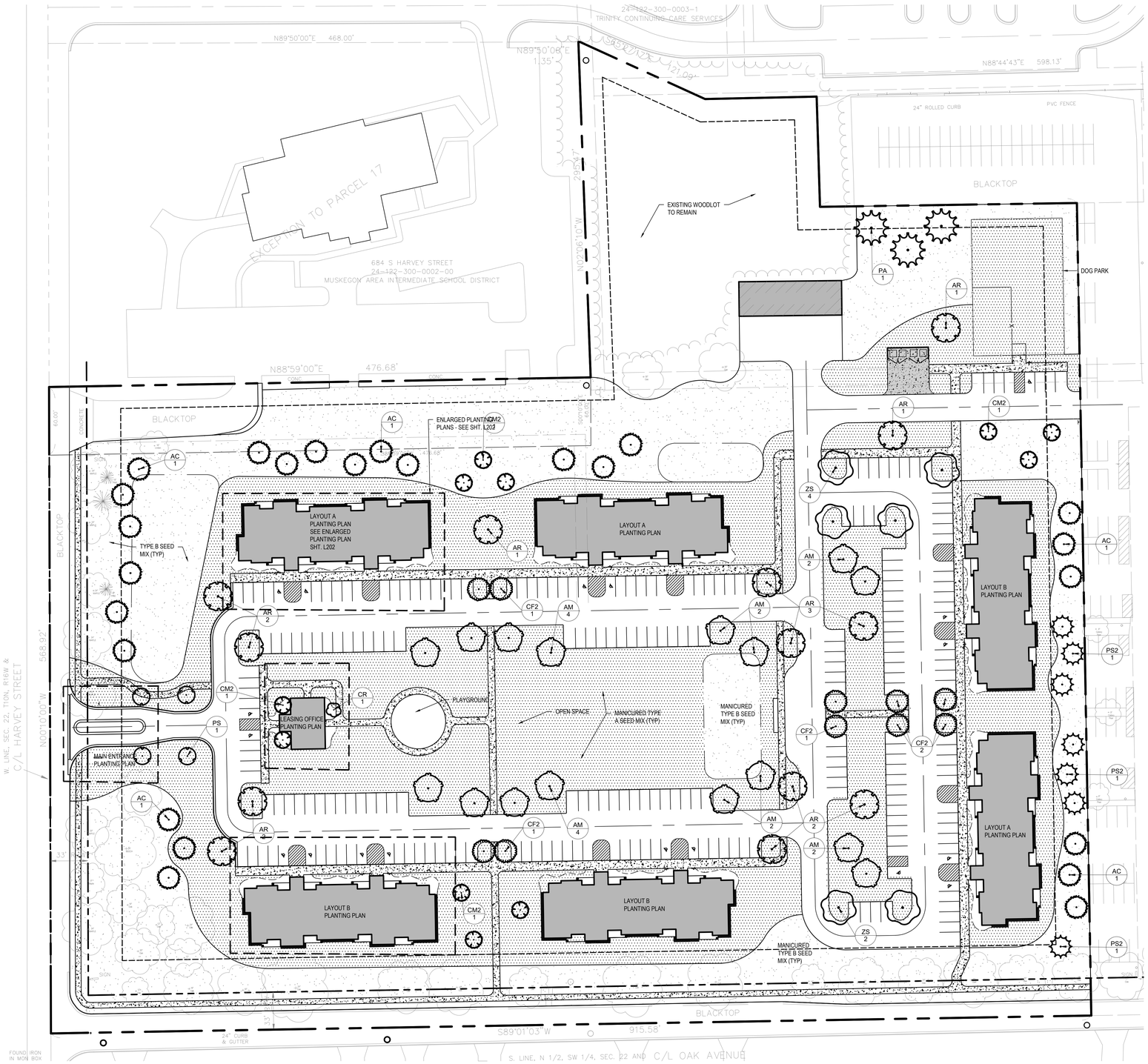
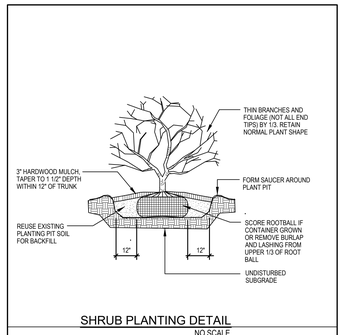
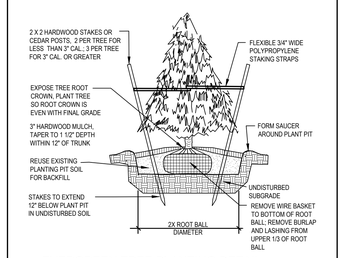


OVERALL LANDSCAPE PLAN

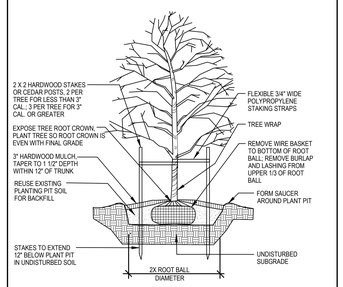
NORTH 1"= 40' 0 40'



SHRUB PLANTING DETAIL
NO SCALE



EVERGREEN TREE PLANTING DETAIL
NO SCALE



DECIDUOUS TREE PLANTING DETAIL
NO SCALE

PLANT SCHEDULE PLANT LIST				
CODE	BOTANICAL / COMMON NAME	CONT	CAL	SIZE
TREES				
AC	Abies concolor / White Fir	B&B	2 1/2" CAL.	6` HT.
AR	Acer rubrum / Red Maple	B&B	2 1/2" CAL.	
AM	Acer saccharum 'PNI 0285' / Green Mountain® Sugar Maple	B&B	2 1/2" CAL.	
CF2	Carpinus betulus 'Fastigiata' / Upright European Hornbeam	B & B	2 1/2" CAL.	12` HT.
CM2	Cornus kousa 'Milky Way' / Milky Way Kousa Dogwood	B&B	2 1/2" CAL.	
CR	Cornus kousa 'Ruby Slippers' / Ruby Slippers Kousa Dogwood	B&B	2 1/2" CAL.	
PA	Picea abies / Norway Spruce	B&B	2 1/2" CAL.	6` HT.
PS2	Pinus strobus / White Pine	B&B	2 1/2" CAL.	6` HT.
PS	Prunus serrulata 'Kwanzan' / Flowering Cherry	B&B	2 1/2" CAL.	8-10` HT.
ZS	Zelkova serrata / Japanese Zelkova	B&B	2 1/2" CAL.	

FIGURE 3
SITE PLAN

CALL 811 NOTE:
CONTRACTOR TO CONTACT 811 SERVICE AT LEAST 3 WORKING DAYS PRIOR TO CONSTRUCTION, TO CONFIRM LOCATION OF EXISTING UTILITIES. DIAL 811.
www.CALL811.com

LANDSCAPE LEGEND

- SEEDING LIMITS
- PLANTING BED EDGE (ALUM.-SEE SPECS.)
- PERENNIALS/ GROUND COVERS
- EVERGREEN SHRUB
- DECIDUOUS SHRUB
- ORNAMENTAL GRASS
- EVERGREEN TREE
- CANOPY/ORNAMENTAL TREE
- TYPE A SEED MIX
- TYPE B SEED MIX

SEED MIXTURE (TYPE A)

EGS GREEN GROUNDS SEED MIX

19.96% KELLY KENTUCKY BLUEGRASS
19.94% BARON KENTUCKY BLUEGRASS
19.91% SOX FAN PERENNIAL RYEGRASS
19.82% EXACTA II GLSR PERENNIAL RYEGRASS
19.73% JUMPSTART KENTUCKY BLUEGRASS

BY ECO GREEN SUPPLY, SEED AT RATE OF 5-7 LBS, PER 1,000 SQ. FT.

SEED MIXTURE (TYPE B)

EGS SHADY SEED MIX

47.79% ORACLE CREEPING RED FESCUE
19.78% SHANNON KENTUCKY BLUEGRASS
10.96% SWORD HARD FESCUE
9.79% GALLOP PERENNIAL RYEGRASS
9.76% FAIRMONT CHEWINGS FESCUE

BY ECO GREEN SUPPLY, SEED AT RATE OF 5-6 LBS, PER 1,000 SQ. FT.

GENERAL LANDSCAPE NOTES

1. CONTRACTOR RESPONSIBLE FOR UNDERSTANDING PROJECT CONDITIONS AND VERIFYING PLANT QUANTITIES. NOTIFY LANDSCAPE ARCHITECT OF ANY PLAN DISCREPANCIES.
2. PLANT LOCATIONS TO BE STAKED IN THE FIELD FOR REVIEW AND APPROVAL BY LANDSCAPE ARCHITECT AND OWNER.CONTRACTOR WILL BE RESPONSIBLE FOR VERIFYING ALL EXISTING UNDERGROUND UTILITIES. CONTACT THE APPROPRIATE UTILITY COMPANY FOR FIELD STAKING ALL LINES.
3. ALL AREAS DISTURBED BY CONSTRUCTION TO BE TOPSOILED AND SEEDED UNLESS SHOWN OTHERWISE ON PLANS
4. CONTRACTOR TO CONTACT MISS DIG AT PHONE NUMBER 811 AT LEAST 3 WORKING DAYS PRIOR TO CONSTRUCTION, TO CONFIRM LOCATION OF EXISTING UTILITIES.
5. CONTRACTOR TO COORDINATE PLANTING SCHEDULE WITH IRRIGATION CONTRACTOR.
6. NOTIFY LANDSCAPE ARCHITECT IF AREAS OF POOR DRAINAGE OR OTHER UNUSUAL SUB-GRADE CONDITIONS ARE ENCOUNTERED DURING EXCAVATION FOR PLANTING PITS.
7. SHRUB PLANTING BEDS AND TREE SAUCERS TO RECEIVE 3" SHREDDED HARDWOOD MULCH. PERENNIAL BEDS TO RECEIVE 2" DEPTH MULCH AND GROUND COVER AREAS TO RECEIVE 1" DEPTH MULCH.
8. PLANTING MIXTURE FOR PERENNIALS SHALL BE SIX INCH DEPTH OF FOUR PARTS BY VOLUME OF TOPSOIL TO ONE PART OF SPHAGNUM PEAT MOSS.
9. CONTRACTOR SHALL PROVIDE SPECIFIED SHRUBS, GROUND COVERS AND OTHER PLANT MATERIALS THAT COMPLY WITH ALL RECOMMENDATIONS AND REQUIREMENTS OF ANSI Z60.1 "AMERICAN STANDARD FOR NURSERY STOCK". PLANT MATERIAL SHALL BE HEALTHY, VIGOROUS STOCK, GROWN WITH GOOD HORTICULTURAL PRACTICE AND INSTALLED IN ACCORDANCE WITH METHODS ESTABLISHED BY THE AMERICAN ASSOCIATION OF NURSERYMEN.
10. NOTIFY LANDSCAPE ARCHITECT AND OWNER (3 DAYS MIN. NOTICE) TO INSPECT AND TAG PLANT MATERIAL IN THE NURSERY PRIOR TO JOBSITE DELIVERY AND INSTALLATION.

progressive ae

PROGRESSIVE AE, INC.
1811 Michael Blvd., Suite 100 | Grand Rapids, MI 49525 | 616.361.2664
330 South Tryon St. Suite 500 | Charlotte, NC 28202 | 704.731.6080 www.progressiveae.com

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KRIMSON
MUSKEGON HOSPITAL
DEVELOPMENT

COA ARCHITECT COA ENGINEER

NOT FOR CONSTRUCTION

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ISSUANCE

PROJECT NUMBER
89550010
PROJECT MANAGER
P.LAZDINS
PROFESSIONAL
P.LAZDINS
DRAWN BY
A.CARTEN-CRANDELL
CHECKED BY

OVERALL
LANDSCAPE PLAN
L201

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10/16/2024 11:00:28 AM Jackson Cadmore
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Tables

Table 1 – Summary of Eligible Costs
Act 381 Brownfield Plan
Muskegon - Central Park, LLC
1700 Oak Dr
Muskegon, Michigan
January 2025

MSHDA Eligible Activities	Cost
Building Demolition	**$ 1,417,375**
Building Demolition/Deconstruction	$ 820,000
Backfill	$ 412,500
Contingency (15%)	$ 184,875
Lead and Asbestos Abatement	**$ 621,000**
Abatement Including Disposal and Air Monitoring	$ 540,000
Contingency (15%)	$ 81,000
Site Preparation	**$ 934,835**
Cut and Fill Operations	$ 80,000
Geotechnical Engineering	$ 30,000
Grading	$ 14,000
Land Balancing	$ 35,000
Relocation of Active Utilities	$ 72,000
Solid Waste Disposal	$ 82,500
Staking	$ 28,000
Temporary Construction Access and/or Roads	$ 5,000
Temporary Erosion Control	$ 15,000
Temporary Facility	$ 50,000
Temporary Sheeting/Shoring	$ 125,000
Temporary Site Control	$ 29,000
Temporary Traffic Control	$ 6,000
Soft Costs Related to Site Preparation	$ 241,400
Contingency (15%)	$ 121,935
Infrastructure Improvements	**$ 2,273,090**
Streets, roads	$ 543,000
Sidewalks	$ 77,000
Lighting	$ 85,000
Sanitary Sewer Mains	$ 150,000
Water mains	$ 340,000
Curb and Gutter	$ 6,600
Sanitary sewer mains	$ 150,000
Landscaping	$ 110,000
Urban Storm Water Management Systems (Traditional)	$ 200,000
Soft Costs Related to Infrastructure	$ 315,000
Contingency (15%)	$ 296,490
Development of Housing Financing Gap	**$ 3,500,000**
Development of Housing Financing Gap	$ 3,500,000
MSHDA Eligible Activities Subtotal	**$ 8,746,300**
Brownfield Plan/Work Plan Preparation	**$ 25,000**
Brownfield Plan/Work Plan Implementation	**$ 30,000**
MSHDA Eligible Activities Total Costs	**$ 8,801,300**

Table 2: Tax Increment Revenue Capture Estimates
Muskegon - Central Park, LLC
1700 Oak Dr
Muskegon, Michigan
January 2025

Estimated Taxable Value (TV) Increase Rate: 2%

		Plan Year	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	TOTAL
		Calendar Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	
		*Base Taxable Value	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	$ 945,146	
		Estimated New TV	$ 945,146	$ 5,333,629	$ 9,633,629	$ 9,826,302	$ 10,022,828	$ 10,223,284	$ 10,427,750	$ 10,636,305	$ 10,849,031	$ 11,066,012	$ 11,287,332	$ 11,513,078	$ 11,743,340	$ 11,978,207	$ 12,217,771	$ 12,462,126	$ 12,711,369	$ 12,965,596	$ 13,224,908	$ 13,489,406	$ 13,759,194	$ 14,034,378	$ 14,315,066	$ 14,601,367	$ 14,893,395	$ 15,191,262	$ 15,495,088	$ 15,804,989	$ 16,121,089	
		Incremental Difference (New TV - Base TV)	**$ -**	**$ 4,388,483**	**$ 8,688,483**	**$ 8,881,156**	**$ 9,077,682**	**$ 9,278,138**	**$ 9,482,604**	**$ 9,691,159**	**$ 9,903,885**	**$ 10,120,866**	**$ 10,342,186**	**$ 10,567,932**	**$ 10,798,194**	**$ 11,033,061**	**$ 11,272,625**	**$ 11,516,980**	**$ 11,766,223**	**$ 12,020,450**	**$ 12,279,762**	**$ 12,544,260**	**$ 12,814,048**	**$ 13,089,232**	**$ 13,369,920**	**$ 13,656,221**	**$ 13,948,249**	**$ 14,246,116**	**$ 14,549,942**	**$ 14,859,843**	**$ 15,175,943**	
School Capture	Millage Rate																															
State Education Tax (SET)	6.0000		$ -	$ 26,331	$ 52,131	$ 53,287	$ 54,466	$ 55,669	$ 56,896	$ 58,147	$ 59,423	$ 60,725	$ 62,053	$ 63,408	$ 64,789	$ 66,198	$ 67,636	$ 69,102	$ 70,597	$ 72,123	$ 73,679	$ 75,266	$ 76,884	$ 78,535	$ 80,220	$ 81,937	$ 83,689	$ 85,477	$ 87,300	$ 89,159	$ 91,056	$ 1,916,182
School Operating Tax	18.0000		$ -	$ 78,993	$ 156,393	$ 159,861	$ 163,398	$ 167,006	$ 170,687	$ 174,441	$ 178,270	$ 182,176	$ 186,159	$ 190,223	$ 194,367	$ 198,595	$ 202,907	$ 207,306	$ 211,792	$ 216,368	$ 221,036	$ 225,797	$ 230,653	$ 235,606	$ 240,659	$ 245,812	$ 251,068	$ 256,430	$ 261,899	$ 267,477	$ 273,167	$ 5,748,546
School Total	**24.0000**		**$ -**	**$ 105,324**	**$ 208,524**	**$ 213,148**	**$ 217,864**	**$ 222,675**	**$ 227,582**	**$ 232,588**	**$ 237,693**	**$ 242,901**	**$ 248,212**	**$ 253,630**	**$ 259,157**	**$ 264,793**	**$ 270,543**	**$ 276,408**	**$ 282,389**	**$ 288,491**	**$ 294,714**	**$ 301,062**	**$ 307,537**	**$ 314,142**	**$ 320,878**	**$ 327,749**	**$ 334,758**	**$ 341,907**	**$ 349,199**	**$ 356,636**	**$ 364,223**	**$ 7,664,727**
Local Capture	Millage Rate																															
County Museum	0.3143		$ -	$ 1,379	$ 2,731	$ 2,791	$ 2,853	$ 2,916	$ 2,980	$ 3,046	$ 3,113	$ 3,181	$ 3,251	$ 3,322	$ 3,394	$ 3,468	$ 3,543	$ 3,620	$ 3,698	$ 3,778	$ 3,860	$ 3,943	$ 4,027	$ 4,114	$ 4,202	$ 4,292	$ 4,384	$ 4,478	$ 4,573	$ 4,670	$ 4,770	$ 100,376
County Veterans	0.0732		$ -	$ 321	$ 636	$ 650	$ 664	$ 679	$ 694	$ 709	$ 725	$ 741	$ 757	$ 774	$ 790	$ 808	$ 825	$ 843	$ 861	$ 880	$ 899	$ 918	$ 938	$ 958	$ 979	$ 1,000	$ 1,021	$ 1,043	$ 1,065	$ 1,088	$ 1,111	$ 23,377
Senior CIT SVC	0.4880		$ -	$ 2,142	$ 4,240	$ 4,334	$ 4,430	$ 4,528	$ 4,628	$ 4,729	$ 4,833	$ 4,939	$ 5,047	$ 5,157	$ 5,270	$ 5,384	$ 5,501	$ 5,620	$ 5,742	$ 5,866	$ 5,993	$ 6,122	$ 6,253	$ 6,388	$ 6,525	$ 6,664	$ 6,807	$ 6,952	$ 7,100	$ 7,252	$ 7,406	$ 155,849
Central Dispatch	0.2927		$ -	$ 1,285	$ 2,543	$ 2,600	$ 2,657	$ 2,716	$ 2,776	$ 2,837	$ 2,899	$ 2,962	$ 3,027	$ 3,093	$ 3,161	$ 3,229	$ 3,299	$ 3,371	$ 3,444	$ 3,518	$ 3,594	$ 3,672	$ 3,751	$ 3,831	$ 3,913	$ 3,997	$ 4,083	$ 4,170	$ 4,259	$ 4,349	$ 4,442	$ 93,478
Comm College	2.1515		$ -	$ 9,442	$ 18,693	$ 19,108	$ 19,531	$ 19,962	$ 20,402	$ 20,851	$ 21,308	$ 21,775	$ 22,251	$ 22,737	$ 23,232	$ 23,738	$ 24,253	$ 24,779	$ 25,315	$ 25,862	$ 26,420	$ 26,989	$ 27,569	$ 28,161	$ 28,765	$ 29,381	$ 30,010	$ 30,651	$ 31,304	$ 31,971	$ 32,651	$ 687,111
M.A.I.S.D.	4.6382		$ -	$ 20,355	$ 40,299	$ 41,193	$ 42,104	$ 43,034	$ 43,982	$ 44,950	$ 45,936	$ 46,943	$ 47,969	$ 49,016	$ 50,084	$ 51,174	$ 52,285	$ 53,418	$ 54,574	$ 55,753	$ 56,956	$ 58,183	$ 59,434	$ 60,710	$ 62,012	$ 63,340	$ 64,695	$ 66,076	$ 67,486	$ 68,923	$ 70,389	$ 1,481,272
City Operating	9.6732		$ -	$ 42,451	$ 84,045	$ 85,909	$ 87,810	$ 89,749	$ 91,727	$ 93,745	$ 95,802	$ 97,901	$ 100,042	$ 102,226	$ 104,453	$ 106,725	$ 109,042	$ 111,406	$ 113,817	$ 116,276	$ 118,785	$ 121,343	$ 123,953	$ 126,615	$ 129,330	$ 132,099	$ 134,924	$ 137,806	$ 140,744	$ 143,742	$ 146,800	$ 3,089,268
City Sanitation	2.8838		$ -	$ 12,656	$ 25,056	$ 25,611	$ 26,178	$ 26,756	$ 27,346	$ 27,947	$ 28,561	$ 29,187	$ 29,825	$ 30,476	$ 31,140	$ 31,817	$ 32,508	$ 33,213	$ 33,931	$ 34,665	$ 35,412	$ 36,175	$ 36,953	$ 37,747	$ 38,556	$ 39,382	$ 40,224	$ 41,083	$ 41,959	$ 42,853	$ 43,764	$ 920,981
Hackley Library	2.3097		$ -	$ 10,136	$ 20,068	$ 20,513	$ 20,967	$ 21,430	$ 21,902	$ 22,384	$ 22,875	$ 23,376	$ 23,887	$ 24,409	$ 24,941	$ 25,483	$ 26,036	$ 26,601	$ 27,176	$ 27,764	$ 28,363	$ 28,973	$ 29,597	$ 30,232	$ 30,881	$ 31,542	$ 32,216	$ 32,904	$ 33,606	$ 34,322	$ 35,052	$ 737,634
MPS Sinking	0.9519		$ -	$ 4,177	$ 8,271	$ 8,454	$ 8,641	$ 8,832	$ 9,026	$ 9,225	$ 9,428	$ 9,634	$ 9,845	$ 10,060	$ 10,279	$ 10,502	$ 10,730	$ 10,963	$ 11,200	$ 11,442	$ 11,689	$ 11,941	$ 12,198	$ 12,460	$ 12,727	$ 12,999	$ 13,277	$ 13,561	$ 13,850	$ 14,145	$ 14,446	$ 304,002
County Operating	5.6097		$ -	$ 24,618	$ 48,740	$ 49,821	$ 50,923	$ 52,048	$ 53,195	$ 54,364	$ 55,558	$ 56,775	$ 58,017	$ 59,283	$ 60,575	$ 61,892	$ 63,236	$ 64,607	$ 66,005	$ 67,431	$ 68,886	$ 70,370	$ 71,883	$ 73,427	$ 75,001	$ 76,607	$ 78,245	$ 79,916	$ 81,621	$ 83,359	$ 85,132	$ 1,791,534
Local Total	**29.3862**		**$ -**	**$ 128,961**	**$ 255,321**	**$ 260,983**	**$ 266,759**	**$ 272,649**	**$ 278,658**	**$ 284,786**	**$ 291,038**	**$ 297,414**	**$ 303,918**	**$ 310,551**	**$ 317,318**	**$ 324,220**	**$ 331,260**	**$ 338,440**	**$ 345,765**	**$ 353,235**	**$ 360,856**	**$ 368,628**	**$ 376,556**	**$ 384,643**	**$ 392,891**	**$ 401,304**	**$ 409,886**	**$ 418,639**	**$ 427,567**	**$ 436,674**	**$ 445,963**	**$ 9,384,884**
Non-Capturable Millages	Millage Rate																															
Comm College Debt	0.2250		$ -	$ 987	$ 1,955	$ 1,998	$ 2,042	$ 2,088	$ 2,134	$ 2,181	$ 2,228	$ 2,277	$ 2,327	$ 2,378	$ 2,430	$ 2,482	$ 2,536	$ 2,591	$ 2,647	$ 2,705	$ 2,763	$ 2,822	$ 2,883	$ 2,945	$ 3,008	$ 3,073	$ 3,138	$ 3,205	$ 3,274	$ 3,343	$ 3,415	$ 71,857
MPS Debt 2020	0.8800		$ -	$ 3,862	$ 7,646	$ 7,815	$ 7,988	$ 8,165	$ 8,345	$ 8,528	$ 8,715	$ 8,906	$ 9,101	$ 9,300	$ 9,502	$ 9,709	$ 9,920	$ 10,135	$ 10,354	$ 10,578	$ 10,806	$ 11,039	$ 11,276	$ 11,519	$ 11,766	$ 12,017	$ 12,274	$ 12,537	$ 12,804	$ 13,077	$ 13,355	$ 281,040
MPS Debt 2021	6.6200		$ -	$ 29,052	$ 57,518	$ 58,793	$ 60,094	$ 61,421	$ 62,775	$ 64,155	$ 65,564	$ 67,000	$ 68,465	$ 69,960	$ 71,484	$ 73,039	$ 74,625	$ 76,242	$ 77,892	$ 79,575	$ 81,292	$ 83,043	$ 84,829	$ 86,651	$ 88,509	$ 90,404	$ 92,337	$ 94,309	$ 96,321	$ 98,372	$ 100,465	$ 2,114,187
Hackley Debt	0.2500		$ -	$ 1,097	$ 2,172	$ 2,220	$ 2,269	$ 2,320	$ 2,371	$ 2,423	$ 2,476	$ 2,530	$ 2,586	$ 2,642	$ 2,700	$ 2,758	$ 2,818	$ 2,879	$ 2,942	$ 3,005	$ 3,070	$ 3,136	$ 3,204	$ 3,272	$ 3,342	$ 3,414	$ 3,487	$ 3,562	$ 3,637	$ 3,715	$ 3,794	$ 79,841
Total Non-Capturable Taxes	**7.9750**		**$ -**	**$ 34,998**	**$ 69,291**	**$ 70,827**	**$ 72,395**	**$ 73,993**	**$ 75,624**	**$ 77,287**	**$ 78,983**	**$ 80,714**	**$ 82,479**	**$ 84,279**	**$ 86,116**	**$ 87,989**	**$ 89,899**	**$ 91,848**	**$ 93,836**	**$ 95,863**	**$ 97,931**	**$ 100,040**	**$ 102,192**	**$ 104,387**	**$ 106,625**	**$ 108,908**	**$ 111,237**	**$ 113,613**	**$ 116,036**	**$ 118,507**	**$ 121,028**	**$ 2,546,925**
Total Tax Increment Revenue (TIR) Available for Capture			$ -	$ 105,324	$ 208,524	$ 213,148	$ 217,864	$ 222,675	$ 227,582	$ 232,588	$ 237,693	$ 242,901	$ 248,212	$ 564,182	$ 576,475	$ 589,013	$ 601,803	$ 614,848	$ 628,154	$ 641,726	$ 655,570	$ 669,690	$ 684,093	$ 698,784	$ 713,769	$ 729,054	$ 744,644	$ 760,546	$ 776,766	$ 793,311	$ 810,186	$ 14,409,125

Footnotes:
Local Tax Abatement (10 years): 2026-2035

Table 3: Tax Increment Revenue Reimbursement Allocation
Muskegon - Central Park, LLC
1700 Oak Avenue
Muskegon, Michigan
January 2025

Developer Maximum Reimbursement	Proportionality	School & Local Taxes	Abatement / Admin Fees & BRF**	Total
State	**45.0%**	$ 4,948,129	$ 739,751	$ 4,948,129
Local	**55.0%**	$ 3,853,171	$ 3,314,926	$ 3,853,171
MSHDA	**100.00%**	$ 8,801,300	$ -	$ 8,801,300
			$ -	

Estimated Total
Years of Plan: 28 (Developer capture 23 years)

Estimated Capture	$ 8,801,300
Administrative Fees	$ 674,440
State Brownfield Redevelopment Fund	$ 739,751
Local Brownfield Revolving Fund	$ 1,924,857

Year of Plan		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	TOTAL
		2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	
Total State Incremental Revenue		$ -	$ 105,324	$ 208,524	$ 213,148	$ 217,864	$ 222,675	$ 227,582	$ 232,588	$ 237,693	$ 242,901	$ 248,212	$ 253,630	$ 259,157	$ 264,793	$ 270,543	$ 276,408	$ 282,389	$ 288,491	$ 294,714	$ 301,062	$ 307,537	$ 314,142	$ 320,878	$ 327,749	$ 334,758	$ 341,907	$ 349,199	$ 356,636	$ 364,223	$ 7,664,727
State Brownfield Redevelopment Fund (50% of SET)		$ -	$ (13,165)	$ (26,065)	$ (26,643)	$ (27,233)	$ (27,834)	$ (28,448)	$ (29,073)	$ (29,712)	$ (30,363)	$ (31,027)	$ (31,704)	$ (32,395)	$ (33,099)	$ (33,818)	$ (34,551)	$ (35,299)	$ (36,061)	$ (36,839)	$ (37,633)	$ (38,442)	$ (39,268)	$ (40,110)	$ (40,969)	$ -	$ -	$ -	$ -	$ -	$ (739,751)
State TIR Available for Reimbursement		**$ -**	**$ 92,158**	**$ 182,458**	**$ 186,504**	**$ 190,631**	**$ 194,841**	**$ 199,135**	**$ 203,514**	**$ 207,982**	**$ 212,538**	**$ 217,186**	**$ 221,927**	**$ 226,762**	**$ 231,694**	**$ 236,725**	**$ 241,857**	**$ 247,091**	**$ 252,429**	**$ 257,875**	**$ 263,429**	**$ 269,095**	**$ 274,874**	**$ 280,768**	**$ 286,781**	**$ 334,758**	**$ 341,907**	**$ 349,199**	**$ 356,636**	**$ 364,223**	**$ 6,924,977**
Total Local Incremental Revenue		$ -	$ 128,961	$ 255,321	$ 260,983	$ 266,759	$ 272,649	$ 278,658	$ 284,786	$ 291,038	$ 297,414	$ 303,918	$ 310,551	$ 317,318	$ 324,220	$ 331,260	$ 338,440	$ 345,765	$ 353,235	$ 360,856	$ 368,628	$ 376,556	$ 384,643	$ 392,891	$ 401,304	$ 409,886	$ 418,639	$ 427,567	$ 436,674	$ 445,963	$ 9,384,884
PA 210 Abatement		$ -	$ (128,961)	$ (255,321)	$ (260,983)	$ (266,759)	$ (272,649)	$ (278,658)	$ (284,786)	$ (291,038)	$ (297,414)	$ (303,918)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (2,640,486)
Administrative Fees (10%)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (31,055)	$ (31,732)	$ (32,422)	$ (33,126)	$ (33,844)	$ (34,576)	$ (35,324)	$ (36,086)	$ (36,863)	$ (37,656)	$ (38,464)	$ (39,289)	$ (40,130)	$ (40,989)	$ (41,864)	$ (42,757)	$ (43,667)	$ (44,596)	$ (674,440)
Local TIR Available for Reimbursement		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 279,496**	**$ 285,586**	**$ 291,798**	**$ 298,134**	**$ 304,596**	**$ 311,188**	**$ 317,912**	**$ 324,770**	**$ 331,765**	**$ 338,901**	**$ 346,179**	**$ 353,602**	**$ 361,174**	**$ 368,897**	**$ 376,775**	**$ 384,811**	**$ 393,007**	**$ 401,367**	**$ 6,069,958**
Total State & Local TIR Available		**$ -**	**$ 92,158**	**$ 182,458**	**$ 186,504**	**$ 190,631**	**$ 194,841**	**$ 199,135**	**$ 203,514**	**$ 207,982**	**$ 212,538**	**$ 217,186**	**$ 501,423**	**$ 512,348**	**$ 523,492**	**$ 534,859**	**$ 546,453**	**$ 558,279**	**$ 570,341**	**$ 582,645**	**$ 595,195**	**$ 607,996**	**$ 621,052**	**$ 634,370**	**$ 647,955**	**$ 703,655**	**$ 718,682**	**$ 734,009**	**$ 749,643**	**$ 765,590**	**$12,229,345**
DEVELOPER	Beginning Balance																														
DEVELOPER Reimbursement Balance	*$ 8,801,300*	*$ 8,801,300*	*$ 8,801,300*	*$ 8,709,142*	*$ 8,526,684*	*$ 8,340,179*	*$ 8,149,548*	*$ 7,954,707*	*$ 7,755,573*	*$ 7,552,058*	*$ 7,344,077*	*$ 7,131,538*	*$ 6,914,353*	*$ 6,412,930*	*$ 5,900,582*	*$ 5,377,090*	*$ 4,842,231*	*$ 4,295,778*	*$ 3,737,499*	*$ 3,167,158*	*$ 2,584,513*	*$ 1,989,318*	*$ 1,381,322*	*$ 760,270*	*$ 125,900*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	
MSHDA Eligible Costs	*$ 8,801,300*	*$ 8,801,300*	*$ 8,801,300*	*$ 8,709,142*	*$ 8,526,684*	*$ 8,340,179*	*$ 8,149,548*	*$ 7,954,707*	*$ 7,755,573*	*$ 7,552,058*	*$ 7,344,077*	*$ 7,131,538*	*$ 6,914,353*	*$ 6,412,930*	*$ 5,900,582*	*$ 5,377,090*	*$ 4,842,231*	*$ 4,295,778*	*$ 3,737,499*	*$ 3,167,158*	*$ 2,584,513*	*$ 1,989,318*	*$ 1,381,322*	*$ 760,270*	*$ 125,900*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	
State Tax Reimbursement	*$ 4,948,129*	*$ -*	*$ 92,158*	*$ 182,458*	*$ 186,504*	*$ 190,631*	*$ 194,841*	*$ 199,135*	*$ 203,514*	*$ 207,982*	*$ 212,538*	*$ 217,186*	*$ 221,927*	*$ 226,762*	*$ 231,694*	*$ 236,725*	*$ 241,857*	*$ 247,091*	*$ 252,429*	*$ 257,875*	*$ 263,429*	*$ 269,095*	*$ 274,874*	*$ 280,768*	*$ 56,655*		*$ -*	*$ -*	*$ -*	*$ -*	*$ 4,948,129*
Local Tax Reimbursement	*$ 3,853,171*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ 279,496*	*$ 285,586*	*$ 291,798*	*$ 298,134*	*$ 304,596*	*$ 311,188*	*$ 317,912*	*$ 324,770*	*$ 331,765*	*$ 338,901*	*$ 346,179*	*$ 353,602*	*$ 69,245*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ 3,853,171*
Total MSHDA Reimbursement Balance		*$ 8,801,300*	*$ 8,709,142*	*$ 8,526,684*	*$ 8,340,179*	*$ 8,149,548*	*$ 7,954,707*	*$ 7,755,573*	*$ 7,552,058*	*$ 7,344,077*	*$ 7,131,538*	*$ 6,914,353*	*$ 6,412,930*	*$ 5,900,582*	*$ 5,377,090*	*$ 4,842,231*	*$ 4,295,778*	*$ 3,737,499*	*$ 3,167,158*	*$ 2,584,513*	*$ 1,989,318*	*$ 1,381,322*	*$ 760,270*	*$ 125,900*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ 8,801,300*
Total Annual Developer Reimbursement		*$ -*	*$ 92,158*	*$ 182,458*	*$ 186,504*	*$ 190,631*	*$ 194,841*	*$ 199,135*	*$ 203,514*	*$ 207,982*	*$ 212,538*	*$ 217,186*	*$ 501,423*	*$ 512,348*	*$ 523,492*	*$ 534,859*	*$ 546,453*	*$ 558,279*	*$ 570,341*	*$ 582,645*	*$ 595,195*	*$ 607,996*	*$ 621,052*	*$ 634,370*	*$ 125,900*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ 8,801,300*
LOCAL BROWNFIELD REVOLVING FI																															
LBRF Deposits *		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**				**$ -**			
State Tax Capture	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*		*$ -*
Local Tax Capture	*$ 1,924,857*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ 291,929*	*$ 368,897*	*$ 376,775*	*$ 384,811*	*$ 393,007*	*$ 109,438*	*$ 1,924,857*
Total LBRF Capture	*$ 1,924,857*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ 291,929*	*$ 368,897*	*$ 376,775*	*$ 384,811*	*$ 393,007*	*$ 109,438*	*$ 1,924,857*

* Up to five years of capture for LBRF Deposits after eligible activities are reimbursed. May be taken from EGLE & Local TIR only.

Footnotes:
PA 210 Tax Abatment (10 years): 2026-2035
** Not captured by developer but used in porportionality ratio

Appendix 1

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Brownfield Plan Resolutions Pending

Appendix 2

A. OVERALL HOUSING SUPPLY (SECONDARY DATA)

This section of area housing supply is based on secondary data sources such as the U.S. Census, American Community Survey and ESRI, and is provided for the Primary Study Area (Muskegon), the Secondary Study Area (Balance of County), the selected submarkets, and the state of Michigan, when applicable. When possible, data from the 2020 Census is used in conjunction with ESRI estimates to provide the most up-to-date data. Note that some small variation of total numbers and percentages within tables may exist due to rounding.

Housing Characteristics

The estimated distribution of the area housing stock by tenure for each study area for 2022 is summarized in the following table:

		Occupied and Vacant Housing Units by Tenure 2022 Estimates				
		Total Occupied	Owner Occupied	Renter Occupied	Vacant	Total
Beachwood-Bluffton	Number	655	596	59	187	842
	Percent	77.8%	91.0%	9.0%	22.2%	100.0%
Campbell Field/ Nims	Number	2,615	1,096	1,519	202	2,817
	Percent	92.8%	41.9%	58.1%	7.2%	100.0%
Glenside/Lakeside	Number	1,998	1,473	525	133	2,131
	Percent	93.8%	73.7%	26.3%	6.2%	100.0%
Jackson Hill/Marquette	Number	2,464	738	1,726	204	2,668
	Percent	92.4%	30.0%	70.0%	7.6%	100.0%
McLaughlin/Angell/ Marsh Field	Number	3,017	1,315	1,702	413	3,430
	Percent	88.0%	43.6%	56.4%	12.0%	100.0%
Nelson	Number	1,820	590	1,230	244	2,064
	Percent	88.2%	32.4%	67.6%	11.8%	100.0%
Steele/Sheldon Park/ Oakview/East Muskegon	Number	2,059	1,317	742	181	2,240
	Percent	91.9%	64.0%	36.0%	8.1%	100.0%
Muskegon (PSA)	Number	14,628	7,125	7,503	1,564	16,192
	Percent	90.3%	48.7%	51.3%	9.7%	100.0%
Balance of County (SSA)	Number	54,194	44,021	10,173	4,402	58,596
	Percent	92.5%	81.2%	18.8%	7.5%	100.0%
Muskegon County	Number	68,822	51,146	17,676	5,966	74,788
	Percent	92.0%	74.3%	25.7%	8.0%	100.0%
Michigan	Number	4,055,460	2,895,751	1,159,709	533,313	4,588,773
	Percent	88.4%	71.4%	28.6%	11.6%	100.0%

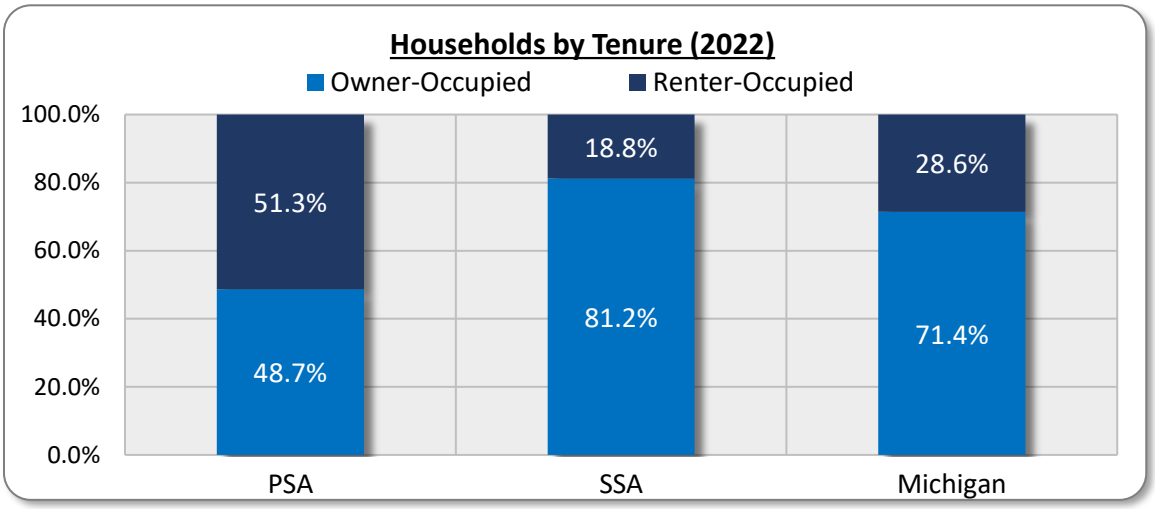
Source: 2020 Census; ESRI; Urban Decision Group; Bowen National Research

In total, there are an estimated 16,192 housing units within the PSA (Muskegon) in 2022. Based on ESRI estimates and 2020 Census data, of the 14,628 total *occupied* housing units in the PSA, 48.7% are owner occupied, while the remaining 51.3% are renter occupied. As such, the PSA has a considerably higher share of renter-occupied housing units when compared to the surrounding SSA (18.8%) and state (28.6%). Approximately 9.7% of the housing units within the PSA are classified as vacant, which is comparable to

the SSA (7.5%) and state (11.6%). Vacant units are comprised of a variety of units including abandoned properties, rentals, for-sale, and seasonal housing units.

Within the individual submarkets, the submarket with the highest share of owner-occupied units is the Beachwood-Bluffton Submarket, in which 91.0% of units are occupied by homeowners. The Jackson Hill/Marquette Submarket has the highest share of renter-occupied units, with 70.0% of units occupied by renters. The Beachwood-Bluffton Submarket has the highest share (22.2%) of vacant units, which is greatly influenced by the short-term housing market, as evidenced by the fact that over 80% of all vacant units in this submarket are classified as "Seasonal or Recreational" housing. Other submarkets with double-digit vacancy rates are the McLaughlin/Angell/Marsh Field Submarket (12.0%) and the Nelson Submarket (11.8%). These submarkets are also influenced by "Seasonal or Recreational" housing, as 83.9% of the units in the McLaughlin/Angell/Marsh Field Submarket and 50.5% of the vacant units in the Nelson Submarket are "Seasonal or Recreational" housing. These short-term housing alternatives limit the inventory available to more permanent residents. This topic is addressed further later in this section.

The following graph compares occupied units by tenure for the various study areas.



The following table compares key housing age and conditions of each study area and the state based on 2016-2020 American Community Survey (ACS) data. Housing units built over 50 years ago (pre-1970), overcrowded housing (1.01+ persons per room), or housing that lacks complete indoor kitchens or bathroom plumbing are illustrated for each study area by tenure. It is important to note that some occupied housing units may have more than one housing issue.

	Housing Age and Conditions											
	Pre-1970 Product				Overcrowded				Incomplete Plumbing or Kitchen			
	Renter		Owner		Renter		Owner		Renter		Owner	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Beachwood-Bluffton	16	57.1%	348	67.1%	0	0.0%	0	0.0%	0	0.0%	8	1.6%
Campbell Field/Nims	684	58.1%	970	85.3%	37	3.1%	26	2.3%	66	5.6%	16	1.4%
Glenside/ Lakeside	460	73.3%	1,091	89.4%	11	1.8%	0	0.0%	0	0.0%	6	0.5%
Jackson Hill/ Marquette	529	34.6%	387	50.0%	8	0.5%	0	0.0%	0	0.0%	0	0.0%
McLaughlin/ Angell/ Marsh Field	1,134	74.4%	1,236	93.0%	15	1.0%	37	2.8%	32	2.1%	0	0.0%
Nelson	711	67.7%	525	86.5%	45	4.3%	10	1.6%	21	2.0%	0	0.0%
Steele/Sheldon Park/Oakview/ East Muskegon	702	88.3%	1,108	92.1%	35	4.4%	0	0.0%	44	5.6%	7	0.6%
Muskegon (PSA)	4,235	62.9%	5,665	83.4%	151	2.2%	73	1.1%	163	2.4%	37	0.6%
Balance of County (SSA)	4,251	47.4%	19,377	44.4%	419	4.7%	565	1.3%	322	3.6%	195	0.4%
Muskegon County	8,486	54.0%	25,042	49.7%	570	3.6%	638	1.3%	485	3.1%	232	0.4%
Michigan	526,133	46.8%	1,373,485	48.1%	32,741	2.9%	31,181	1.1%	24,3376	2.1%	16,771	0.6%

Source: American Community Survey (2016-2020); ESRI; Urban Decision Group; Bowen National Research

In the PSA (Muskegon), nearly two-thirds (62.9%) of the renter-occupied housing units and over four-fifths (83.4%) of owner-occupied housing units were built prior to 1970. As such, the housing stock in the PSA appears to be considerably older than the SSA (Balance of County), where only 47.4% of the renter-occupied housing units and 44.4% of the owner-occupied units were built prior to 1970. While the shares of renter households (2.2%) and owner households (1.1%) in the PSA that experience overcrowding are similar to the corresponding shares in the state (2.9% and 1.1%, respectively), the share of overcrowded renter households in the surrounding SSA (4.7%) is much higher than the share in the state (2.9%). While the shares of renter-occupied units (2.4%) and owner-occupied units (0.6%) in the PSA with incomplete plumbing or kitchens are similar to the state's shares, the share of *renter*-occupied units (3.6%) in the surrounding SSA with this housing condition is higher than that in the PSA (2.4%) and state (2.1%). The largest number of substandard housing units are within the Campbell Field/Nims submarket, representing over one-third of all substandard housing in the PSA.

Overall, the housing inventory in the PSA, regardless of tenure, is comparably older than the surrounding SSA and state. In addition, it appears that *renter* households in the PSA are more likely to be affected by housing deficiencies compared to homeowners. Regardless, the PSA (Muskegon) has more than 400 households living in overcrowded units and/or units that lack complete plumbing or kitchen facilities.

The following table compares key household income, housing cost, and housing affordability metrics of each study area and the state. It should be noted that cost burdened households pay over 30% of income toward housing costs, while severe cost burdened households pay over 50% of income toward housing.

	Household Income, Housing Costs and Affordability						
	Median Household Income	Estimated Median Home Value	Average Gross Rent	Share of Cost Burdened Households*		Share of Severe Cost Burdened Households**	
				Renter	Owner	Renter	Owner
Beachwood-Bluffton	$75,000	$245, 192	$509	7.1%	25.2%	7.1%	6.7%
Campbell Field/ Nims	$39,802	$91,623	$870	54.3%	18.8%	29.0%	7.3%
Glenside/Lakeside	$51,935	$111,318	$888	32.8%	26.2%	18.0%	8.4%
Jackson Hill/ Marquette	$31,077	$95,161	$667	40.5%	19.9%	15.7%	5.2%
McLaughlin/Angell/ Marsh Field	$26,669	$40,288	$690	51.0%	24.2%	31.9%	5.0%
Nelson	$25,858	$138,318	$687	67.0%	26.8%	28.6%	16.2%
Steele/Sheldon Park/ Oakview/ East Muskegon	$39,448	$72,638	$890	36.1%	6.2%	23.2%	2.7%
Muskegon (PSA)	$35,671	$91,085	$756	48.1%	20.2%	24.8%	6.7%
Balance of County (SSA)	$60,667	$170,568	$841	40.2%	17.4%	16.1%	6.2%
Muskegon County	$55,010	$160,847	$804	43.6%	17.8%	19.8%	6.3%
Michigan	$65,507	$204,371	$968	44.9%	18.8%	23.1%	7.4%

Source: American Community Survey (2016-2020); ESRI
*Paying more than 30% of income toward housing costs
**Paying more than 50% of income toward housing costs

The median household income of $35,671 within the PSA (Muskegon) is less than the median household incomes for both the SSA ($60,667) and state ($65,507). The estimated median home value in the PSA of $91,085 is substantially lower than the SSA's ($170,568) and state's ($204,371) estimated median home values. The average gross rent in the PSA ($756) is lower than both the SSA ($841) and state ($968) average gross rents. Despite the lower gross rents and housing values in the PSA, the PSA has higher shares of housing cost burdened households among its renter households (48.1%) and owner households (20.2%) than the surrounding SSA and state. Overall, the PSA has an estimated 3,233 renter households and 1,374 owner households that are housing cost burdened. With an estimated total of 4,607 cost burdened households in the city of Muskegon, of which 2,124 are severe cost burdened, affordable housing alternatives should be part of future housing solutions.

B. HOUSING SUPPLY ANALYSIS (BOWEN NATIONAL SURVEY)

1. Multifamily Rental Housing

Between October of 2022 and January of 2023, Bowen National Research surveyed (both by telephone and in-person) numerous multifamily rental housing projects within the city of Muskegon and all of Muskegon County. While these rentals do not represent all multifamily rental housing projects in the market, they provide significant insight as to the market conditions of commonly offered multifamily rental product. We believe this survey represents a good base from which characteristics and trends of multifamily rental housing can be evaluated and from which conclusions can be drawn.

Projects identified, inventoried, and surveyed operate under a number of affordable housing programs including the Low-Income Housing Tax Credit (LIHTC), HUD Sections 8 and 202 and Public Housing programs, as well as market-rate. Definitions of each housing program are included in Addendum G: Glossary.

Managers and leasing agents at each project were surveyed to collect a variety of property information including vacancies, rental rates, design characteristics, amenities, utility responsibility, and other features. Each project was also rated based on quality and upkeep. Each surveyed property was photographed and mapped as part of this survey. Data collected during our survey is presented in aggregate format for the various study areas.

We identified and personally surveyed 51 multifamily apartment properties containing a total of 5,813 units within Muskegon County. Of these projects, 22 were in the PSA (Muskegon) with an overall total of 2,710 units. The remaining 29 surveyed projects in the surrounding SSA (Balance of Muskegon County) were used to provide a base of comparison. The survey was conducted to establish the overall strength of the local rental market and to identify potential housing needs in the subject market. The surveyed rentals within the PSA have a combined occupancy rate of 98.9%, an extremely high rate for multifamily rental housing. Typically, healthy, well-balanced markets have rental housing occupancy rates generally between 94% and 96%. As such, the PSA's multifamily rental market is operating at an exceedingly high occupancy level with very limited availability. Compounding the market's rental challenges is the fact that the surrounding SSA (Balance of Muskegon County) is operating at an even higher occupancy rate of 99.2%. As such, vacancies in the overall county are very limited. It should be noted that this survey only includes physical vacancies (vacant units ready for immediate occupancy) as opposed to economic vacancies (vacant units not immediately available for rent).

The following table summarizes the surveyed multifamily rental supply.

Multifamily Supply by Product Type				
Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
PSA (Muskegon)				
Market-Rate	9	1,453	25	98.3%
Market-Rate/Tax Credit	4	356	5	98.6%
Market-Rate/Government-Subsidized	1	124	0	100.0%
Tax Credit	3	151	0	100.0%
Government-Subsidized	5	626	0	100.0%
Total	22	2,710	30	98.9%
SSA (Balance of County)				
Market-Rate	15	2,081	25	98.8%
Market-Rate/Government-Subsidized	1	172	0	100.0%
Tax Credit	2	184	0	100.0%
Tax Credit/Government-Subsidized	3	129	0	100.0%
Market-Rate/Tax Credit/Government-Subsidized	1	84	0	100.0%
Government-Subsidized	7	453	0	100.0%
Total	29	3,103	25	99.2%

Overall, demand for multifamily rental housing in the PSA is very strong, as there does not appear to be many vacancies, regardless of the program type (e.g., market-rate, Tax Credit, government subsidized or some combination of these program types). All 30 vacancies in the PSA are among unrestricted market-rate units. All Tax Credit and government-subsidized units are occupied. As illustrated in the preceding table, the distribution of vacancies in the surrounding SSA mirror the PSA, as all 25 vacancies are among market-rate units. Despite these vacancies, the market-rate inventory in both the PSA and SSA are operating at very high occupancy levels. Therefore, demand for rental housing is strong even among non-assisted housing. Based on this survey of rental housing, there does not appear to be any weakness or softness among multifamily rentals in the county. As such, there appears to be a development opportunity for a variety of rental products, particularly for affordable rentals.

The following table summarizes the surveyed multifamily rental housing for each of the study areas, including the seven submarkets in the PSA (Muskegon).

Overall Market Performance by Area									
Data Set	Beachwood-Bluffton	Campbell Field/Nims	Glenside/ Lakeside	Jackson Hill/ Marquette	McLaughlin/ Angell/ Marsh Field	Nelson	Steele/Sheldon Park/Oakview/ East Muskegon	Muskegon (PSA)	Balance of County (SSA)
Projects	-	6	-	8	2	5	1	22	29
Total Units	-	598	-	1,537	360	155	60	2,710	3,103
Vacant Units	-	5	-	19	0	6	0	30	25
Occupancy Rate	-	99.2%	-	98.8%	100.0%	96.1%	100.0%	98.9%	99.2%

As previously stated, healthy, well-balanced rental housing markets have occupancy levels generally between 94% and 96%. Typically, a market occupancy level over 97% is an indication of a possible housing shortage, which can lead to housing problems such as unusually rapid rent increases, people forced to live in substandard housing, households living in rent overburdened situations, and residents leaving the area to seek housing elsewhere. Conversely, occupancy rates below 94% may indicate some softness or weakness in a market, which may be the result of a saturated or overbuilt market, or one that is going through a decline due to economic downturns and corresponding demographic declines.

With an overall occupancy rate of 98.9%, the PSA (Muskegon) multifamily rental housing market appears to have an insufficient number of vacancies. This overall occupancy rate is slightly lower than the 99.2% occupancy rate in the SSA (Balance of County). Two of the seven submarkets are operating at 100% occupancy levels and a third submarket (Campbell Field/Nims) is operating at a 99.2% occupancy level. The lowest occupancy rate of 96.1% in the Nelson Submarket is still considered high and reflective of a market lacking sufficient rental housing. With only 30 vacant units identified among the 2,710 apartment units included in the survey, the PSA has a very small base of potential rental alternatives from which prospective renters can choose.

The following table illustrates the distribution of units and occupancy levels by the *different housing programs* in each study area. It should be noted that the total number of projects shown in this table does not match the totals from other portions of this section, as some projects operate under multiple program types and were counted multiple times in the table below.

Overall Market Performance by Program Type by Area									
Data Set	Beachwood Bluffton	Campbell Field/Nims	Glenside/ Lakeside	Jackson Hill/ Marquette	McLaughlin/ Angell/ Marsh Field	Nelson	Steele/Sheldon Park/Oakview/ East Muskegon	Muskegon (PSA)	Balance of County (SSA)
Market-Rate									
Projects	-	3	-	6	-	4	1	14	17
Total Units	-	304	-	1,298	-	59	30	1,691	2,113
Vacant Units	-	5	-	19	-	6	0	30	25
Occupancy Rate	-	98.4%	-	98.5%	-	89.8%	100.0%	98.2%	98.8%
Tax Credit (Non-Subsidized)									
Projects	-	3	-	1	-	2	1	7	6
Total Units	-	208	-	53*	-	96	30	334	272
Vacant Units	-	0	-	-	-	0	0	0	0
Occupancy Rate	-	100.0%	-	-	-	100.0%	100.0%	100.0%	100.0%
Government Subsidized									
Projects	-	2	-	2	2	-	-	6	12
Total Units	-	86	-	239	360	-	-	685	718
Vacant Units	-	0	-	0	0	-	-	0	0
Occupancy Rate	-	100.0%	-	100.0%	100.0%	-	-	100.0%	100.0%

*Units under construction (not included in total)

With only one exception, the occupancy levels by program type by submarket are extremely high, operating at occupancy rates of 98.4% or higher. The lone exception is within the Nelson Submarket, among its market-rate supply which is operating at an 89.8% occupancy rate. This is the result of just six vacant units among the 59 market-rate units in this submarket. Regardless of submarket, all affordable rental options operating under Tax Credit or government-subsidized programs are occupied. This is also true for the surrounding SSA (Balance of Muskegon County).

The following table summarizes the number of properties that maintain wait lists, and the length of their wait lists, within each of the PSA's established submarkets. Note that some wait lists may be representative of people on multiple wait lists.

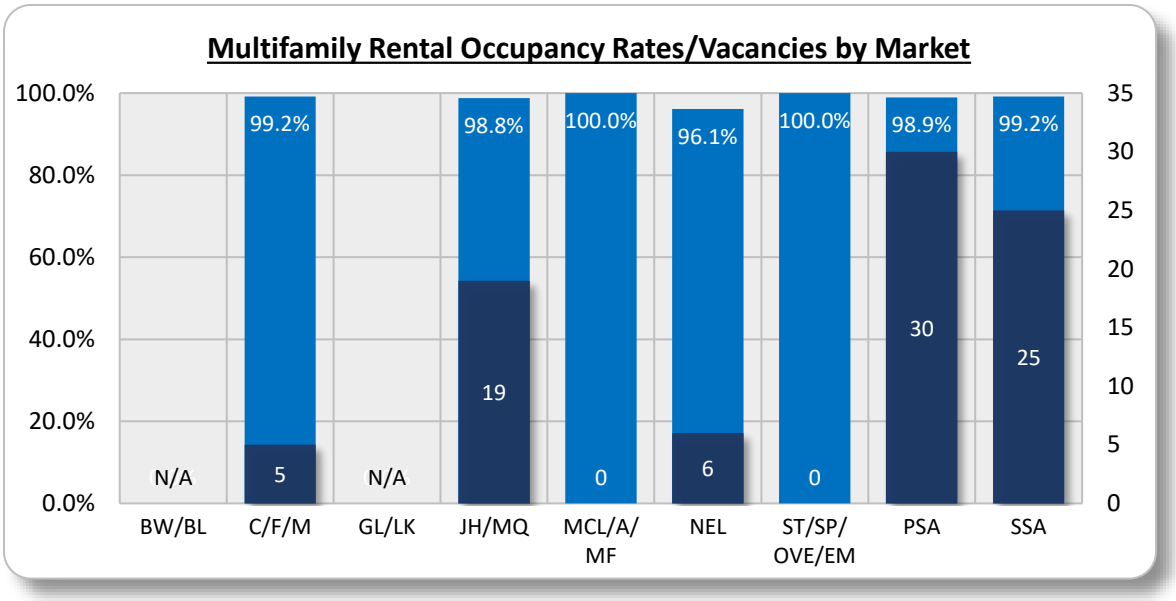
	Property Wait List Information by Property Type				
	MRR	GSS	TAX	MRT	MRG
Beachwood-Bluffton					
No Properties Surveyed					
Campbell Field/Nims					
Properties w/ Wait List	1	1	1	2	-
Total Properties	1	2	1	2	-
Share of Properties	100.0%	50.0%	100.0%	100.0%	-
# Households	-	23	-	30	-
# Months	2-3	-	6	6-12	-
Glenside/Lakeside					
No Properties Surveyed					
Jackson Hill/Marquette					
Properties w/ Wait List	2	1	U/C	-	1
Total Properties	5	1	1	-	1
Share of Properties	40.0%	100.0%	-	-	100.0%
# Households	3	-	-	-	-
# Months	2-6	6	-	-	6
McLaughlin/Angell/Marsh Field					
Properties w/ Wait List	-	2	-	-	-
Total Properties	-	2	-	-	-
Share of Properties	-	100.0%	-	-	-
# Households	-	55	-	-	-
# Months	-	1	-	-	-
Nelson					
Properties w/ Wait List	1	-	1	0	-
Total Properties	3	-	1	1	-
Share of Properties	33.3%	-	100.0%	-	-
# Households	12	-	-	-	-
# Months	-	-	6	-	-
Steele/Sheldon Park/Oakview/East Muskegon					
Properties w/ Wait List	-	-	-	1	-
Total Properties	-	-	-	1	-
Share of Properties	-	-	-	100.0%	-
# Households	-	-	-	75	-
# Months	-	-	-	-	-

MRR (market-rate), GSS (subsidized), TAX (Tax Credit), MRT=MRR+TAX, MRG=MRR+GSS
U/C – Property is Under Construction and not yet leasing.

Of the 22 properties surveyed within the PSA, 14 (63.6%) maintain wait lists. The wait lists exist among all housing program types, with wait lists maintained at four of the nine projects operating exclusively as market-rate product, four of five projects operating exclusively under a government-subsidized program, and two of three operating exclusively under the Tax Credit program. The greatest number of households on wait lists appear to be among the mixed-income market-rate and Tax Credit supply (denoted as MRT) with 105 households waiting for a unit and among the government-

subsidized supply (denoted as GSS) with a total of 78 households on a wait list. Many other product types reported their wait lists in terms of the number of months people have to wait for a unit, most of which ranges from six to twelve months in duration. Regardless, the relatively large shares of properties with wait lists and the length or duration of such lists indicate a very strong level of pent-up demand for rental housing in in the PSA.

The following graph illustrates the occupancy rates and total vacancies by the seven submarkets, the PSA, and the SSA.



The remainder of the multifamily apartment analysis is broken out by product type (e.g., market-rate, Tax Credit, and government subsidized) for the PSA (Muskegon) versus the SSA (Balance of County) on the following pages.

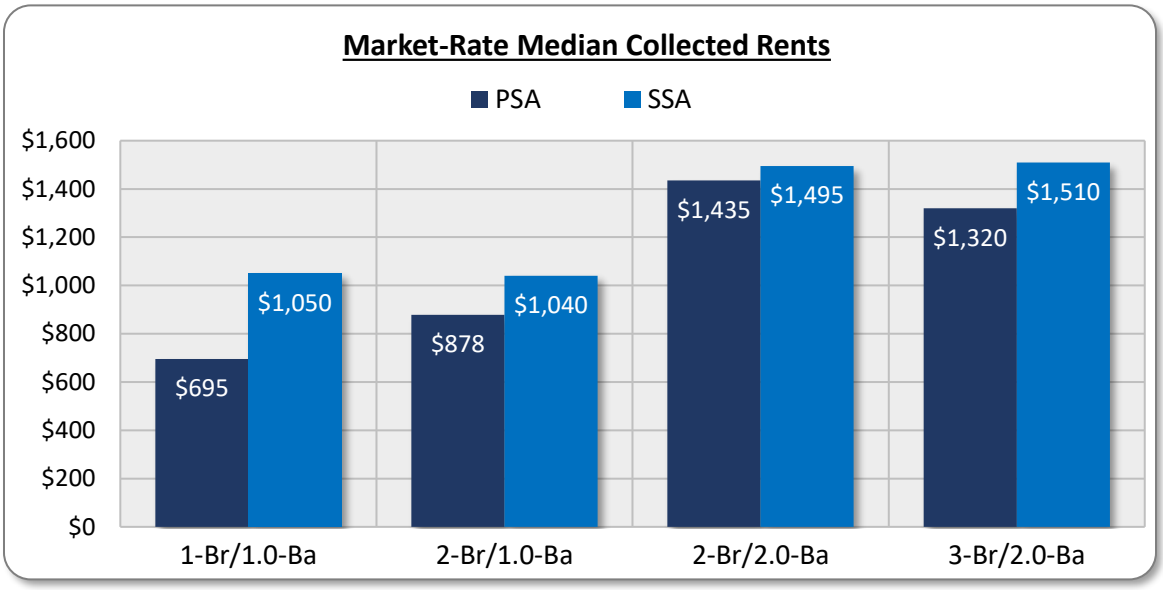
Market-Rate Housing

A total of 14 multifamily projects with at least some market-rate units were surveyed in the PSA. Overall, these properties contain 1,691 market-rate units. The following table summarizes the units by bedroom/bathroom type.

Market-Rate Multifamily Rentals by Bedroom/Bathroom						
Bedroom	**Baths**	**Units**	**Distribution**	**Vacancy**	**% Vacant**	**Median Collected Rent**
PSA (Muskegon)						
Studio	1.0	16	0.9%	1	6.3%	$828
One-Bedroom	1.0	785	46.4%	9	1.1%	$695
One-Bedroom	1.5	3	0.2%	2	66.7%	$1,625
Two-Bedroom	1.0	566	33.5%	10	1.8%	$878
Two-Bedroom	1.5	42	2.5%	0	0.0%	$975
Two-Bedroom	2.0	129	7.6%	4	3.1%	$1,435
Three-Bedroom	1.0	24	1.4%	2	8.3%	$1,175
Three-Bedroom	1.5	53	3.1%	0	0.0%	$1,066
Three-Bedroom	2.0	55	3.3%	0	0.0%	$1,320
Four-Bedroom	1.5	18	1.1%	2	11.1%	$1,300
Total Market-Rate		**1,691**	**100.0%**	**30**	**1.8%**	-
SSA (Balance of County)						
Studio	1.0	118	5.6%	3	2.5%	$800
One-Bedroom	1.0	660	31.2%	6	0.9%	$1,050
Two-Bedroom	1.0	452	21.4%	2	0.4%	$1,040
Two-Bedroom	1.5	126	6.0%	1	0.8%	$1,281
Two-Bedroom	2.0	570	27.0%	7	1.2%	$1,495
Three-Bedroom	1.0	3	0.1%	0	0.0%	$1,295
Three-Bedroom	1.5	58	2.7%	1	1.7%	$1,300
Three-Bedroom	2.0	126	6.0%	5	4.0%	$1,510
Total Market-Rate		**2,113**	**100.0%**	**25**	**1.2%**	-

The market-rate units in the PSA (Muskegon) are 98.2% occupied and such units in the surrounding SSA (Balance of County) are 98.8% occupied, which are very high occupancy rates for market-rate rentals. PSA vacancy rates by bedroom and bathroom type are low among most unit types, particularly among the most common bedroom types including one-bedroom/one-bathroom units (1.1% vacant), two-bedroom/one-bathroom units (1.8% vacant) and two-bedroom/two-bathroom units (3.1% vacant). Median collected rents for these same common unit types are $695 for a one-bedroom/one-bathroom unit, $878 for a two-bedroom/one-bathroom unit, and $1,435 for a two-bedroom/two-bathroom unit. It is worth pointing out that the rent premium for the two-bedroom/two-bathroom units appears to be attributed to the fact that many of these particular units are more modern or recently remodeled and often offer heavily amenitized product. While a majority of market-rate rentals in the PSA have rents of $878 and higher and would require a minimum annual household income of $35,000, approximately 4,700 renter households representing nearly 70% of the renters in the market would not be able to afford the typical rent in this market.

The following graph illustrates median market-rate rents among common bedroom types offered in the PSA and SSA.



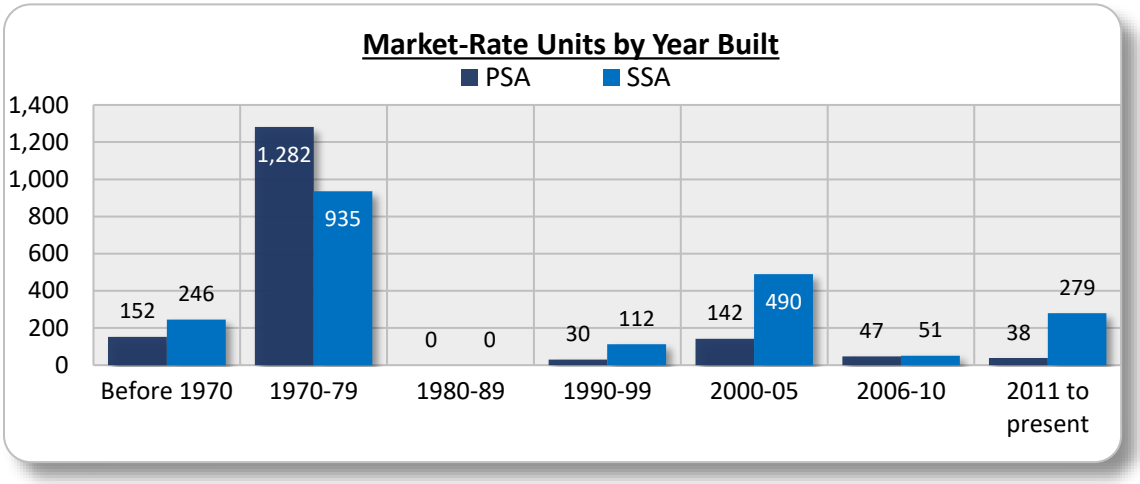
The following is a distribution of market-rate product surveyed by year built for the PSA and SSA:

Market-Rate Apartments by Year Built						
	PSA (Muskegon)			SSA (Balance of County)		
Year Built	Projects	Units	Vacancy Rate	Projects	Units	Vacancy Rate
Before 1970	2	152	2.6%	3	246	1.2%
1970 to 1979	5	1,282	1.2%	5	935	0.7%
1980 to 1989	0	0	0.0%	0	0	0.0%
1990 to 1999	1	30	0.0%	1	112	0.0%
2000 to 2005	2	142	3.5%	4	490	2.9%
2006 to 2010	2	47	0.0%	1	51	0.0%
2011 to 2022*	2	38	13.2%	3	279	0.4%

*As of December

Most of the surveyed market-rate product in the PSA was built between 1970 and 1979, with the 1,282 units developed during this time representing 75.8% of the surveyed market-rate product. The vacancy rate of market-rate product by development period in the PSA is low among all periods except for the product built since 2011. Within the product built since 2011, there are only five vacant units resulting in the higher than typical vacancy rate. As a result, vacancies are low regardless of the age of product in the PSA.

The distribution of surveyed market-rate units in the PSA and SSA by development period is shown in the following graph.



*As of December

Representatives of Bowen National Research personally visited the surveyed rental projects within the overall county and rated the exterior quality of each property on a scale of "A" (highest) through "F" (lowest). All properties were rated based on quality and overall appearance (i.e., aesthetic appeal, building appearance, landscaping and grounds appearance). The following is a distribution of the surveyed market-rate supply by quality rating.

Market-Rate Multifamily Rental Housing by Quality Level								
Quality Rating	Projects	Total Units	Vacancy Rate	Studio	One-Br.	Two-Br.	Three-Br.	Four+-Br.
Market-Rate Properties				Median Collected Rent				
PSA (Muskegon)								
A	3	170	4.7%	$1,020	$1,530	$1,605	$1,750	-
B+	1	20	5.0%	$750	$900	$1,000	-	-
B	6	921	0.5%	-	$695	$878	$1,300	-
B-	4	580	2.8%	-	$750	$915	$1,040	$1,300
SSA (Balance of County)								
A	1	217	0.0%	-	$1,495	$1,675	-	-
B+	3	150	4.0%	-	$1,350	$1,262	$1,387	-
B	7	1,119	1.3%	-	$1,120	$1,281	$1,510	-
B-	4	519	0.4%	$650	$835	$950	$1,400	-
C+	2	108	2.8%	$800	$750	$1,050	$1,295	-

The vast majority (90.0%) of the surveyed market-rate supply in the PSA consists of product in the “B” range of quality levels, with the remaining product consisting of “A” quality product. Vacancies are generally low among all quality levels. Interestingly, the lowest quality projects with “B” or “B-” ratings have the lowest vacancy rates of 0.5% and 2.8%, respectively. As a result, it is clear that lower quality product is still in high

demand. It is worth pointing out that there is a clear rent premium being achieved among higher-end quality product. This demonstrates that better quality product can achieve a rent premium and still operate at a high level of demand.

Tax Credit Housing

Tax Credit housing is developed under the Low-Income Housing Tax Credit (LIHTC) program. Typically, these projects serve households with incomes of up to 60% of Area Median Household Income (AMHI), though legislation in 2017 now allows for some units to target households with incomes of up to 80% of AMHI. A total of seven surveyed multifamily projects in the PSA (Muskegon) offer a total of 334 Low-Income Housing Tax Credit (LIHTC or Tax Credit) units. Some of the supply operates as mixed-income properties with market-rate units. It is worth noting that approximately one-third of the surveyed LIHTC units are age-restricted to households ages 55 and older. This share is generally in line with the local household base by age cohort. This section focuses only on the non-subsidized Tax Credit units, while the Tax Credit units operating with concurrent subsidies are discussed in the government-subsidized section of this report (starting on page VI-18).

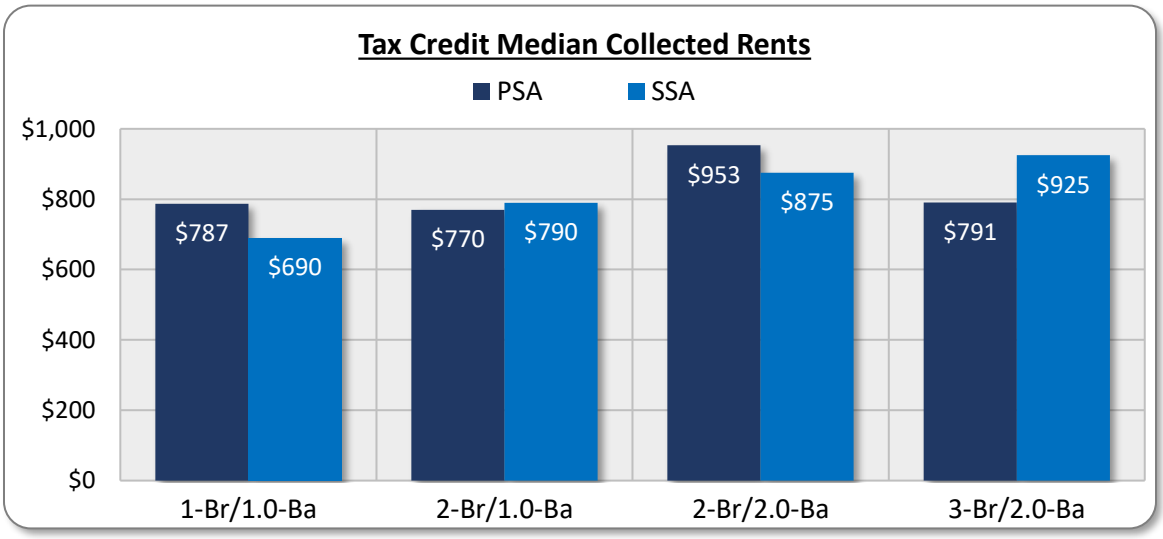
The following table summarizes the non-subsidized Tax Credit units surveyed by bedroom/bathroom type within the PSA and SSA.

Tax Credit (Non-Subsidized) Multifamily Rentals by Bedroom/Bathroom						
Bedroom	**Baths**	**Units**	**Distribution**	**Vacancy**	**% Vacant**	**Median Collected Rent**
PSA (Muskegon)						
One-Bedroom	1.0	142	42.5%	0	0.0%	$787
Two-Bedroom	1.0	20	6.0%	0	0.0%	$770
Two-Bedroom	1.5	42	12.6%	0	0.0%	$708
Two-Bedroom	2.0	74	22.2%	0	0.0%	$953
Three-Bedroom	2.0	56	16.8%	0	0.0%	$791
Total Tax Credit		**334**	**100.0%**	**0**	**0.0%**	-
SSA (Balance of County)						
One-Bedroom	1.0	118	43.4%	0	0.0%	$690
Two-Bedroom	1.0	49	18.0%	0	0.0%	$790
Two-Bedroom	2.0	40	14.7%	0	0.0%	$875
Two-Bedroom	2.5	40	14.7%	0	0.0%	$875
Three-Bedroom	2.0	10	3.7%	0	0.0%	$925
Three-Bedroom	2.5	15	5.5%	0	0.0%	$925
Total Tax Credit		**272**	**100.0%**	**0**	**0.0%**	-

The non-subsidized Tax Credit units are 100.0% occupied within the PSA, as are the Tax Credit units in the SSA, which is evidence of the local market's strong demand for affordable rental housing. Five of the seven Tax Credit projects maintain a wait list, with over 100 combined households on wait lists.

The 334 Tax Credit units in the PSA consist of a broad mix of unit types. While the largest share (42.5%) of units consists of one-bedroom units, a notable share (40.8%) consists of two-bedroom units and 16.8% consists of three-bedroom units. The distribution of Tax Credit units by bedroom type in the PSA is similar to other well-balanced markets. Within the PSA, the LIHTC units have median rents ranging from $708 to no more than $953, which are generally higher than most of the median rents of corresponding bedroom/bathroom units in the SSA. Regardless, the median rents of the Tax Credit supply in both the PSA and SSA are well below the median rents of the market-rate multifamily supply. As such, Tax Credit housing is a value in the market, which is likely contributing to its strong level of demand.

The following graph illustrates median Tax Credit rents among common bedroom types offered in the PSA and SSA.



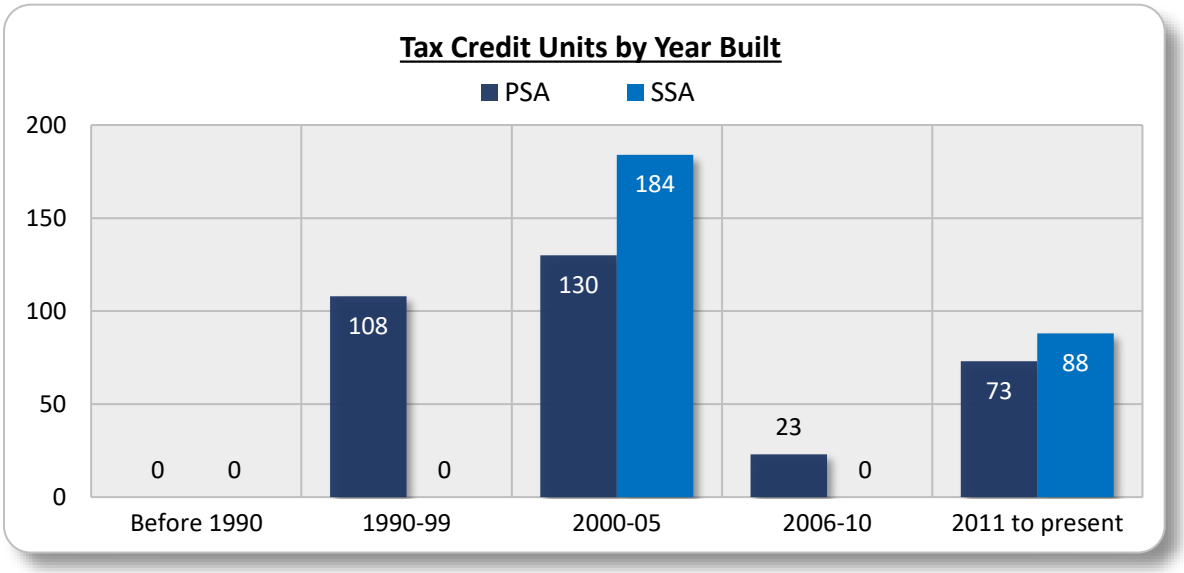
The following is a distribution of Tax Credit product surveyed by year built for the PSA and SSA (Note: The Tax Credit program started in 1986):

Tax Credit (Non-Subsidized) Apartments by Year Built						
	PSA (Muskegon)			SSA (Balance of County)		
Year Built	Projects	Units	Vacancy Rate	Projects	Units	Vacancy Rate
Before 1990	0	0	0.0%	0	0	0.0%
1990 to 1999	2	108	0.0%	0	0	0.0%
2000 to 2005	2	130	0.0%	2	184	0.0%
2006 to 2010	1	23	0.0%	0	0	0.0%
2011 to 2022*	2	73	0.0%	2	88	0.0%

*As of December

Most of the surveyed Tax Credit product in the PSA was built between 1990 and 2005, with nearly three-quarters (71.3%) of all product developed during this time. Only 73 Tax Credit units were built in the PSA since 2011, though an additional 53 units are under construction and are expected to open in 2023.

The distribution of Tax Credit units in the PSA and SSA by year built is shown in the following graph:



*Through December

Representatives of Bowen National Research personally visited the surveyed rental projects within the market and rated the exterior quality of each property on a scale of "A" (highest) through "F" (lowest). All properties were rated based on quality and overall appearance (i.e., aesthetic appeal, building appearance, landscaping and grounds appearance). The following is a distribution of the Tax Credit properties by quality rating.

Tax Credit (Non-Subsidized) by Quality Rating			
Quality Rating	**Projects**	**Total Units**	**Vacancy Rate**
PSA (Muskegon)			
B+	2	73	0.0%
B	4	231	0.0%
B-	1	30	0.0%
SSA (Balance of County)			
B+	1	62	0.0%
B	3	210	0.0%

All of the surveyed Tax Credit projects have a quality rating of B- or better, with most product rated a "B." Regardless of the quality of housing, all Tax Credit product is operating at full occupancy. This demonstrates the level of need for affordable housing alternatives in the market.

Government-Subsidized Housing

There was a total of six projects surveyed within PSA that offer at least some units that operate with a government subsidy. Government-subsidized housing typically requires residents to pay 30% of their adjusted gross income toward rent and generally qualifies households with incomes of up to 50% of Area Median Household Income (AMHI). The six projects with a subsidy include 685 units.

The government-subsidized units surveyed within the PSA and SSA are summarized as follows.

Subsidized by Bedroom/Bathroom					
Bedroom	**Baths**	**Units**	**Distribution**	**Vacancy**	**% Vacant**
PSA (Muskegon)					
Government-Subsidized					
One-Bedroom	1.0	625	91.2%	0	0.0%
Two-Bedroom	1.0	53	7.7%	0	0.0%
Two-Bedroom	1.5	7	1.0%	0	0.0%
Total Subsidized		**685**	**100.0%**	**0**	**0.0%**
SSA (Balance of County)					
Subsidized Tax Credit					
One-Bedroom	1.0	58	61.7%	0	0.0%
Two-Bedroom	1.0	32	34.0%	0	0.0%
Three-Bedroom	1.0	4	4.3%	0	0.0%
Total Subsidized Tax Credit		**94**	**100.0%**	**0**	**0.0%**
Government-Subsidized					
Studio	1.0	42	6.7%	0	0.0%
One-Bedroom	1.0	311	49.8%	0	0.0%
Two-Bedroom	1.0	205	32.9%	0	0.0%
Three-Bedroom	1.0	25	4.0%	0	0.0%
Three-Bedroom	1.5	34	5.4%	0	0.0%
Four-Bedroom	1.0	7	1.1%	0	0.0%
Total Subsidized		**624**	**100.0%**	**0**	**0.0%**

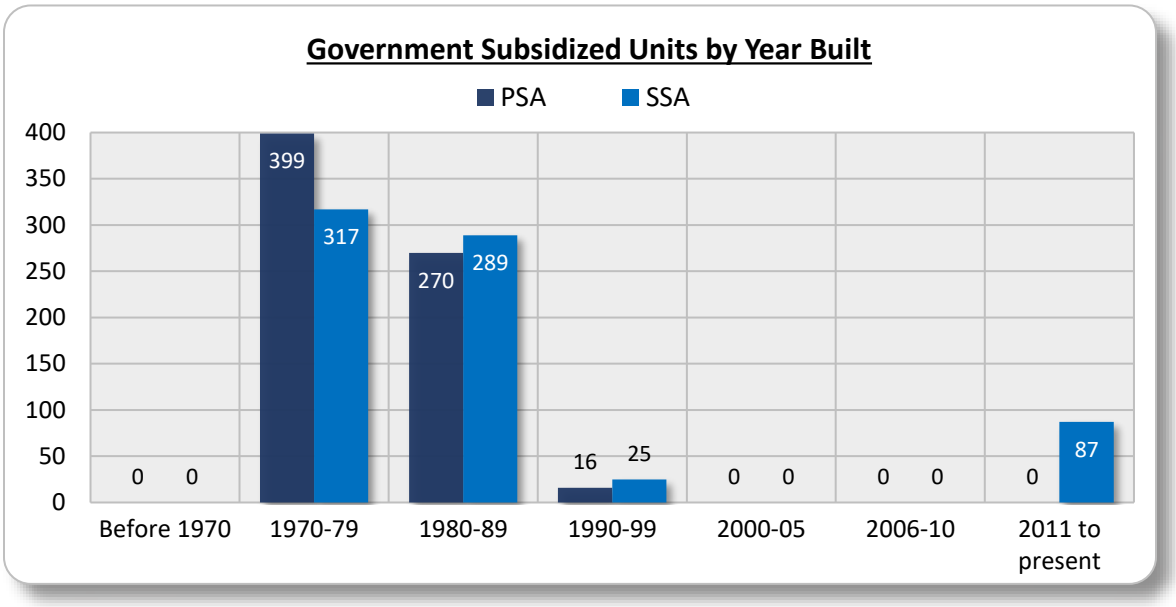
In the PSA, the subsidized Tax Credit units are 100.0% occupied. Given that most subsidized projects have long wait lists, very low-income renter households (making 50% or less of Area Median Household Income) have limited options available and likely must choose from either the non-subsidized multifamily housing options or non-conventional housing options, such as single-family homes and duplexes, or even mobile homes. Based on this analysis, it is clear that there is pent-up demand for subsidized housing in the county.

The following is a distribution of government-subsidized product surveyed by year built for the PSA and SSA:

Government-Subsidized by Year Built						
	PSA (Muskegon)			SSA (Balance of County)		
Year Built	Projects	Units	Vacancy Rate	Projects	Units	Vacancy Rate
Before 1970	0	0	0.0%	0	0	0.0%
1970 to 1979	3	399	0.0%	3	317	0.0%
1980 to 1989	2	270	0.0%	5	289	0.0%
1990 to 1999	1	16	0.0%	1	25	0.0%
2000 to 2005	0	0	0.0%	0	0	0.0%
2006 to 2010	0	0	0.0%	0	0	0.0%
2011 to 2022*	0	0	0.0%	3	87	0.0%

*As of December

The development of government-subsidized product in the PSA primarily occurred prior to 1990, with virtually all (over 97%) of the units built during this time. Of the surveyed properties, no subsidized units have been added to the market over the past twenty years.



*As of December

Representatives of Bowen National Research personally visited the surveyed rental projects within the county and rated the exterior quality of each property on a scale of "A" (highest) through "F" (lowest). All properties were rated based on quality and overall appearance (i.e., aesthetic appeal, building appearance, landscaping and grounds appearance). The following is a distribution of the subsidized housing supply by quality rating.

Government-Subsidized by Quality Ratings						
Quality Rating	PSA (Muskegon)			SSA (Balance of County)		
	Projects	Units	Vacancy Rate	Projects	Units	Vacancy Rate
B+	-	-	-	1	15	0.0%
B	1	59	0.0%	5	223	0.0%
B-	2	250	0.0%	2	189	0.0%
C+	2	176	0.0%	4	291	0.0%
C	1	200	0.0%	-	-	-

Most of the subsidized product in the PSA is considered to have a quality rating of "B-." However, there are a few hundred units rated "C+" or lower, indicating that lower quality product exists in the market.

We also evaluated the potential number of existing subsidized affordable housing units that are at risk of losing their affordable status. A total of 12 properties in the PSA (Muskegon) operate as subsidized projects under a current HUD contract. Because these contracts have a designated renewal date, it is important to understand if these projects are at risk of an expiring contract in the near future that could result in the reduction of affordable rental housing stock (Note: Properties with HUD contract renewal or expiration dates within five years are shown in red).

Expiring HUD Contracts - Muskegon, Michigan					
Property Name	Total Units	Assisted Units	Expiration Date	Program Type	Target Population
Barclay Senior Village	70	70	1/13/2035	Sec 8 NC	Senior
Bayview Tower	200	200	6/30/2033	HFDA/8 NC	Senior
Carriage House	124	59	11/30/2035	LMSA	Family
Hickory Village Apartments	180	180	2/29/2032	LMSA	Senior
Park Woods Apartments	100	100	10/31/2024	Sec 8 NC	Family & Senior
Pioneer Arbour	16	16	5/6/2031	202/8 NC	Disabled
Pioneer House-Ucpa	13	12	9/30/2022	202/8 NC	Disabled
Woodside Haven	46	45	9/30/2023	PRAC/202	Senior
Christian Manor	42	42	7/24/2033	202/8 NC	Family
Whispering Timbers	18	18	6/30/2023	PRAC/811	Disabled
Quail Meadows Apartments	120	120	9/29/2041	HFDA/8 NC	Family
Ten21 Apartments	62	11	7/31/2041	811 PRA DEMO	Family

Source: HUDUser.gov Assistance & Section 8 Contracts Database (Updated 12.30.22); Bowen National Research

While all HUD supported projects are subject to annual appropriations by the federal government, it appears that there are four projects in the city that have overall renewal dates within the past year or within the next two years and are at *potential* risk of losing their government assistance in the near future. Given the high occupancy rates and wait lists among the market's surveyed subsidized properties, it will be important for the area's low-income residents that the projects with pending expiring HUD contracts be preserved in order to continue to house some of the market's most economically vulnerable residents.

According to a representative with the Muskegon Housing Commission, there are approximately 180 Housing Choice Vouchers issued within the housing authority's jurisdiction. Housing authority representatives indicated that over the past four years, between 37% and 60% of issued vouchers are returned annually due to the inability of voucher holders to find available housing or properties that would accept vouchers. The waiting list is closed, and it is unknown when the waiting list will reopen. This reflects the continuing need for affordable housing alternatives and/or Housing Choice Voucher assistance.

Maps illustrating the location of all multifamily apartments surveyed within the market are included on the following pages.

Housing Gap Estimates

The PSA has an overall housing gap of 2,924 units for rental and for-sale product at a variety of affordability levels - It is projected that the city has a five-year **rental** housing gap of 1,611 units and a **for-sale** housing gap of 1,313 units. While there are housing gaps among all affordability levels of both rental and for-sale product, the rental housing gap is distributed most heavily among the lower priced product (rents of $1,430 or less) and the for-sale housing gap is primarily for product priced at $190,668 or higher. Details of this analysis, including our methodology and assumptions, are included in Section VIII.

The following table summarizes the approximate potential number of new residential units that could be supported in the PSA (Muskegon) over the next five years.

PSA (Muskegon) Housing Gap Estimates (2022 to 2027) – Number of Units Needed		
	Housing Segment	**Number of Units**
Rentals	Extremely Low-Income Rental Housing (≤$536/Month Rent)	385
	Very Low-Income Rental Housing ($537-$894/Month Rent)	321
	Low-Income Rental Housing ($895-$1,430/Month Rent)	**403**
	Moderate-Income Rental Housing ($1,431-$2,145/Month Rent)	295
	High-Income Market-Rate Rental Housing ($2,146+/Month Rent)	207
	TOTAL UNITS	**1,611**
For-Sale	Entry-Level For-Sale Homes (≤$71,500 Price Point)	238
	Very Low-Income For-Sale Homes ($71,501-$119,167)	176
	Low-Income For-Sale Homes ($119,168-$190,667 Price Point)	164
	Moderate-Income For-Sale Homes ($190,668-$286,000 Price Point)	**413**
	High-Income Upscale For-Sale Housing ($286,001+ Price Point)	322
	TOTAL UNITS	**1,313**

The preceding estimates are based on current government policies and incentives, recent and projected demographic trends, current and anticipated economic trends, and available and planned residential units. Numerous factors impact a market's ability to support new housing product. This is particularly true of individual housing projects or units. Certain design elements, pricing structures, target market segments (e.g., seniors, workforce, families, etc.), product quality and location all influence the actual number of units that can be supported. Demand estimates could exceed those shown in the preceding table if the community changes policies or offers incentives to encourage people to move into the market or for developers to develop new housing product.

Appendix 3

Housing TIF Financing Gap Calculation - Multifamily Rental (1700 Oak Drive, Muskegon, Michigan)

BF Plan # of Years: 23

FORMULA	Location	Type	AMI (Based on Project Rents)	Control Rent	-	Project Rent	=	PRL	x	No. of Units	x	No. of Months	x	No. of Years	=	PRL GAP CAP	Per Unit
FMR	Muskegon Co.	1 Bedroom	75%	$ 2,198.00	-	$ 1,125.00	=	$ 1,073.00	x	3	x	12	x	23	=	$ 888,444.00	$ 296,148.00
FMR	Muskegon Co.	1 Bedroom	76%	$ 2,198.00	-	$ 1,135.00	=	$ 1,063.00	x	1	x	12	x	23	=	$ 293,388.00	$ 293,388.00
FMR	Muskegon Co.	1 Bedroom	77%	$ 2,198.00	-	$ 1,145.00	=	$ 1,053.00	x	3	x	12	x	23	=	$ 871,884.00	$ 290,628.00
FMR	Muskegon Co.	1 Bedroom	77%	$ 2,198.00	-	$ 1,155.00	=	$ 1,043.00	x	3	x	12	x	23	=	$ 863,604.00	$ 287,868.00
FMR	Muskegon Co.	1 Bedroom	78%	$ 2,198.00	-	$ 1,165.00	=	$ 1,033.00	x	3	x	12	x	23	=	$ 855,324.00	$ 285,108.00
FMR	Muskegon Co.	2 Bedroom	69%	$ 2,883.00	-	$ 1,240.00	=	$ 1,643.00	x	3	x	12	x	23	=	$ 1,360,404.00	$ 453,468.00
FMR	Muskegon Co.	2 Bedroom	70%	$ 2,883.00	-	$ 1,250.00	=	$ 1,633.00	x	3	x	12	x	23	=	$ 1,352,124.00	$ 450,708.00
FMR	Muskegon Co.	2 Bedroom	73%	$ 2,883.00	-	$ 1,300.00	=	$ 1,583.00	x	1	x	12	x	23	=	$ 436,908.00	$ 436,908.00
FMR	Muskegon Co.	2 Bedroom	74%	$ 2,883.00	-	$ 1,320.00	=	$ 1,563.00	x	2	x	12	x	23	=	$ 862,776.00	$ 431,388.00
FMR	Muskegon Co.	2 Bedroom	74%	$ 2,883.00	-	$ 1,330.00	=	$ 1,553.00	x	1	x	12	x	23	=	$ 428,628.00	$ 428,628.00
FMR	Muskegon Co.	2 Bedroom	75%	$ 2,883.00	-	$ 1,350.00	=	$ 1,533.00	x	3	x	12	x	23	=	$ 1,269,324.00	$ 423,108.00
FMR	Muskegon Co.	3 Bedroom	72%	$ 3,520.00	-	$ 1,500.00	=	$ 2,020.00	x	1	x	12	x	23	=	$ 557,520.00	$ 557,520.00
FMR	Muskegon Co.	3 Bedroom	73%	$ 3,520.00	-	$ 1,515.00	=	$ 2,005.00	x	2	x	12	x	23	=	$ 1,106,760.00	$ 553,380.00
FMR	Muskegon Co.	3 Bedroom	74%	$ 3,520.00	-	$ 1,530.00	=	$ 1,990.00	x	1	x	12	x	23	=	$ 549,240.00	$ 549,240.00
								TOTAL Housing Subsidy		30						$ 11,696,328.00	$ 5,441,340.00
								Approved BRA TIF Request								$ 3,500,000.00	$ 129,629.63
																$ (8,196,328.00)	$ (5,311,710.37)

Appendix 4

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Development and Reimbursement Agreement Pending

City of Muskegon
Brownfield Redevelopment Authority
Application for Inclusion in the Muskegon Brownfield Plan

This application requests information that may be utilized to amend the "City of Muskegon Brownfield Redevelopment Authority Brownfield Plan", as originally approved by the City Commission of the City of Muskegon on April 14, 1998. Please complete the information requested below and return to the Planning Department, City of Muskegon. In order to process the application, a fee of $5,000 is required.

Applicant Information

Company Name (Developer/Business): Krimson Exploratory Fund, LLC

Contact Person and Title: Steve Calverley

Contact Person Mailing Address: 1575 Watertower Place, East Lansing, 48823

Contact Person's Phone Number: 517-333-9622 Fax No. 517-333-9622

Contact Person's E-Mail Address: Steve@krimson.com

Project Information

Location of Eligible Property: 1700 Oak Avenue, Muskegon, MI 49442

Legal Description/Parcel Number: A portion of 61-24-122-300-0003-00 - legal description attached.

Property Ownership: Phoenix Reclamation LLC is the current owner. Krimson intends to purchase the property from Phoenix Reclamation LLC. A purchase agreement is in place.

Current Use of Property: Vacant former hospital

Type of Brownfield Amendment Requesting: (Please check all that apply:)

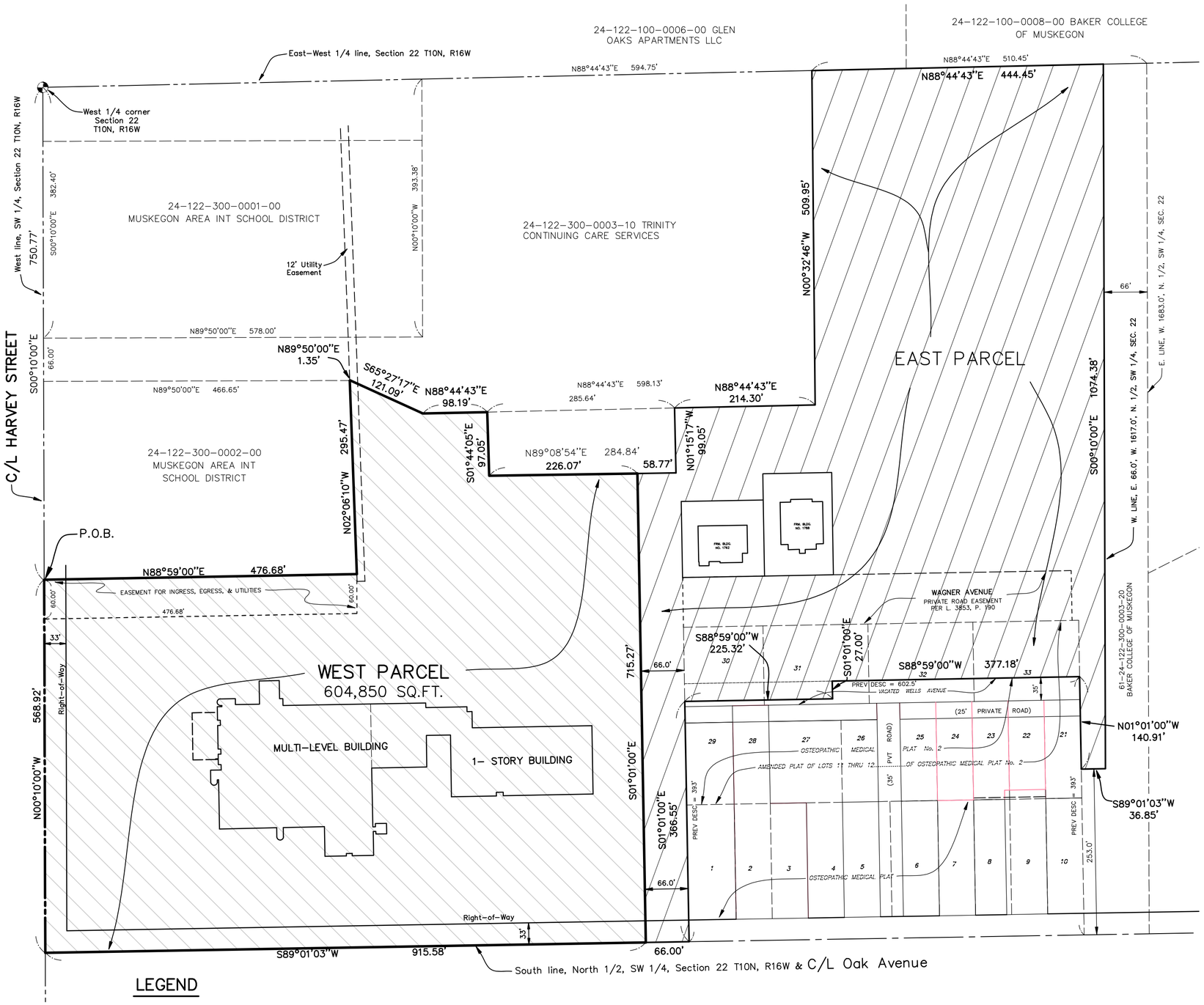
Tax Increment Financing for Eligible Activities X

Is the proposed site a "facility" (as defined by Part 201)? _____ (Please provide a copy of the executive summary of any environmental reports available, such as a Phase I or II Environmental Site Assessment, or Baseline Environmental Assessment.)

Is the applicant's property "blighted" (as defined by P.A. 381 of 1996)? _____(Please provide supporting information.)

Is the applicant's property "functionally obsolete" (as defined by P.A. 381 of 1996)? _____ (Please provide supporting information.)

Is the applicant's property "housing property" (as defined by P.A. 381 of 1996)? X



WEST PARCEL:

Part of the North 1/2 of the Southwest 1/4 of Section 22, Town 10 North, Range 16 West, City of Muskegon, Muskegon County, Michigan, described as: Beginning at a point on the West line of said Section 22 that is 750.77 feet South 00 degrees 10 minutes 00 seconds East of the West 1/4 corner of Section 22; thence North 88 degrees 59 minutes 00 seconds East 476.68 feet; thence North 02 degrees 06 minutes 10 seconds West 295.47 feet; thence North 89 degrees 50 minutes 00 seconds East 1.35 feet; thence South 65 degrees 27 minutes 17 seconds East 121.09 feet; thence North 88 degrees 44 minutes 43 seconds East 98.19 feet; thence South 01 degrees 44 minutes 05 seconds East 97.05 feet; thence North 89 degrees 08 minutes 54 seconds East 226.07 feet; thence South 01 degrees 01 minutes 00 seconds East 715.27 feet along a line which is 66.0 feet West of the west boundary of Osteopathic Medical Plats No.1 & No.2; thence South 89 degrees 01 minutes 03 seconds West 915.58 feet along the south line of the North 1/2 of said SW 1/4 to the West line of said Section 22; thence North 00 degrees 10 minutes 00 seconds West 568.92 feet along said west line to the Point of Beginning.
Parcel contains 604,850 square feet.

STATE OF MICHIGAN
JEFFREY C. BAKER
PROFESSIONAL SURVEYOR
No. 40156
LICENSED PROFESSIONAL SURVEYOR

LEGEND

- ○ = IRON STAKE FOUND
- ● = IRON STAKE SET
- = SET "X" IN CONC.
- = MAG NAIL
- = MONUMENT
- = UTILITY POLE & GUY WIRE
- = LIGHT POLE
- = SIGN
- = BOLLARD
- = HYDRANT
- = WATERMAIN VALVE
- = IRRIGATION VALVE
- = POST INDICATOR VALVE
- = WELL
- = GAS VALVE
- = CATCH BASIN
- = MANHOLE
- = DOWNSPOUT
- CO = CLEAN OUT
- = FLAG POLE
- = MAILBOX
- = SOIL BORING
- HH = HAND HOLE
- T = TELEPHONE BOX
- C = CABLE TV BOX
- E = ELECTRIC BOX
- FO = BURIED FIBER OPTIC MARKER
- G = BURIED GAS LINE MARKER
- E = BURIED ELECTRIC MARKER
- T = BURIED TELEPHONE MARKER
- W = BURIED WATERMAIN MARKER
- SN = BURIED SANITARY MARKER
- —x—x— = FENCE LINE
- —··· = OVERHEAD WIRES

N

0' 60' 120'

SCALE: 1" = 120'

EAST & WEST PARCEL MAP

FOR: SCHEUERLE & ZITTA LLP
ATTN: BOB ZITTA
300 WASHINGTON AVE.
PO BOX 212
GRAND HAVEN, MI 49417

RE: 1700 OAK AVENUE

PART OF THE SOUTHWEST 1/4, SECTION 22, T10N, R16W, CITY OF MUSKEGON, MUSKEGON COUNTY, MICHIGAN

DATE	REVISION	BY

exxel engineering, inc.
planners · engineers · surveyors
5252 Clyde Park, S.W. • Grand Rapids, MI 49509
Phone: (616) 531-3660 www.exxelengineering.com

DRAWN BY: JCB
APPROVED BY: JCB
FILE NO.: 221273
PROJ. ENG.: N/A
PROJ. SURV.: JCB
DATE: 04/17/2024

SHEET 1 of 1

P:\Projects\2022\221273\Drawings\221273.dwg-PARCELS-jbak

Table 1 – Summary of Eligible Costs
Act 381 Brownfield Plan
Muskegon - Central Park, LLC
1700 Oak Dr
Muskegon, Michigan
January 2025

MSHDA Eligible Activities	Cost
Building Demolition	**$ 1,417,375**
Building Demolition/Deconstruction	$ 820,000
Backfill	$ 412,500
Contingency (15%)	$ 184,875
Lead and Asbestos Abatement	**$ 621,000**
Abatement Including Disposal and Air Monitoring	$ 540,000
Contingency (15%)	$ 81,000
Site Preparation	**$ 701,385**
Cut and Fill Operations	$ 80,000
Geotechnical Engineering	$ 30,000
Grading	$ 14,000
Land Balancing	$ 35,000
Relocation of Active Utilities	$ 72,000
Solid Waste Disposal	$ 82,500
Staking	$ 28,000
Temporary Construction Access and/or Roads	$ 5,000
Temporary Erosion Control	$ 15,000
Temporary Facility	$ 50,000
Temporary Sheeting/Shoring	$ 125,000
Temporary Site Control	$ 29,000
Temporary Traffic Control	$ 6,000
Soft Costs Related to Site Preparation	$ 38,400
Contingency (15%)	$ 91,485
Infrastructure Improvements	**$ 2,100,590**
Streets, roads	$ 543,000
Sidewalks	$ 77,000
Lighting	$ 85,000
Sanitary Sewer Mains	$ 150,000
Water mains	$ 340,000
Curb and Gutter	$ 6,600
Sanitary sewer mains	$ 150,000
Landscaping	$ 110,000
Urban Storm Water Management Systems (Traditional)	$ 200,000
Soft Costs Related to Infrastructure	$ 165,000
Contingency (15%)	$ 273,990
Development of Housing Financing Gap	**$ 3,905,950**
Development of Housing Financing Gap	$ 3,905,950
MSHDA Eligible Activities Subtotal	**$ 8,746,300**
Brownfield Plan/Work Plan Preparation	**$ 25,000**
Brownfield Plan/Work Plan Implementation	**$ 30,000**
MSHDA Eligible Activities Total Costs	**$ 8,801,300**

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: February 25, 2025	**Title:** Approval of Minutes
Submitted by: Ann Meisch, City Clerk	**Department:** City Clerk

Brief Summary:
Approve minutes of the February 10, 2025, Commission Worksession Meeting and the February 11, 2025, City Commission Meeting.

Detailed Summary & Background:

Goal/Focus Area/Action Item Addressed:

Key Focus Areas:

Goal/Action Item:

Amount Requested:

Budgeted Item:

Yes		No		N/A	X	

Fund(s) or Account(s):

Budget Amendment Needed:

Yes		No		N/A	X	

Recommended Motion:
Approval of the minutes.

Approvals:

Immediate Division Head		
Information Technology		
Other Division Heads		
Communication		
Legal Review		

Guest(s) Invited / Presenting:

No

CITY OF MUSKEGON

CITY COMMISSION WORKSESSION

February 10, 2025 @ 5:30 PM

MUSKEGON CITY COMMISSION CHAMBERS
933 TERRACE STREET, MUSKEGON, MI 49440

MINUTES

Present: Mayor Ken Johnson, Vice Mayor Rebecca St. Clair, Commissioners Jay Kilgo, Willie German, Jr., Rachel Gorman, and Katrina Kochin, City Manager Jonathan Seyferth, and City Clerk Ann Marie Meisch
Absent: Commissioner Destinee Keener

2025-09 NEW BUSINESS

A. Lead Service Line Neighborhood Communication Public Works

Dan VanderHeide, Director of Public Works, presented information on lead service line replacements happening in 2025 and beyond. Staff have been working with the City's neighborhood associations to present a series of topics at their individual meetings. In the first quarter of 2025, staff focused on lead service line replacements. To inform the Commission and members of the public who may not attend a neighborhood association meeting, Dan VanderHeide presented the information at the Worksession.

B. City of Muskegon Park Rules DPW- Parks

Kyle Karczewski, Parks and Recreation Director, presented park rules, recommended by the Parks & Recreation Advisory Committee, for consideration and discussion. The Parks & Recreation Advisory Committee (PRAC) workshopped rules and have recommended the document be presented as City of Muskegon Park rules. The rules listed were unanimously agreed upon via vote by the PRAC. While certain parks may have special rules for their unique park usage (such as Pere Marquette & Hackley Park), these rules will be across the board for all parks both community and neighborhood. Seasonal park rangers will assist enforcement of rules alongside Muskegon Public Safety. This will be discussed further at the February 25th City Commission Meeting.

C. <u>Shaw Walker Affordable Housing Agreement</u> Economic Development

An overview of the proposed Affordable Housing Agreement between the Brownfield Authority, City of Muskegon, and Parkland Properties associated with the Shaw Walker Project was presented by Jake Eckholm, Director of Development Service. This will be discussed further at the February 11th City Commission Meeting.

D. <u>Shaw Walker Community Benefits Agreement</u> Economic Development

An overview of the proposed Community Benefits Agreement between the City of Muskegon and Parkland Properties related to the Shaw Walker Project was explained by Jake Eckholm, Director of Development Service. This will be discussed further at the February 11th City Commission Meeting.

<u>PUBLIC COMMENT ON AGENDA ITEMS</u>

No public comments were made

<u>ADJOURNMENT</u>

The Commission Worksession Meeting adjourned at 8:43 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC City Clerk

CITY OF MUSKEGON

CITY COMMISSION MEETING

February 11, 2025 @ 5:30 PM

MUSKEGON CITY COMMISSION CHAMBERS
933 TERRACE STREET, MUSKEGON, MI 49440

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Tuesday, February 11, 2025. Pastor Dwayne Riley from Crestwood United Methodist Church opened the meeting with prayer, after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL

Present: Mayor Ken Johnson, Vice Mayor Rebecca St. Clair, Commissioners Jay Kilgo, Destinee Keener, Rachel Gorman, and Katrina Kochin, City Manager Jonathan Seyferth, City Attorney John Schrier, and City Clerk Ann Marie Meisch
Absent: Commissioner Willie German, Jr.

2025-10 HONORS, AWARDS, AND PRESENTATIONS

A. **Muskegon Lumberjacks Charitable Foundation - Reading Caravan** Arena

Jay VandeVoorde spoke on behalf of the Muskegon Lumberjacks Charitable Foundation and Reading Caravan to update the Commission about his involvement and the Lumberjacks' involvement in the local schools and community.

2025-11 PUBLIC HEARINGS

A. **Public Hearing- Transformational Brownfield Plan, Shaw Walker Mixed Use Redevelopment Project, Parkland Properties of Michigan, LLC, 965 W. Western Ave., 920 Washington Ave., 930 Washington Ave., and 1330 Division Ave.** Economic Development

Parkland Properties of Michigan, LLC has submitted a Transformational Brownfield Plan for the Shaw Walker Mixed Use Redevelopment Project located at 965 W. Western Ave., 920 Washington Ave., 930 Washington Ave., and 1330 Division Ave.

History of the Site: The Shaw Walker site, historically home to the Shaw Walker Furniture Company, was constructed between 1911 and 1913. This manufacturing facility was a significant contributor to Muskegon's industrial landscape until it ceased operations in 1989. Following its closure, the site experienced multiple ownership changes, including Knoll North America, Lakeview Industrial Center Inc., Mellowood Development Co., P&G Holdings LLC, IGCFCO III, LLC, and most recently, Parkland Properties of Michigan acquired it in December 2022. The site has since remained largely vacant and deteriorated, representing a substantial blight in the community.

Developer's Plans: Parkland Properties of Michigan, through its affiliated entities, plans a comprehensive mixed-use redevelopment of the Shaw Walker site. The project will involve:

- Residential Development: Rehabilitation of four existing buildings into 538 new housing units and 53 existing units, totaling 591 units. These include apartments and condominiums with amenities such as rooftop pools, jacuzzis, clubhouses, and sports courts.
- Commercial Space: Conversion of portions of three buildings into 8 commercial retail spaces, including professional services (daycare, pet care), health and wellness facilities (salon, fitness studio), and various retail outlets (market, coffee shop, bookstore).
- Parking and Infrastructure: Rehabilitation of one building into an indoor parking facility and the construction of new parking lots. Infrastructure improvements include connections to city water, sewer, and storm systems, and replacing damaged sidewalks.
- The total capital investment is expected to exceed $212.9 million.
- 200 new full-time jobs, 600 temporary construction jobs

Duration of the Brownfield Plan: The Brownfield Plan will be in effect for up to 35 years from the date of approval by the governing body. The duration for property tax capture will not exceed 30 years, while the capture of withholding tax and income tax revenues is limited to 20 years from the start date. The initiation of tax increment revenue capture must occur within five years post-approval, subject to Michigan Strategic Fund (MSF) approval.

Eligible Activities and Costs: Eligible activities under the Brownfield Plan include both environmental and non-environmental tasks:

- EGLE (Environmental) Eligible Activities:
    - Department-specific environmental site assessments and mitigation measures ($225,000).

- MSF (Michigan Strategic Fund) Eligible Activities:
    - Demolition and Abatement: $4,758,100
    - Rehabilitation of Existing Structures: $143,595,767
    - New Townhouse Construction: $11,100,000
    - Site and Amenities Construction: $8,823,413

Total Eligible Activities Cost: $168,502,280
Total Reimbursable Eligible Costs: $159,598,389, reflecting limitations on Tax Increment Revenue (TIR) capture
Approved Tax Incentives: The project has been awarded two approved tax incentives: NEZ (15 years), and an OPRA (12 years).
Once approved locally, the project will go before the Michigan Strategic Fund Board in April for final approval.
STAFF RECOMMENDATION: I motion to close the public hearing and approve the Shaw Walker Mixed-Use Redevelopment Project Transformational Brownfield Plan and authorize the City Mayor and City Clerk to sign the resolution.
The Public Hearing opened to hear and consider any comments from the public. Comments were heard in support of the project from Greg King, Sarah Sass, Jeanette Moore, Steve Olson, and John Allen, Jr.

Motion by Commissioner Keener, second by Commissioner Gorman, to close the public hearing and approve the Shaw Walker Mixed-Use Redevelopment Project Transformational Brownfield Plan and authorize the City Mayor and City Clerk to sign the resolution.

ROLL VOTE: Ayes: Kilgo, Keener, Gorman, Kochin, St.Clair, and Johnson
Nays: None

MOTION PASSES

FEDERAL/STATE/COUNTY OFFICIALS UPDATE
District Representative Christina Achterhoff from Senator Bumstead office mentioned the main issues they are getting calls on is sick paid leave and tipping.

PUBLIC COMMENT ON AGENDA ITEMS
Public comments received.

2025-12 CONSENT AGENDA

A. <u>Approval of Minutes</u> City Clerk

To approve minutes of the January 28th City Commission Meeting.
STAFF RECOMMENDATION: Approval of the minutes.

B. <u>Sale of 1693 Elwood</u> Planning

Staff is seeking authorization to sell the City-owned vacant lot at 1693 Elwood to Jeffrey Vos, Infrastructure C & E.
Jeffrey Vos, Infrastructure C & E, would like to purchase the City-owned buildable lot at 1693 Elwood for $4,275 (75% of the True Cash Value of $5,700) plus half of the closing costs and the fee to register the deed. There will be a single-family home, as well as an ADU constructed on the property. This is part of a larger project involving 1693 Elwood and the adjacent lot, 1687 Elwood.
STAFF RECOMMENDATION: Authorize the Code Coordinator to complete the sale of 1693 Elwood, as described in the purchase agreement, and to have the Mayor and Clerk sign both the purchase agreement and the deed.

C. <u>Amendment to the zoning ordinance, replacing mentions of "single-family residential districts" with "neighborhood residential districts." (SECOND READING)</u> Planning

Staff initiated request to amend the zoning ordinance to replace all instances of "single-family residential districts" with "neighborhood residential districts."
With the recent zoning reform amendments now in place, the ordinance must be updated to remove references to single-family residential districts. These references can be replaced with neighborhood residential districts.
The Planning Commission unanimously recommended for approval of the proposed amendments.
STAFF RECOMMENDATION: I move to approve the request to amend the zoning ordinance by replacing all instances of "single-family residential districts" with "neighborhood residential districts" as proposed.

D. <u>Amendment to Article II of the zoning ordinance to create definitions for duplexes and triplexes. (SECOND READING)</u> Planning

Staff initiated request to amend Article II of the zoning ordinance to create definitions for duplexes and triplexes.

- Now that duplexes and triplexes are allowed in R districts, we must create definitions for them.
- After discussion, the Planning Commission recommended changes to the definitions.

- The Planning Commission unanimously recommended for approval of the zoning ordinance amendment, which include their updated definitions.
- The proposed definitions are as follows:

Duplex: A building designed for occupancy by two families living independently of each other.
Triplex: A medium-sized structure that's designed for occupancy by three families living independently of each other.
STAFF RECOMMENDATION: I move to approve the request to amend Article II of the zoning ordinance to create definitions for duplexes and triplexes as proposed.

F. <u>Filtration Control System Upgrades</u> Public Works

Staff is requesting to enter into a professional services agreement with Tetra Tech Inc., purchase new hardware, and enter into a 3-year software licensing agreement with Q-Mation for control system upgrades at the Water Filtration Plant.
The Water Filtration Plant uses a computer-based system known as SCADA to monitor and control the drinking water treatment process. The hardware and software that makes up the water plant's SCADA system were last updated in 2018, and updates are now required to replace its aging hardware and out-of-date software, both of which will soon no longer be supported by their manufacturers.
This project will replace all the computing hardware (servers, network switches, terminals) and software (AVEVA and Microsoft Windows) with the most recent versions available, ensuring the reliability and security of the water system by utilizing hardware and software that their respective manufacturers fully support.
Our last control system upgrade in 2018 was completed with the help of Tetra Tech's services. Tetra Tech designed the original plant control system in the early 90s, and we are grateful to able to continue working with the engineers involved with the original design and all subsequent upgrades. Currently, we have a contract with Tetra Tech for as needed services to make minor changes and improvements to our plant control system as well as for troubleshooting and repair. Given the criticality of these systems and the integral nature of how the upgrades and existing system work together, staff solicited a proposal from Tetra Tech for this work and recommends them via an exception to the purchasing policy.
Q-Mation is the licensed distributor of AVEVA (formerly known as Wonderware), which is our current control system. AVEVA has been our control system from the first integration of a SCADA system for the Filtration Plant and continues to be a reliable system. It is also much cheaper to maintain the current control

system than to bring in a new system and have to rebuild the entire system. Q-Mation provided a quote for a 3-year licensing agreement with initial year 1 costing $20,002 and a year-over-year increase of 5% for a total of $63,086 for the 3-years.

Q-Mation 3-Year Costs

Year 1	$20,002
Year 2	$21,012
Year 3	$22,072

Total project cost

Tetra Tech Inc.	$79,000
Q-Mation (AVEVA)	$20,002 Year 1
Hardware/Microsoft Window	$68,000
Total	$167,002

This project is included as part of the water plant capital budget.
STAFF RECOMMENDATION: Authorize staff to enter into a professional services agreement with Tetra Tech Inc, to purchase new necessary computer hardware from various suppliers, and to purchase software licensing from Q-Mation for control system upgrades at the Water Filtration Plant for $167,002.

Motion by Commissioner Kochin, second by Vice Mayor St.Clair, to approve the consent agenda as presented minus item E.

ROLL VOTE: Ayes: Keener, Gorman, Kochin, St.Clair, Johnson, and Kilgo
Nays: None

MOTION PASSES

2025-13 ITEMS REMOVED FROM THE CONSENT AGENDA

E. Sale of 254 Meeking. Planning

Staff is seeking authorization to sell the City-owned vacant lot at 254 Meeking to Green Rabbit Home Builders.
Green Rabbit Home Builders would like to purchase the City-owned buildable lots at 254 Meeking for $5,250 (75% of the True Cash Value of $7,000) plus half of the closing costs and the fee to register the deed. They will be constructing a single-family home on the property.
STAFF RECOMMENDATION: To authorize the Code Coordinator to complete the sale of 254 Meeking, as described in the purchase agreement, and to have the

Mayor and Clerk sign both the purchase agreement and the deed.

Motion by Commissioner Kilgo, second by Commissioner Kochin, to authorize the Code Coordinator to complete the sale of 254 Meeking, as described in the purchase agreement, and to have the Mayor and Clerk sign both the purchase agreement and the deed.

ROLL VOTE: Ayes: Gorman, Kochin, St.Clair, Johnson, Kilgo, and Keener
Nays: None

MOTION PASSES

2025-14 NEW BUSINESS

A. Muskegon Regatta DPW- Parks and Recreation

The Catamaran Racing Association of Michigan has applied to host the Muskegon Regatta at Pere Marquette on July 18-20, 2025.
The Catamaran Racing Association of Michigan (CRAM) wants to bring the Muskegon Regatta back to Pere Marquette, where it used to be held annually before moving to Fisherman's Landing due to high water levels. CRAM enjoyed the location and hopes to return.
They plan to use the parking lot at Margaret Drake Elliott Park, near the Coast Guard Station, for setup, parking, and camping. Approximately 20-25 catamarans with one or two racers each are expected to sign up. Participants will arrive on Friday, July 18, between noon and 8 PM to set up. The race will start on Saturday, July 19, at 11 AM and end by 4 PM, with boats parked overnight on the beach. Racing on Sunday, July 20, will start at 10:30 AM, with awards at 3 PM. The boats are launched from the beach inside the arms and the racing occurs approximately a mile from shore.
This event coincides with Rebel Road and Bike Time downtown, a time when staff usually focuses on those events, making it difficult to support another event simultaneously. The regatta itself would not require many additional city services. The camping portion of the event could require DPW or Police services which staff is unlikely to be able to provide. Event participants and attendees can utilize local places to stay during the event.
The Catamaran Racing Association of Michigan (CRAM) wants to bring the Muskegon Regatta back to Pere Marquette, where it used to be held annually before moving to Fisherman's Landing due to high water levels. CRAM enjoyed the location and hopes to return.
They plan to use the parking lot at Margaret Drake Elliott Park, near the Coast Guard Station, for setup, parking, and camping. Approximately 20-25 catamarans with one or two racers each are expected to sign up. Participants will arrive on Friday, July 18, between noon and 8 PM to set up. The race will

start on Saturday, July 19, at 11 AM and end by 4 PM, with boats parked overnight on the beach. Racing on Sunday, July 20, will start at 10:30 AM, with awards at 3 PM. The boats are launched from the beach inside the arms and the racing occurs approximately a mile from shore.
This event coincides with Rebel Road and Bike Time downtown, a time when staff usually focuses on those events, making it difficult to support another event simultaneously. The regatta itself would not require many additional city services. The camping portion of the event could require DPW or Police services which staff is unlikely to be able to provide. Event participants and attendees can utilize local places to stay during the event.
STAFF RECOMMENDATION: To approve the Catamaran Racing Association of Michigan's application for a Muskegon Regatta event on July 18 through July 20, 2025, without camping.

Motion by Commissioner Kochin, second by Commissioner Keener, to approve the Catamaran Racing Association of Michigan's application for a Muskegon Regatta event on July 18 through July 20, 2025, without camping.

ROLL VOTE: Ayes: Gorman, Kochin, St.Clair, Johnson, Kilgo, and Keener
Nays: None,

MOTION PASSES

B. <u>Soccer in the Sand</u> DPW- Parks and Recreation

Soccer in the Sand and Inside Out's Volleyball Tournament have both applied to hold their events at Pere Marquette on July 26-27, 2025. Per the event policy, two events cannot occur on the same date at Pere Marquette. Soccer in the Sand is seeking an exception to be made.
Soccer in the Sand is a sand soccer tournament held annually at Pere Marquette since 2018. They have been on the same weekend as Inside Out's Volleyball Tournament since its inception. The natural beach traffic and these events make navigating and parking at Pere Marquette difficult the weekend of these events.
One possible solution was to have one of the tournaments move dates. Unfortunately, neither event was able to do so. Soccer in the Sand has a national tour of events with tournaments on the surrounding weekends. Inside Out works with other volleyball tournaments in the area to create the season's schedule so they cannot move their date. Inside Out has been hosting a tournament on this date longer than Soccer in the Sand, and under the Special Event Policy, the event with the longer tenure on the requested date is given preference.
Soccer in the Sand is working with local vendors to create a bus route for the weekend to help address some of the traffic issues that initiated the policy

change. They have been appreciative of the opportunity and are requesting that the commission consider those efforts in hopes of keeping their event date as an exception to the policy.
STAFF RECOMMENDATION: I move to approve the request from Soccer in the Sand to allow two events to be at Pere Marquette on July 26-27, 2025, if transportation from alternative parking areas is provided during the event.

Motion by Commissioner Kilgo, second by Vice Mayor St.Clair, to approve the request from Soccer in the Sand to allow two events to be at Pere Marquette on July 26-27, 2025, if transportation from alternative parking areas is provided during the event.

ROLL VOTE: Ayes: Kochin, St.Clair, Johnson, Kilgo, Keener, and Gorman
Nays: None

MOTION PASSES

C. <u>Shaw Walker Project Affordable Housing Agreement</u> Economic Development

As required by the Transformational Brownfield Amendment to Public Act 381, Parkland Properties, The City of Muskegon Brownfield Redevelopment Authority, and the City of Muskegon must agree on an Affordable Housing Agreement passed by all three parties in order for the project to move forward. In order for developments to qualify for Transformational Brownfield approval by the Michigan Strategic Fund, they must also enter into an Affordable Housing Agreement to reflect that they will meet the statutory requirement for units at or below 100% of the area's median income. The attached agreement reflects that an average of 20 units of the total rental housing onsite must be set aside for neighbors under 100%. Realistically, the number will likely be far higher due to the unit makeup of the facility, with many studios and one bedrooms available at or below $1,000 monthly, but the agreement reflects the statutory required ratio.
The agreement sets standards for reporting incomes of tenants to the City and BRA, and establishes recourse for all entities in the event of a breach. For instance, if it is found that Parkland is in violation of the affordability requirements on designated affordable units, they must remit to the City twice the amount of the overage. The City has authority in the agreement to deposit the funds in the housing fund, and/or remit the overage amount to the impacted tenant.
STAFF RECOMMENDATION: Motion to approve the Affordable Housing Agreement between the City of Muskegon, the Muskegon Brownfield Redevelopment Authority, Parkland Properties of Michigan - Shaw Walker, LLC, Shaw Walker Opportunity Zone Business 1, LLC, Shaw Walker Opportunity Zone

Business 2, LLC, Shaw Walker Opportunity Zone Business 3, LLC, and Shaw Walker Opportunity Zone Business 4, LLC, as presented and authorize the Mayor and Clerk to sign.

Motion by Commissioner Kochin, second by Commissioner Keener, to approve the Affordable Housing Agreement between the City of Muskegon, the Muskegon Brownfield Redevelopment Authority, Parkland Properties of Michigan - Shaw Walker, LLC, Shaw Walker Opportunity Zone Business 1, LLC, Shaw Walker Opportunity Zone Business 2, LLC, Shaw Walker Opportunity Zone Business 3, LLC, and Shaw Walker Opportunity Zone Business 4, LLC, as presented and authorize the Mayor and Clerk to sign.

ROLL VOTE: Ayes: St.Clair, Johnson, Kilgo, Keener, Gorman, and Kochin
Nays: None

MOTION PASSES

D. <u>Shaw Walker Community Benefit Agreement</u> Economic Development

This is Development Service's first negotiated Community Benefit Agreement, which is a newer strategy in contemporary economic development to negotiate more direct benefit to non-developer stakeholders in exchange for incentives/infrastructure improvements related to projects.
In the negotiated agreement, the City has asked for consideration from Parkland for other community stakeholders in exchange for consideration on needed infrastructure alterations in the public Right of Way that serve the Shaw Walker Development Project.
Specifically, the developer has asked for the City to relocate a water main that currently runs under the project site (including under two buildings), that the City agree to repair damage done to private property in the event an existing sanitary and storm main under the property fail, that the City realign the curbing and pedestrian paths on Western Avenue pursuant to the approved Planned Unit Development, that the City facilitate connection points to public water and sewer infrastructure for the project, and share any potential costs related to relocating Consumers Energy powerlines and poles that are directly adjacent to the Shaw Walker buildings on Western Avenue at a 75% to 25% split with Parkland up to $200,000 by the City, at which point Parkland will cover any excess cost. Staff views these improvements as essential to the redevelopment of the property for the proposed use and in the public interest for life safety, future revenues to public utilities for public service delivery, and improved pedestrian access and safety.
However, this participation represents a significant potential investment of capital into our existing public infrastructure to facilitate the project, and so we have determined and Parkland agreed that there should be commensurate

investments in the Muskegon community to exemplify partnership and good corporate citizenship. Specifically, the agreement calls for the developer to formalize a workforce training agreement with Muskegon Public Schools, MCEC, or another affiliate program of MPS to provide workforce development opportunities to MPS students. This is to be executed for a term of not less than 5 years, and must be done prior to the City beginning any of the infrastructure alterations in the CBA, and provided to the City upon request. Further, per the agreement the developer shall pay for one mutually agreed upon public asset improvement in the Nims Neighborhood where the project is located. They must work with the Nims Neighborhood Association board to determine this project and it must be done within 2 years of the effective date of the CBA. The developer must also pay for one public asset at Hartshorn Marina Park as represented on the Park Master Site Plan. This must be mutually agreed upon by the developer and the City and installed within 2 years of the effective date of the agreement.

STAFF RECOMMENDATION: Motion to accept the Community Benefits Agreement between the City of Muskegon and Parkland Properties of Michigan - Shaw Walker Opportunity Zone Business 1, LLC, Shaw Walker Opportunity Zone Business 2, LLC, Shaw Walker Opportunity Zone Business 3, LLC, and Shaw Walker Opportunity Zone Business 4, LLC, and to authorize the Mayor and Clerk to sign.

Motion by Commissioner Keener, second by Commissioner Kochin, to accept the Community Benefits Agreement between the City of Muskegon and Parkland Properties of Michigan - Shaw Walker Opportunity Zone Business 1, LLC, Shaw Walker Opportunity Zone Business 2, LLC, Shaw Walker Opportunity Zone Business 3, LLC, and Shaw Walker Opportunity Zone Business 4, LLC, and to authorize the Mayor and Clerk to sign.

ROLL VOTE: Ayes: Johnson, Kilgo, Keener, Gorman, Kochin, and St.Clair
Nays: None

MOTION PASSES

ANY OTHER BUSINESS

City Manager Jonathan Seyferth stated the last General Public Engagement for the Fisherman's Landing Lakeshore Development Project will be Monday, February 17, 2025, at 4:00 p.m., at Muskegon Innovation Hub at Grand Valley State University, 200 Viridian Drive.

Commissioner Kilgo announced MDOT is hosting a public meeting for the M-46 (Apple Avenue) project on February 24, 2025, at 4:00 p.m., at City Hall in the Commission Chambers. All are invited to come.

Commissioner Kochin reminded everyone that Friday is Valentine's Day and that we have a lot of great local businesses to shop at.

GENERAL PUBLIC COMMENT

Public comments received.

ADJOURNMENT

The City Commission meeting adjourned at 7:33 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC City Clerk

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: February 25, 2025	**Title:** City of Muskegon 4th of July Fireworks Agreement
Submitted by: Kyle Karczewski, Parks and Recreation Director	**Department:** DPW- Parks

Brief Summary:
City of Muskegon 4th of July Fireworks Agreement with Pyrotechnico for a $40,000 fireworks show at Heritage Landing.

Detailed Summary & Background:
Staff is requesting authorization to enter into an agreement with Pyrotecnico Fireworks for $40,000 for the annual fireworks show in Muskegon, and approval of the fireworks display permit for Pyrotecnico contingent upon inspection of the fireworks and approval of the insurance. The annual Fireworks contract of $40,000 will be scheduled for July 4th, 2025. The agreement is of the standard form with Pyrotecnico that the City has entered into for the past several years. The show this year is being planned at Heritage Landing out of concern for public safety. We plan to have a DJ start at 8:30pm and the fireworks to set off at 10:30pm.

Goal/Focus Area/Action Item Addressed:

Key Focus Areas:
Events and activities

Goal/Action Item:
2027 Goal 1: Destination Community & Quality of Life - Parks and Recreation Department and Services

Amount Requested:
$40,000

Budgeted Item:

Yes	x	No		N/A		

Fund(s) or Account(s):
101-770-801

Budget Amendment Needed:

Yes		No	x	N/A		

Recommended Motion:
I move to authorize staff to enter into an agreement with Pyrotecnico Fireworks for $40,000 for the annual fireworks show in Muskegon, and approval of the fireworks display permit for Pyrotecnico.

Approvals:

Guest(s) Invited / Presenting:

Immediate Division Head	x		No
Information Technology			
Other Division Heads	x		
Communication	x		
Legal Review			

PYROTECNICO FIREWORKS, INC.

This Fireworks Display Agreement ("Agreement") entered into this on **November 11, 2024** by and between PYROTECNICO FIREWORKS, INC. ("Pyrotecnico") and **City of Muskegon, MI** (CUSTOMER).

Pyrotecnico, for and in consideration of the terms hereinafter mentioned, agrees to furnish to the CUSTOMER Fireworks Display(s) and related services ("Fireworks Display"), including the services of Pyrotecnico's on-site representative to take charge of and perform the Fireworks Display under the supervision and direction of the CUSTOMER. The Firework Display to be given on **July 4, 2025.** (the "Display Date"), weather permitting.

The offer contained in this Agreement is only valid if it is signed and returned to Pyrotecnico by **February 1, 2025** ("Expiration Date"). Pricing and availability are only guaranteed as long as Pyrotecnico receives the signed Agreement by the Expiration Date. Customer agrees to pay Pyrotecnico the sum of **$40,000.00** (the "Contract Price"). Pyrotecnico will invoice CUSTOMER a deposit of **$20.000.00** is due **April 4, 2025** and the final balance shall be due **Net 10** from the Display Date. A service fee of 1 ½% per month shall be added if the account is not paid in full within 30 days of the Display Date. CUSTOMER agrees to pay any and all collection costs, including reasonable attorney's fees and court costs incurred by Pyrotecnico for any amount due under this Agreement.

Pyrotecnico and CUSTOMER agree that should inclement weather prevent the performance of the Fireworks Display on the Display Date, the parties shall agree to a mutually convenient alternate date, within three (3) months of the Display Date. If the show is rescheduled prior to Pyrotecnico's truck leaving the facility, CUSTOMER shall remit to Pyrotecnico an additional **$6,000.00** for additional expenses in presenting the Fireworks Display on an alternate date. If the show is rescheduled after Pyrotecnico's truck leaves the facility, CUSTOMER shall remit to Pyrotecnico an additional **$16,000.00** for additional expenses incurred. The determination to cancel the show because of inclement or unsafe weather conditions shall rest within the sole discretion of Pyrotecnico. In the event the CUSTOMER does not choose to reschedule another date or cannot agree to a mutually convenient date, Pyrotecnico shall be entitled to **$20,000.00 .**

Pyrotecnico agrees to furnish all necessary fireworks display materials and personnel for fireworks display in accordance with the program approved by the parties. Quantities and varieties of products in the program are approximate. After final design, exact specifications will be supplied upon request. Should this display require any Union, permit, or fire department related costs; their fees are not included in the Contract Price.

CUSTOMER will timely secure and provide the following: (a) Sufficient area for the display, including a minimum spectator set back distance of **425 FEET** at all points from the discharge area, as reflected in the attached site plan, and that this discharge area shall not have any unauthorized personnel or vehicles; (b) Funds for all permits, licenses, and approvals as required by local, state and federal laws for the Fireworks Display; (c) Protection of the display area by roping-off or similar facility; (d) Adequate police protection to prevent spectators from entering display area; (e) Search of the fallout area at first light following a nighttime display; and (f) Provide credit as "Fireworks by Pyrotecnico" in all advertising and marketing materials.

Pyrotecnico will maintain general liability, property damage, transportation and workers compensation insurance. All those entities/individuals who are listed on the certificate of insurance, provided by Pyrotecnico, will be deemed to be an additional insured on such policy. This insurance coverage specifically does not include coverage for any independent acts of negligence of any additional insured.

PYROTECNICO :

By *(sign)*:_____
Name: Lynn Ann Hamed
Title: Corporate Secretary
Date:_____
Address: 299 WIlson Road
New Castle PA 16101
Phone: (724) 652-9555
Email: contracts@pyrotecnico.com

CUSTOMER:

By *(sign)* :_____
Name:_____
Title:_____
Date: _____
Address: _____
_____
Phone:_____
Email: :_____

Customer Initials: _____

CONTACT/INSURANCE INFORMATION FORM

You must return this form with your signed Agreement for the Certificate of Insurance to be issued, and for the permit application to be completed and submitted. If information isn't applicable, please state such by indicating "N/A".

Customer Name (Entity Contracting Pyrotecnico): _____

Primary Point of Contact Name: _____

Phone: _____ Email: _____

Billing Address:_____

City, State & Zip: _____

Accounts Payable Contact: _____

Accounts Payable Email: _____

Display Date(s): _____ Display Start Time(s): _____

Rain Date(s): _____

Day-of-Display Contact Name:_____

Day-of-Display Mobile Phone Number:_____

Day-of-Display Email:_____

Display Site Location(s) and
Address(es):_____

_____.

If Pyrotecnico has produced a show at this site, has the geography changed (i.e, new structures, new terrain, etc.)? If yes, please describe:

_____

_____

Additionally Insured Entities (The "Customer Name" shall automatically be listed as an Additional Insured), if applicable:

_____

_____

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: February 25, 2025	**Title:** City of Muskegon Park Rules
Submitted by: Kyle Karczewski, Parks and Recreation Director	**Department:** DPW- Parks

Brief Summary:
Staff seeks approval of the 2025 City of Muskegon Park Rules.

Detailed Summary & Background:
The Parks & Recreation Advisory workshopped rules and are recommending the attached document to be adopted as City of Muskegon Park rules. The rules listed here were unanimously agreed upon via vote. While certain parks may have special rules for their unique park usage (such as Pere Marquette & Hackley Park), these rules will be across the board for all parks both community and neighborhood. Seasonal park rangers will assist enforcement of rules alongside Muskegon Public Safety.

Goal/Focus Area/Action Item Addressed:

Key Focus Areas:
Blight cleanup
Enhanced Parks and Recreation Department and Services

Goal/Action Item:
2027 Goal 1: Destination Community & Quality of Life

Amount Requested:
n/a

Budgeted Item:

Yes		No		N/A		

Fund(s) or Account(s):
n/a

Budget Amendment Needed:

Yes		No		N/A		

Recommended Motion:
To adopt the 2025 City of Muskegon Park Rules as presented.

Approvals:

Immediate Division Head	x	
Information Technology		

Guest(s) Invited / Presenting:

No

Other Division Heads	x	
Communication		
Legal Review	x	

City of Muskegon Park Rules

1. **Hours of Operation**: 5am – 11pm
2. **No Littering**: Dispose of trash properly and use designated recycling bins if available.
3. **Leash Laws**: Where allowed, ~~P~~pets ~~should~~ must be kept on a leash. Some parks may have off-leash areas, but always check the rules of the park you are at. Clean up after your pet.
4. **No Smoking or Vaping**: Parks are smoke-free to maintain a clean environment and ensure everyone's health.
5. **No Alcohol**: Consumption of alcohol is prohibited in City of Muskegon Parks outside of the social district.~~.~~
6. ~~**No**~~ **Fires or Grills**: Open flames are ~~often not~~only allowed ~~unless~~ in ~~there are~~ designated areas for barbecuing or bon-fires.
7. **Respect Wildlife**: Do not~~n't~~ feed or disturb wildlife. Keep a safe distance and observe birds and animals from afar.
8. **Stay i~~o~~n Designated ~~Paths~~Areas**: Stick to marked trails and paths to protect natural habitats and prevent erosion. Only park in designated areas.
9. **No Vandalism**: Respect park property, including benches, signs, and playground equipment.
10. **Noise Levels**: Keep noise to a reasonable level to avoid disturbing other park-goers and nearby neighbors & residents~~.~~
11. **No Unauthorized Motor Vehicles**: This includes ATVs, dirt bikes, or any motorized vehicles not designated for park use.
12. **Follow Event Rules**: If you're attending a special event, adhere to any ~~additional~~ specific rules or guidelines provided.

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: February 25, 2025	**Title:** Use Agreement - Muskegon YMCA
Submitted by: Kyle Karczewski, Parks and Recreation Director	**Department:** DPW- Parks

Brief Summary:
Staff is requesting approval of an agreement with the Muskegon YMCA for use of city facilities.

Detailed Summary & Background:
The Muskegon YMCA has requested to run various community programs at Smith-Ryerson and McGraft Parks.

This agreement will cover all programs through August 2025.

Specific summer 2025 programs have yet to be finalized but will be similar to programs run in 2024. For context, last year, the YMCA hosted a full-day summer camp at McGraft Park, with a weekly average of 50 kids. The goal for summer 2025 would be to replicate that success in other parts of the city, Smith-Ryerson, for example, and to bring new types of programs.

Costs are primarily covered by the YMCA, with any City contributions being a part of the approved Recreation Department budget and following the purchasing policy.

Goal/Focus Area/Action Item Addressed:

Key Focus Areas:
Enhanced Parks and Recreation Department and Services, Events and activities

Goal/Action Item:
2027 Goal 1: Destination Community & Quality of Life - Parks and Recreation Department and Services

Amount Requested:
n/a

Budgeted Item:

Yes		No		N/A	x	

Fund(s) or Account(s):
n/a

Budget Amendment Needed:

Yes		No		N/A	x	

Recommended Motion:
Authorize staff to enter into an agreement with Muskegon YMCA for use of City facilities.

Approvals:	**Guest(s) Invited / Presenting:**

Immediate Division Head	x		No
Information Technology			
Other Division Heads			
Communication			
Legal Review	x		

City of Muskegon
2025 YMCA Park Usage Agreement

This Usage Agreement (the "Agreement") made and entered into the ____ day of February, 2025 by and between the City of Muskegon, a Michigan municipal corporation, of 933 Terrace Street, Muskegon, MI 49440 (the "City"), and Muskegon Young Men's Christian Association, a Michigan non-profit corporation, of 1115 3rd Street, Muskegon, MI 49440 (the "User") (the City and User are collectively referred as the "Parties").

Background

A. The City of Muskegon owns Smith-Ryerson Park located at 650 Wood St., Muskegon, MI 49442 and McGraft Park located at 2204 Wickham Drive, Muskegon, MI 49441 (together the "Premises").

B. This Agreement outlines the terms and conditions under which the User is permitted to utilize the Premises for the specified purposes agreed upon between the Parties. The permission granted by the City of Muskegon is contingent upon the User's compliance with all applicable laws, regulations, and the terms stipulated in this Agreement. The City retains the right to revoke this permission at any time in accordance with the terms outlined herein.

C. The City of Muskegon has agreed to grant a non-exclusive, non-transferable use of the Premises, identified below. User has agreed to accept the same.

Therefore, the parties agree as follows:

Agreement

1. **Description of Premise**. User has inspected the Premises and agrees to accept the Premises in its present "as is" condition. User acknowledges its use is non-exclusive and City may use the Premises in its sole discretion. No representation, statement, or warranty, express or implied, has been made by or on behalf of City as to such condition, or as to the use that may be made of such property. In no event will City be liable to User for any defect in such property or for limitations on its use. No representation or warranty of habitability, express or implied, has been made by or on behalf of City to User.

2. **Term**. The term of this Agreement (the "Term") shall commence on May 1, 2025, and shall terminate on August 31, 2025, unless sooner terminated under the other terms of this Agreement. During the Term, User may operate its Events on the Premises only between the hours of 8:00 AM through 5:00 PM, Monday through Friday.

3. **Use of Premises.** It is understood and agreed between the parties that during the Term of this Agreement, the Premises shall be used and occupied only to organize and host health, wellness, community events, and other similar activities that promote community engagement and well-being, including, but not limited to a children's day camp, and for no other purpose or purposes (the "Event(s)") without the prior written consent of City, which

consent may be withheld for any reason. User agrees and understands that the City does not provide exclusive use to publicly accessible parks. User agrees to return each location to the condition it was in prior to each Event.

User is responsible for providing all necessary and appropriate safety instruction to all participants and attendees at User's activity. User will not use or permit upon the Premises anything that will materially increase the rate of insurance; nor will User in any manner deface or injure the structure, overload the floor, outside the ordinary course of its operations. User shall comply with and observe all applicable laws, ordinances, statutes, rules, and regulations relating to the Premises and the use of the Premises. This Agreement confers a limited right to use the specified property and explicitly does not grant any ownership interest, title, or leasehold estate to User. City retains full ownership and control over the property, and this Agreement does not create, transfer, or imply any property rights beyond the expressly stated usage rights.

4. **Insurance and Indemnity.**
    a. User shall, at its sole cost and expense, procure and maintain in full force and effect during the Term, comprehensive public liability, and property damage insurance for claims of personal injury, death or property damage occurring in, about or as a result of the use of the Premises, with single limit liability coverage of not less than $1,000,000. User shall provide a Commercial General Liability Insurance of not less than $1,000,000 naming the City of Muskegon as the certificate holder. The following language must be listed on the insurance "Additional Insured: The City of Muskegon, all elected and appointed officials, all employees and volunteers, all boards, commissions and/or authorities and board members, including employees and volunteers thereof: it is understood and agreed that by naming the City of Muskegon as additional insured, coverage afforded is considered to be primary and any other insurance the City of Muskegon may have in effect shall be considered secondary and/or excess." The certificate shall provide that no cancellation shall be effective without a 30-day notice to the City. The insurance policy must be in place and on file in the City Clerk's Office before User may commence operation on the Premises.

    b. User shall indemnify and hold City, and its officers, employees, managers, agents, volunteers, successors, and assigns harmless from all claims, demands, actions, losses, damages and liabilities and all fees, costs, and expenses (including reasonable attorneys' fees) relating to or in any way arising with regard to the Premises or from the use of the Premises, from any cause whatsoever.

    c. User, for itself and its respective successors and assigns (including any person, firm or corporation which may become subrogated to any of its rights), waives any and all rights and claims for recovery against City, and its officers, employees, managers, agents, volunteers, successors, and assigns, or any of them, on account of any loss or damage to any of its property insured under any valid and collectible insurance policy or policies, to the extent of any recovery collectible under such insurance policies.

d. The furnishing of any insurance coverage by User or City shall not limit User's obligations. City shall not be liable for any damage or injury occurring on or about the Premises. In no event shall City be liable for any injury or interruption to User's operation or any loss of income therefrom under any circumstances and neither City nor any of the other indemnified parties shall be liable for any indirect or consequential losses or damages suffered by User. The terms and obligations of this Paragraph 4 shall survive termination or expiration of this Agreement.

5. **Alterations or Improvements**. User shall not make any alterations, additions, or improvements to the Premises. All alterations, improvements or additions to the Premises shall be upon a written request by User and completed by the City in its sole discretion. All alterations, improvements, or additions to the Premises become the property of City and be surrendered with the Premises at the termination of this Agreement.

6. **Repairs and Maintenance**. City shall keep and maintain the Premises, and every part thereof, including, but not limited to, all structural, nonstructural, roof, light bulbs, interior and exterior portions of the buildings and improvements located upon the Premises, in good and sanitary order, condition and repair. User will deliver the same to City at the expiration of the Term in as good a condition as when received, except for reasonable use and wear thereof. User shall be responsible for any and all losses and damages caused by or arising from the acts, omissions, or negligence of User or User's employees, agents, volunteers, guests, or invitees. Any damage or permanent changes to the Premises that require City to repair will be reimbursed by User upon a written invoice by City.

7. **Default; Termination.** If the User or its agents, employees, or assigns shall default or breach any provision of this Agreement and shall not cure such default within 10 days after written notice from City; or if User abandons the Premises; or in the case of the insolvency or bankruptcy of User; then in any such event City may terminate this Agreement without notice to User. Upon termination of this Agreement, City may, if it elects to do so, forthwith and without further notice enter the Premises and dispossess User or any other occupant of the Premises and remove their effects. Either Party may terminate this Agreement by giving to the other thirty (30) days' written notice prior to any scheduled Event.

8. **Relinquish Premises**. User will relinquish and vacate the Premises at the expiration of the Term of this Agreement, in as good of a state and condition as the Premises were in at the commencement of the Term, reasonable use and wear thereof excepted.

9. **Damages**. In the event of the termination of this Agreement under the provisions of Paragraph 7 or under any provisions of law by reason of User's breach or default under this Agreement, City shall be entitled to recover from User all reasonable costs, expenses, and actual attorney fees incurred in the enforcement of City's obligations under this Agreement and the collection or attempted collection of any sums owed by User to City.

10. **Fire or destruction**. If the Premises, or any substantial part of the Premises, shall be destroyed by fire or other casualty so as to render all or a substantial part of the Premises

unusable, either Party shall have the right to terminate this Agreement on written notice. All insurance proceeds received by either party as a result of damage to or destruction of the Premises shall be promptly delivered to City, except to the extent of proceeds received exclusively for damage or destruction of User's personal property.

11. **Non-Discrimination.** During the Term, User shall refrain from refusing, restricting, withholding, or denying any accommodations, services, privileges, advantages or facilities or otherwise discriminating, whether directly or indirectly, on the basis of race, color, ethnicity, national origin, religious beliefs or practices, age, disability, pregnancy, marital status, parental status, military status, employment or educational status, gender, sex, sexual orientation, gender identity or expression, or any other protected or designated classification by as established by applicable State law.

12. **Assignment.** User may not assign this Agreement or all or any part of the Premises at any time during the Term of this Agreement without the prior written consent of City, which may be withheld for any reason.

13. **Compliance with Laws**. User, under penalty of forfeiture and damages, agrees to promptly comply with all requirements of law and all ordinances, regulations or orders of any state, municipal, or other public authority affecting all or any part of the Premises and with all requirements of the Board of Fire Underwriters or similar body and of any liability insurance company insuring City against liability for accidents in or connected with all or any part of the Premises, and User further agrees to save City harmless from any and all penalties, fines, or liabilities that may result from User's failure to so comply.

14. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their personal representatives, heirs, successors and assigns.

15. **Headings.** The headings contained herein are for the convenience of the parties and are not to be used in construing this Agreement.

16. **Remedies Cumulative; Waiver.** All rights and remedies of City are cumulative, and not exclusive, and shall be in addition to all other rights and remedies provided by applicable law. Failure to exercise or delay in exercising any right or remedy shall not operate as a waiver thereof, nor excuse future performance. No waiver, discharge or renunciation of any claim or right arising out of a breach of these terms and conditions shall be effective unless in a writing signed by the party so waiving and supported by consideration. Any waiver of any breach shall be a waiver of that breach only and not of any other breach, whether prior or subsequent thereto.

17. **Choice of Law; Invalidation of Terms.** This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan. The invalidation of one or more term in this Agreement shall not affect the validity of the remaining terms.

18. **Notices.** All notices shall be given in writing upon the parties. Any notice shall be deemed to have been given when personally delivered, sent by certified mail, return receipt requested and postage prepaid, or sent by email. Notices shall be sent as follows:

City: Parks and Recreation Director
Muskegon Department of Public Works
1350 E Keating Ave
Muskegon, MI 49442

w/copy to: Parmenter Law
PO Box 786
Muskegon, MI 49443-0786
Attn: City Attorney
Email: john@parmenterlaw.com

User: Muskegon YMCA
_____
_____
Attn: _____
Email: _____

19. **Entire Agreement; Amendment.** This Agreement represents the entire agreement between the Parties. It may not be amended, altered or modified except by a writing signed by both Parties.

20. **Counterparts**. This Agreement may be executed in counterparts, and each set of duly delivered identical counterparts which includes all signatories, shall be deemed to be one original document. Electronic or fax copies of the signed Agreement shall constitute a valid, enforceable agreement.

City – City of Muskegon, a Michigan municipal corporation

By: _____
Name: Ken Johnson
Title: Mayor
Date: _____

By: _____
Name: Ann Meisch
Title: City Clerk
Date: _____
User –

By: _____
Name: _____
Title: _____
Date: _____

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: February 25, 2025	**Title:** Sale of 1325 Terrace
Submitted by: Samantha Pulos, Code Coordinator	**Department:** Planning

Brief Summary:
Staff is requesting approval of a Purchase Agreement for 1325 Terrace.

Detailed Summary & Background:
1325 Terrace was constructed through an agreement with Dave Dusendang to construct infill housing with ARPA funding. The offer is for $155,200, which is above the listing price of $149,900; with no seller concessions. The offer includes a $5,000 appliance package and a $300 commission, totaling $155,200.

Goal/Focus Area/Action Item Addressed:

Key Focus Areas:
Create an environment that effectively attracts new residents and retains existing residents by filling existing employment gaps, attracting new and diverse businesses to the city, and expanding access to a variety of high-quality housing options in Muskegon. Diverse housing types.

Goal/Action Item:
2027 Goal 2: Economic Development Housing and Business

Amount Requested:
n/a

Budgeted Item:

Yes		No		N/A	x	

Fund(s) or Account(s):
n/a

Budget Amendment Needed:

Yes		No		N/A	x	

Recommended Motion:
To approve the Purchase Agreement for 1325 Terrace.

Approvals:

Immediate Division Head	x	
Information		

Guest(s) Invited / Presenting:

No

Technology		
Other Division Heads	x	
Communication		
Legal Review		

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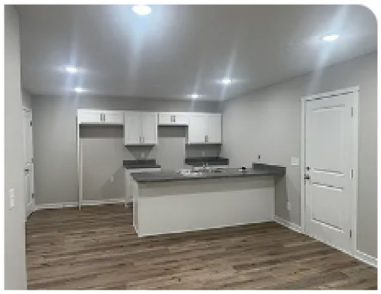

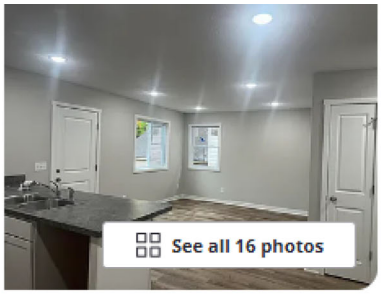

$149,900

1325 Terrace St, Muskegon, MI 49442

2 beds | **1** baths | **816** sqft

Contact agent

Est.: **N/A** Get pre-qualified

Single Family Residence	Built in 2024	4,791 sqft lot
$149,300 Zestimate®	$184/sqft	$-- HOA

What's special

103 days on Zillow | **462** views | **38** saves

Zillow last checked: 3 hours ago

Listing updated: February 10, 2025 at 05:43pm

Listed by: Brent T Cox 616-717-1220, West Urban Realty LLC 616-717-1220

Source: MichRIC, MLS#: 24058023

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WEST MICHIGAN REGIONAL PURCHASE AGREEMENT

#: 1

DATE: 02/05/2025, 6:00 PM (time) MLS #: 24058023

SELLING OFFICE: Real Broker LLC BROKER LIC.#: 6506046628 REALTOR® PHONE: 6163668924

LISTING OFFICE: West Urban Realty LLC REALTOR® PHONE: 616-717-1220

1. **Effective Date:** This Agreement is effective on the date of Seller's acceptance of Buyer's offer or Buyer's acceptance of any counteroffer, as the case may be, and this date shall hereafter be referred to as the "Effective Date". Further, any reference to "days" in this Agreement refers to calendar days. The first calendar day begins at 12:01 a.m. on the day after the Effective Date. Any reference to "time" refers to local time.

2. **Agency Disclosure:** The Undersigned Buyer and Seller each acknowledge that they have read and signed the *Disclosure Regarding Real Estate Agency Relationships*. The selling licensee is acting as (choose one):
   ☐ Agent/Subagent of Seller ☑ Buyer's Agent ☐ Dual Agent (with written, informed consent of both Buyer and Seller)
   ☐ Transaction Coordinator

   Primary Selling Agent Name: Brandon Faber Email: brandon@realgrhomes.com Lic.#: 6501419828

   Alternate Selling Agent Name: _____ Email: _____ Lic.#: _____

3. **Seller's Disclosure Statement:** (This paragraph applies to sales of one-to-four family residential units.)
   ☐ Buyer has received the *Seller's Disclosure Statement*, dated _____.
   ☐ Buyer has not received the *Seller's Disclosure Statement*. Buyer may terminate this Agreement, in writing, any time prior to receipt of the *Seller's Disclosure Statement*. Once Buyer has received the *Seller's Disclosure Statement*, Buyer may terminate this Agreement, in writing, within 72 hours of receipt if the disclosure was received in person, or within 120 hours if received by registered mail. Exceptions: _____
   ☑ Seller is exempt from the requirements of the Seller Disclosure Act.

4. **Lead-Based Paint Addendum:** Transactions involving homes built prior to 1978 require a written disclosure which is hereby attached and will be an integral part of this Agreement.

5. **Property Description:** Buyer offers to buy the property located in the ☑ City ☐ Village ☐ Township of Muskegon, County of Muskegon, Michigan, commonly known as (insert mailing address: street/city/state/zip code) 1325 Terrace St, Muskegon, MI 49442 with the following legal description and tax parcel ID numbers:

   The East 86 feet of lot 10 Block 258 1903 revised Plat of the city of Muskegon Muskegon County Michigan

   PP#: 24205258001000.

   The following paragraph applies only if the Premises include unplatted land:
   Seller agrees to grant Buyer at closing the right to make (insert number) all division(s) under Section 108(2), (3), and (4) of the Michigan Land Division Act. (If no number is inserted, the right to make divisions under the sections referenced above stays with any remainder of the parent parcel retained by Seller. If a number is inserted, Seller retains all available divisions in excess of the number stated; however, Seller and/or REALTOR® do not warrant that the number of divisions stated is actually available.) If this sale will create a new division, Seller's obligations under this Agreement are contingent on Seller's receipt of municipal approval on or before _____, of the proposed division to create the Premises.

6. **Purchase Price:** Buyer offers to buy the Property for the sum of $ 154900 one hundred fifty-four thousand nine hundred U.S. Dollars

7. **Seller Concessions**, if any: None

8. **Terms:** The Terms of Purchase will be as indicated by "X" below: (Other unmarked terms of purchase do not apply.)
   SOURCE OF FUNDS TO CLOSE: Buyer represents that the funds necessary to close this transaction on the terms specified below are currently available to Buyer in cash or an equally liquid equivalent.

   If the Property's value stated in an appraisal obtained by Buyer or Buyer's lender is less than the Purchase Price, Buyer shall within three (3) days after receipt of the appraisal: 1) renegotiate with the Seller, 2) terminate the transaction, in which case Buyer shall receive a refund of Buyer's Earnest Money Deposit, or 3) proceed to close the transaction at the agreed Purchase Price.

   ☐ CASH. The full Purchase Price upon execution and delivery of Warranty Deed. Buyer Agrees to provide Buyer Agent/Dual Agent verification of funds within five (5) days after the Effective Date, and consents to the disclosure of such information to Seller and/or Seller's Agent. If verification of funds is not received within 5 days after the Effective Date, Seller may terminate this Agreement at any time before verification of funds is received by giving written notice to Buyer. Any appraisal required by Buyer shall be arranged and paid for by Buyer within ten (10) days after the Effective Date of this Agreement.

   ☑ NEW MORTGAGE. The full Purchase Price upon execution and delivery of Warranty Deed, contingent upon Buyer's ability to obtain a Conventional type 30 (year) mortgage in the amount of 95 % of the Purchase Price bearing interest at a rate not to exceed 7.85 % per annum (rate at time of loan application), on or before the date the sale is to be closed. Buyer agrees to apply for a mortgage loan, and pay all fees and costs customarily charged by Buyer's lender to process the application, within 10 days after the Effective Date, not to impair Buyers' credit after the date such loan if offered. ☐ Seller ☑ Buyer will agree to pay an amount not to exceed $ 0.00 representing repairs required as a condition of financing. Buyer ☑ agrees ☐ does not agree to authorize Buyer's Agent/Dual Agent to obtain information from

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Buyer's lender regarding Buyer's financing, and consents to the disclosure of this information to Seller and/or Seller's Agent. Exceptions:

No Exceptions

☐ SELLER FINANCING (choose one of the following): ☐ CONTRACT or ☐ PURCHASE MONEY MORTGAGE

In the case of Seller financing, Buyer agrees to provide Seller with a credit report within 72 hours after the Effective Date. If the credit report is unacceptable to Seller, Seller shall have the right to terminate this offer within 48 hours of Seller's receipt, or if Buyer fails to provide said credit report to Seller within the time frame allotted, Seller shall have the right to terminate this offer within 48 hours. Seller is advised to seek professional advice regarding the credit report.

$_____upon execution and delivery of a _____ form (name or type of form and revision date), a copy of which is attached, wherein the balance of $ _____ will be payable in monthly installments of $_____or more including interest at_____% per annum, interest to start on date of closing, and first payment to become due thirty (30) days after date of closing. The entire unpaid balance will become due and payable_____months after closing. Any appraisal required by Buyer shall be arranged and paid for by Buyer within ten (10) days after the Effective Date of this Agreement. Exceptions:

☐ EQUITY (choose one of the following): ☐ Formal Assumption or ☐ Informal Assumption
Upon execution and delivery of: ☐ Warranty Deed subject to existing mortgage OR ☐ Assignment of Vendee Interest in Land Contract, Buyer to pay the difference (approximately $_____) between the Purchase Price above provided and the unpaid balance (approximately $_____) upon said mortgage or land contract, which Buyer agrees to assume and pay. Buyer agrees to reimburse Seller for accumulated funds held in escrow, if any, for payment of future taxes and insurance premiums, etc. Any appraisal required by Buyer shall be arranged and paid for by Buyer within ten (10) days after the Effective Date of this Agreement. Exceptions:

☐ OTHER: _____

9. **Contingencies:** Buyer's obligation to consummate this transaction (choose one):

☑ IS NOT CONTINGENT - is not contingent upon the sale or exchange of any other property by Buyer.

☐ IS CONTINGENT UPON CLOSING - is contingent upon closing of an existing sale or exchange of Buyer's property located at:

A copy of Buyer's agreement to sell or exchange that property is being delivered to Seller along with this offer. If the existing sale or exchange terminates for any reason, Buyer will immediately notify Seller, and either party may terminate this Agreement in writing, within 3 days of Buyer's notice to Seller. If either party terminates, Buyer shall receive a refund of any applicable Earnest Money Deposit.

☐ IS CONTINGENT UPON THE SALE AND CLOSING - is contingent upon the execution of a binding agreement and the closing of a sale or exchange of Buyer's property located at _____ on or before_____. Seller will have the right to continue to market Seller's Property until Buyer enters into a binding agreement to sell or exchange Buyer's property and delivers a copy thereof to Seller. During such marketing period, Seller may enter into a binding contract for sale to another purchaser on such price and terms as the Seller deems appropriate. In such event, this Agreement will automatically terminate, Buyer will be notified promptly, and Buyer's Earnest Money Deposit will be refunded. Exceptions:

10. **Fixtures & Improvements: The following is not intended to be an all-inclusive list of items included with the Property.** All improvements and appurtenances are included in the Purchase Price, if now in or on the Property, unless rented, including the following: all buildings; landscaping; attached smart home devices; attached security systems; lighting fixtures and their shades and bulbs; ceiling fans; hardware for draperies and curtains; window shades and blinds; built-in kitchen appliances, including garbage disposal and drop-in ranges; wall to wall carpeting, if attached; all attached mirrors; all attached TV mounting brackets; all attached shelving; attached work benches; stationary laundry tubs; water softener; water heater; incinerator; sump pump; water pump and pressure tank; heating and air conditioning equipment (window units excluded); attached humidifiers; heating units, including add-on heating stoves and heating stoves connected by flue pipe; fireplace screens, inserts, and grates; fireplace doors, if attached; liquid heating and cooking fuel tanks; TV antenna and complete rotor equipment; satellite dish and necessary accessories and complete rotor equipment; all support equipment for inground pools; screens and storm windows and doors; awnings; installed basketball backboard, pole and goal; mailbox; flagpole(s); fencing, invisible inground fencing and all related equipment, including collars; detached storage buildings; underground sprinkling, including the pump; installed outdoor grills; all plantings and bulbs; garage door opener and control(s); and any and all items and fixtures permanently affixed to the Property; **and also includes:**

See section 27

but does not include:

1325 Terrace St, Muskegon, MI 49442 — Subject Property Address/Description
02/05/25 — Date
6:00 PM — Time

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11. **Heating and Cooking Fuels:** Liquid heating and cooking fuels in tanks are included in the sale and will transfer to Buyer at time of possession unless usage is metered (in which case it is not included in the sale). Sellers are responsible for maintaining heating and cooking liquid fuels at an operational level and shall not permit fuels to fall below 10% in the tank(s) at the time of possession, except that the tank(s) may be empty only if now empty. Further, Seller is precluded from removing fuel from tank(s) other than what is expended through normal use. Exceptions:

N/A

12. **Assessments (choose one):**
If the Property is subject to any assessments,

☑ Seller shall pay the entire balance of any such assessments that are due and payable on or before the day of closing (regardless of any installment arrangements), except for any fees that are required for future connection to public utilities.

☐ Seller shall pay all installments of such assessments that become due and payable on or before day of closing. Buyer shall assume and pay all other installments of such assessments.

Seller has an ongoing obligation through the Closing to disclose to the Buyer any known pending assessments, including, but not limited to, any mandatory utility connection requirements, and/or benefit charges, and condominium special assessments, that have not been previously disclosed in writing to Buyer.

13. **Property Taxes:** Seller will be responsible for any taxes billed prior to those addressed below. Buyer will be responsible for all taxes billed after those addressed below.

Buyer is also advised that the state equalized value of the Property, principal residence exemption information and other real property tax information is available from the appropriate local assessor's office. Buyer should not assume that Buyer's future tax bills on the Property will be the same as Seller's present tax bills. Under Michigan law, real property tax obligations can change significantly when property is transferred.

☐ No proration. (Choose one):
☐ Buyer ☐ Seller will pay taxes billed summer_____(year);
☐ Buyer ☐ Seller will pay taxes billed winter_____(year);

☑ Calendar Year Proration (all taxes billed or to be billed in the year of the closing). Calendar year tax levies will be estimated, if necessary, using the taxable value and the millage rate(s) in effect on the day of closing, broken down to a per diem tax payment and prorated to the date of closing with Seller paying for January 1 through the day before closing.

☐ Fiscal Year Proration - Taxes will be prorated as though they are paid in (choose one): ☐ advance. ☐ arrears.
Fiscal Year will be assumed to cover a 12-month period from date billed, and taxes will be prorated to the date of closing. Fiscal year tax levies will be estimated, if necessary, using the taxable value and millage rate(s) in effect on the day of closing, broken down to a per diem tax payment and prorated to the date of closing with Seller paying through the day before closing. Exceptions:

14. **Well/Septic:** Within ten (10) days after the Effective Date, (choose one) ☐ Seller or ☐ Buyer will arrange for, at their own expense, an inspection of the primary well used for human consumption (including a water quality test for coliform bacteria and nitrates) and septic systems in use on the Property. The inspection will be performed by a qualified inspector in a manner that meets county (or other local governmental authority, if applicable) protocol.

If any report discloses a condition unsatisfactory to Buyer, or doesn't meet county standards that are a condition of sale, Buyer may, within three (3) days after Buyer has received the report, by written notice to Seller, either terminate this Agreement and receive a refund of Buyer's Earnest Money Deposit, or make a written proposal to Seller to correct those unsatisfactory conditions. If Buyer fails to make a written proposal within the above referenced time period, then Buyer will be deemed to have accepted the well/septic as-is. Seller will respond in writing within three (3) days to Buyer's request. If Seller fails to respond or to arrive at a mutually agreeable resolution within three (3) days after Seller's receipt of Buyer's proposal, Buyer will have three (3) days to provide written notice of termination of this Agreement and receive a refund of any applicable Earnest Money Deposit. If Buyer fails to terminate the contract, Buyer will proceed to closing according to the terms and conditions of this Agreement.

Other: N/A

15. **Inspections & Investigations:**

Inspections: Buyer, or someone selected by Buyer, has the right to inspect the buildings, premises, components and systems, at Buyer's expense. Any damage, misuse, abuse, or neglect of any portion of the Property or premises as a result of inspections will be Buyer's responsibility and expense.

Investigations: It is Buyer's responsibility to investigate (i) whether the Property complies with applicable codes and local ordinances and whether the Property is zoned for Buyer's intended use; (ii) whether Buyer can obtain a homeowner's insurance policy for the Property at price and terms acceptable to Buyer; (iii) and whether or not the Property is in a flood zone.

All inspections and investigations will be completed within 6 days after the Effective Date. If the results of Buyer's inspections and investigations are not acceptable to Buyer, Buyer may, within the above referenced period, either (a) terminate this Agreement by written notice to Seller and receive a refund of Buyer's Earnest Money Deposit, or (b) make a written proposal to Seller to correct those unsatisfactory conditions, which proposal must be in the form of a proposed addendum and must be signed by Buyer in order for it to be effective. If Buyer fails to make a written proposal within the above referenced time period, then Buyer will be deemed to have

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accepted the Property as-is. Seller may negotiate with Buyer, or by written notice to Buyer, accept Buyer's proposal or terminate this Agreement. If Seller fails to respond, or to arrive at a mutually agreeable resolution within three (3) days after Seller's receipt of Buyer's proposal, Buyer shall have three (3) days to provide written notice of termination of this Agreement and receive a refund of any applicable Earnest Money Deposit. If Buyer fails to terminate this Agreement within said three (3) day period, Buyer will be deemed to accept the Inspections & Investigations and will proceed to closing according to the terms and conditions of this Agreement.

☐ Buyer has waived all rights under this Inspections & Investigations paragraph.

Exceptions: No Exceptions

16. **Municipal Compliances:** Seller will arrange and pay for current certificates of occupancy, sidewalk compliance, and smoke detector ordinances, if applicable.

17. **Title Insurance:** Seller agrees to convey marketable title to the Property subject to conditions, limitations, reservation of oil, gas and other mineral rights, existing zoning ordinances, and building and use restrictions and easements of record. An **expanded coverage** ALTA Homeowner's Policy of Title Insurance in the amount of the Purchase Price shall be ordered by Seller and furnished to Buyer at Seller's expense, and a commitment to issue a policy insuring marketable title vested in Buyer, including a real estate tax status report, will be made available to Buyer within **ten (10) days** after the Effective Date. If Buyer so chooses, or if an expanded policy is not applicable, then a **standard** ALTA Owners' Policy of Title Insurance shall be provided.

    If Buyer objects to any conditions, Buyer may, within three (3) days of receipt of the Title Commitment, by written notice to Seller, either terminate this Agreement and receive a refund of Buyer's Earnest Money Deposit, or make a written proposal to Seller to correct those unsatisfactory conditions. If Buyer fails to make a written proposal within the above referenced time period, then Buyer will be deemed to have accepted the Title Commitment as-is. Seller may negotiate with Buyer, or by written notice to Buyer, accept Buyer's proposal or terminate this Agreement. If Seller fails to respond, or to arrive at a mutually agreeable resolution within three (3) days after Seller's receipt of Buyer's proposal, Buyer shall have three (3) days to provide written notice of termination of this Agreement and shall receive a refund of any applicable Earnest Money Deposit. If Buyer fails to terminate this Agreement within said three (3) day period, Buyer will be deemed to accept the Title Commitment as-is and will proceed to closing according to the terms and conditions of this Agreement. Exceptions:

    No Exceptions

18. **Property Survey:** Broker advises that Buyer should have a survey performed to satisfy Buyer as to the boundaries of the Property and the location of improvements thereon.

    ☐ Buyer or ☐ Seller (choose one) shall within ten (10) days of the Effective Date, order, at their expense, a boundary survey with iron corner stakes showing the location of the boundaries, improvements and easements in connection with the Property. Upon receipt of the survey, Buyer will have three (3) days to review the survey. If the survey shows any condition, in Buyer's sole discretion, which would interfere with Buyer's intended use of the Property, the marketability of the title, or zoning non-compliance, then Buyer may, within said three (3) day period, terminate this Agreement, in writing, and Buyer will receive a full refund of Buyer's Earnest Money Deposit.

    ☑ No survey. Buyer has waived all rights under this paragraph.

    When closing occurs, Buyer shall be deemed to have accepted the boundaries of the Property and the location of such improvements thereon. Exceptions:

    No Exceptions

19. **Home Protection Plan:** Buyer and Seller have been informed that home protection plans may be available. Such plans may provide additional protection and benefit to the parties. Exceptions:

    No Exceptions

20. **Prorations:** Rent; association dues/fees, if any; insurance, if assigned; interest on any existing land contract, mortgage or lien assumed by Buyer; will all be adjusted to the date of closing. For the purposes of calculating prorations, it is presumed that Seller owns the Property through the day before closing.

21. **Closing:** If agreeable to Buyer and Seller, the sale will be closed as soon as closing documents are ready, but not later than 03/14/2025. An additional period of fifteen (15) days will be allowed for closing to accommodate the correction of title defects or survey problems which can be readily corrected, or for delays in obtaining any lender required inspections/repairs. During this additional period, the closing will be held within 5 days after all parties have been notified that all necessary documents have been prepared. Buyer and Seller will each pay their title company closing fee, if applicable, **except in the case of VA financing where Seller will pay the entire closing fee**. Exceptions:

22. **Pre-Closing Walk-Through:** Buyer (choose one) ☑ reserves ☐ waives the right to conduct a final walk-through of the Property within three (3) days of the scheduled closing date. The purpose of the walk-through is to determine that the Property is in a substantially similar condition as of the Effective Date, any contractually agreed upon items have been fulfilled, and that any included personal property is still located at the Property. Buyer shall immediately report to Seller any objections to these conditions and Buyer's requested corrective action.

23. **Possession:** Seller will maintain the Property in its present condition until the completion of the closing of the sale. Possession to be delivered to Buyer, subject to rights of present tenants, if any.

    ☑ At the completion of the closing of the sale.

    ☐ At _____ ☐ a.m. ☐ p.m. on the _____ day **after** completion of the closing of the sale, during which time Seller will have the privilege to occupy the Property and hereby agrees to pay Buyer $_____ as an occupancy fee for this period payable at closing, WITHOUT PRORATION. Payment shall be made in the form of cash or certified funds.

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For purposes of determining possession, the transaction will be considered closed once all necessary documents have been signed and received by escrow agent and funds have been received by the escrow agent.

If Seller fails to deliver possession to Buyer on the agreed date, Seller shall become a tenant at sufferance and shall pay to Buyer as liquidated damages $ 300.00 per day plus all of the Buyer's actual reasonable attorney's fees incurred in removing the Seller from the Property.

If Seller occupies the Property after closing, Seller will pay all utilities during such occupancy. Seller shall also be responsible for snow removal and/or landscape maintenance. Buyer will maintain the structure and mechanical systems at the Property. However, any repairs or replacements necessitated by Seller's misuse, abuse, or neglect of any portion of the Property will be Seller's responsibility and expense.

On the agreed delivery date, Seller shall deliver the Property free of trash and debris and in broom-clean condition, shall remove all personal property (unless otherwise stated in this or an additional written agreement), shall make arrangements for final payment on all utilities, and shall deliver all keys to Buyer.

In the event of possession by Seller after close, Buyer and Seller ☐ agree ☐ do not agree to sign the West Michigan Regional *Temporary Occupancy Addendum* to the Purchase Agreement. If signed, that Addendum shall become an integral part of this Agreement.

Exceptions:

No Exceptions

24. **Earnest Money Deposit:** For valuable consideration, Buyer gives Seller until 1:00 PM (time) on 02/06/2025 (date), to deliver the written acceptance of this offer and agrees that this offer, when accepted by Seller, will constitute a binding Agreement between Buyer and Seller. An Earnest Money Deposit in the amount of $ 500.00 shall be submitted to Chicago Title (insert name of broker, title company, other) within 72 hours of the Effective Date of this Agreement, and shall be applied against the Purchase Price. If the Earnest Money Deposit is not received within 72 hours of the Effective Date or is returned for insufficient funds, Seller may terminate this Agreement until such time as the Earnest Money Deposit is received. If Seller terminates this Agreement under this provision, Seller waives any claim to the Earnest Money Deposit. If the sale is not closed due to a failure to satisfy a contingency for a reason other than the fault of Buyer, the Buyer is entitled to a refund of the Earnest Money Deposit. If the sale is not closed as provided in this Agreement and Buyer and Seller do not agree to the disposition of the Earnest Money Deposit, then Buyer and Seller agree that the Broker holding the Earnest Money Deposit may notify Buyer and Seller, in writing, of Broker's intended disposition of the Earnest Money Deposit. If Buyer and Seller do not object to such disposition in writing within fifteen (15) days after the date of Broker's notice, they will be deemed to have agreed to Broker's proposed disposition; if either Buyer or Seller object and no mutually agreeable disposition can be negotiated, Broker may deposit the funds by interpleader with a court of proper jurisdiction or await further actions by Buyer and Seller. In the event of litigation involving the deposit, in whole or in part, either the Seller or the Buyer that is not the prevailing party, as determined by the court, will reimburse the other for reasonable attorneys' fees and expenses incurred in connection with the litigation, and will reimburse the Broker for any reasonable attorneys' fees and expenses incurred in connection with any interpleader action instituted. If the entity holding the Earnest Money Deposit is not the Broker, then to the extent that the terms of any escrow agreement conflict with this paragraph, then the terms and conditions of the escrow agreement shall control.

25. **Professional Advice:** Broker hereby advises Buyer and Seller to seek legal, tax, environmental and other appropriate professional advice relating to this transaction. Broker does not make any representations or warranties with respect to the advisability of, or the legal effect of this transaction. Buyer further acknowledges that REALTOR® above named in the Agreement hereby recommends to Buyer that an attorney be retained by Buyer to pass upon the marketability of the title and to ascertain that the required details of the sale are adhered to before the transaction is consummated. Buyer agrees that Buyer is not relying on any representation or statement made by Seller or any real estate salesperson (whether intentionally or negligently) regarding any aspect of the Property or this sale transaction, except as may be expressly set forth in this Agreement, a written amendment to this Agreement, or a disclosure statement separately signed by Seller.

26. **Disclosure of Information:** Buyer and Seller acknowledge and agree that the Purchase Price, terms, and other details with respect to this transaction (when closed) are not confidential, will be disclosed to REALTORS® who participate in the applicable Multiple Listing Service, and may otherwise be used and/or published by that Multiple Listing Service in the ordinary course of its business.

27. **Other Provisions:**

1.Buyer will apply for City of Muskegon Homebuyer's Assistance Program.
2. Seller to pay buyer's agent broker fee of 3% of purchase price to buyer's agent broker at closing.
3.Seller to provide the following appliances and install at owners expense: Refrigerator, Dishwasher, Stove, Microwave, Washer, Dryer
4.Seller to provide proof that all contractors have been paid and no liens are on the property.

28. **Mergers and Integrations:** This Agreement is the final expression of the complete agreement of Buyer and Seller, and there are no oral agreements existing between Buyer and Seller relating to this transaction. This Agreement may be amended only in writing signed by Buyer and Seller and attached to this Agreement.

29. **Fax/Electronic Distribution and Electronic Signatures:** Buyer and Seller agree that any signed copy of this Agreement, and any amendments or addendums related to this transaction, transmitted by facsimile or other electronic means shall be competent evidence of its contents to the same effect as an original signed copy. Buyer and Seller further agree that an electronic signature is the legal equivalent of a manual or handwritten signature, and consent to use of electronic signatures. Buyer and Seller agree that any notice(s) required or permitted under this Agreement may also be transmitted by facsimile or other electronic means.

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30. **Wire Fraud:** Seller and Buyer are advised that wire fraud is an increasingly common problem. If you receive any electronic communication directing you to transfer funds or provide nonpublic personal information (such as social security numbers, drivers' license numbers, wire instructions, bank account numbers, etc.), **even if that electronic communication appears to be from the Broker, Title Company, or Lender, DO NOT** reply until you have verified the authenticity of the email by direct communication with Broker, Title Company, or Lender. **DO NOT** use telephone numbers provided in the email. Such requests may be part of a scheme to steal funds or use your identity.

31. **Buyer's Approval and Acknowledgment:** Buyer approves the terms of this offer and acknowledges receipt of a copy of this offer.

Buyer 1 Address_____ X Dimitri Nelson dotloop verified 02/05/25 8:27 PM EST I5YH-NFZ2-TY4L-OV6H **Buyer**

Buyer 1 Phone: (Res.)_____ (Bus.) _____ Dimitri Nelson
Print name as you want it to appear on documents.

Buyer 2 Address_____ X _____ **Buyer**

Buyer 2 Phone: (Res.)_____ (Bus.) _____ _____
Print name as you want it to appear on documents.

---

32. **Seller's Response:** The above offer is approved: ☐ As written. ☐ As written except:

The seller will provide a quit claim deed VS a warranty deed. The buyer acknowledges they have signed and will abide by the city of Muskegon's addendum for the builder's warranty and landscaping requirements. The home must be owner occupied. The sale of the home must be approved by city of Muskegon's city council. The sale price to be 155,200.00

Counteroffer, if any, expires_____, at_____(time). Seller has the right to withdraw this counteroffer and to accept other offers until Seller or Seller's Agent has received notice of Buyer's acceptance.

33. **Certification of Previous Disclosure Statement:** Seller certifies to Buyer that the Property is currently in the same condition as disclosed in the Seller's Disclosure Statement dated _____(choose one): ☐ Yes ☐ No.
Seller agrees to inform Buyer in writing of any changes in the content of the disclosure statement prior to closing.

34. **Notice to Seller:** Seller understands that consummation of the sale or transfer of the Property described in this Agreement will not relieve Seller of any liability that Seller may have under the mortgages to which the Property is subject, unless otherwise agreed to by the lender or required by law or regulation. Buyer and Seller are advised that a Notice to Seller & Buyer of Underlying Mortgage form is available from the respective agents via the West Michigan REALTOR® Boards.

35. **Listing Office Address:**_____ Listing Broker License #_____

Listing Agent Name: Brent Cox Listing Agent License #_____

36. **Seller's Approval and Acknowledgment:** Seller approves the terms of this Agreement and acknowledges receipt of a copy. If Seller's response occurs after Buyer's offer expires, then Seller's response is considered a counteroffer and Buyer's acceptance is required below.

X (Seller's Signature, Date, Time): Sam Pulos dotloop verified 02/10/25 1:49 PM EST ERE3-BOI3-WjDO-1AQP

_____ Is Seller a U.S. Citizen or Resident Alien? ☐ Yes ☐ No*
Print name as you want it to appear on documents.

X (Seller's Signature, Date, Time): _____

_____ Is Seller a U.S. Citizen or Resident Alien? ☐ Yes ☐ No*
Print name as you want it to appear on documents.

Seller's Address:_____ Seller's Phone (Res.)_____ (Bus)_____

* If Seller(s) is not a U.S. Citizen or Resident Alien, there may be tax implications and Buyer and Seller are advised to seek professional advice.

---

37. **Buyer's Receipt/Acceptance:** Buyer acknowledges receipt of Seller's response to Buyer's offer. In the event Seller's response constitutes a counteroffer, Buyer accepts said counteroffer. All other terms and conditions in the offer remain unchanged.

X (Buyer's Signature, Date, Time): _____

X (Buyer's Signature, Date, Time): _____

---

38. **Seller's Receipt:** Seller acknowledges receipt of Buyer's acceptance of counteroffer.

X (Seller's Signature, Date, Time): Sam Pulos dotloop verified 02/10/25 1:49 PM EST GUGU-LGAI-YHAZ-BVU3

X (Seller's Signature, Date, Time): _____

1325 Terrace St, Muskegon, MI 49442	02/05/2025	6:00 PM
Subject Property Address/Description	Date	Time

©Copyright, West Michigan REALTOR® Associations
Revision Date 1/2024

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: February 25, 2025	**Title:** Amendment to the zoning ordinance - Cottage Court Developments
Submitted by: Mike Franzak, Planning Director	**Department:** Planning

Brief Summary:
Staff-initiated request to amend Section 400 and Articles II and XX of the zoning ordinance to create regulations that allow for cottage court developments.

Detailed Summary & Background:

- A **cottage court development** is a type of housing design that typically consists of a cluster of small, single-story homes or cottages arranged around a shared central courtyard or green space. This design is often used to create a community-oriented environment, where the homes are in close proximity to each other, and the shared space fosters social interaction and a sense of belonging.
- Some key features of a cottage court development include:
    - **Central Courtyard:** The homes are typically arranged around a shared outdoor space, such as a garden, lawn, or courtyard, creating a more communal feel.
    - **Small-Scale Homes**: The individual units, often referred to as cottages, are generally smaller in size and designed to be more affordable or efficient.
    - **Pedestrian-Friendly**: These developments are often designed with pedestrians in mind, with pathways connecting the homes and the central shared space.
    - **Sense of Community**: Because of the proximity and shared spaces, cottage courts are intended to encourage neighborly interaction, fostering a tight-knit community.
- The type of density proposed in these types of developments is similar to the density allowed in the recent zoning reform amendments.
- The zoning amendments proposed would do the following:
    - Create a definition for Cottage Court Developments.
    - Create a section in the zoning ordinance under General Provisions that regulates Cottage Court Developments.
    - Allows Cottage Court Developments as a use by right (under certain conditions) in the following zoning districts: R, FBC-NE, FBC-UR, LFBC-LMR, and LFBC-LR.

The Planning Commission unanimously (7-0, 2 members absent) recommended approval of the ordinance amendments.

Goal/Focus Area/Action Item Addressed:

<u>Key Focus Areas:</u>
Diverse housing types

Goal/Action Item:
2027 Goal 2: Economic Development Housing and Business

Amount Requested:
N/A

Budgeted Item:

Yes		No		N/A	X	

Fund(s) or Account(s):
N/A

Budget Amendment Needed:

Yes		No		N/A	X	

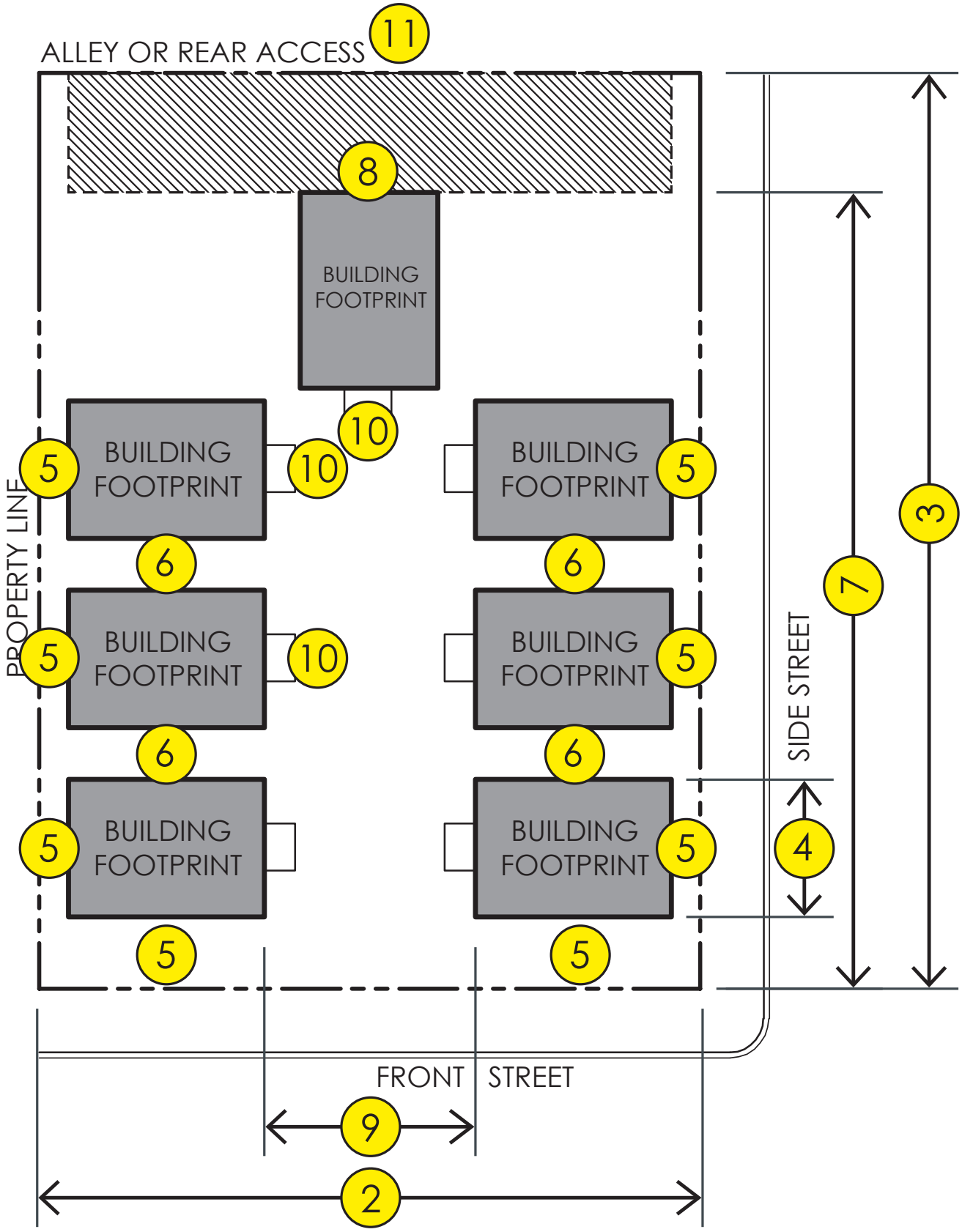
Recommended Motion:
I move to approve the request to amend Section 400 and Articles II and XX of the zoning ordinance to create regulations that allow for cottage court developments as proposed.

Approvals:

Immediate Division Head	X	
Information Technology		
Other Division Heads		
Communication		
Legal Review		

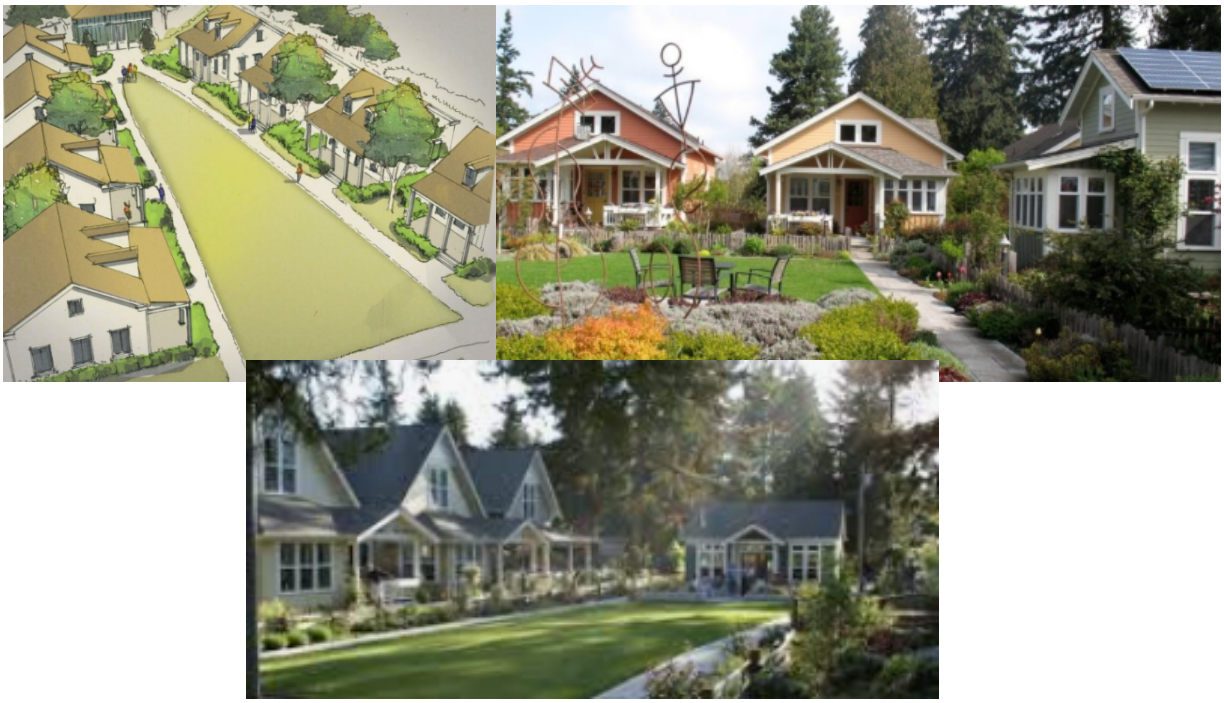
Guest(s) Invited / Presenting:

No


ALLEY OR REAR ACCESS
11
8
BUILDING FOOTPRINT
10
BUILDING FOOTPRINT
5
6
PROPERTY LINE
SIDE STREET
7
3
4
FRONT STREET
9
2

PLANNING COMMISSION EXCERPTS

Examples of Cottage Court Developments



Proposed definition in Article II (definitions):

Cottage Court Development: A group (3-10 units) of small, detached housing units arranged around and accessed from entrances facing a shared open space visible from the street.

Proposed amendment to Section 2318: Cottage Court Developments (Currently a blank section in General Provisions):

Cottage court developments are permitted in the R zoning district and the Form Based Code zoning district's FBC-NE, FBC-UR, LFBC-LMR, and LFBC-LR context areas with the following conditions:

1. The lot shall not contain fewer than three (3) nor more than ten (10) detached housing units.
2. Lot width:

   Minimum lot width: 110 feet

   Maximum lot width: 150 feet
3. Lot depth:

   Minimum lot depth: 100 feet

   Maximum lot depth: 220 feet

4. Height limit: 1.5 stories or 24 feet
5. Setbacks: front, side, and rear setbacks shall meet those of the underlying zoning district.
6. Setbacks between units: 10 feet
7. Parking Setback: 40 feet from the front property line.
8. The provided off-street parking cannot be directly adjacent to the required shared open space.
9. The cottage court development must contain a common, shared open space that is at least twenty (20) feet but no more than sixty (60) feet in width and landscaped in grass, ground cover, perennials, and/or other natural, living, landscape material.
10. All housing units that do not front on a street must front and have their main entrance face the shared open space.
11. The lot must be serviced by an alley at the side or rear of the lot or, if an alley is not available, from a single drive approach on a side street. If both an alley and side street is not available, parking may be accessed from a single drive approach on a front street.
12. All units must meet the living area standards listed in Section 2319, and each unit shall not exceed a maximum building footprint of 30'x30'.
13. Building facades facing streets or the shared open space shall have 10% to 50% of the facade be windows between the adjacent grade and the cornice expression line or eave.
14. Accessory dwelling units are not permitted in cottage court developments.

Proposed amendments to R, FBC-NE, FBC-UR, LFBC-LMR, and LFBC-LR zoning districts:

Cottage court developments would be listed as a principal use permitted, as allowed in Section 2318 (Cottage Court Developments), in these zoning districts.

CITY OF MUSKEGON

MUSKEGON COUNTY, MICHIGAN

ORDINANCE NO._____

An ordinance to amend Section 400 and Articles II and XX of the zoning ordinance to create regulations that allow for cottage court developments.

THE CITY COMMISSION OF THE CITY OF MUSKEGON HEREBY ORDAINS:

Amendment to Section 2318: Cottage Court Developments (Currently a blank section in General Provisions):

Cottage court developments are permitted in the R zoning district and the Form Based Code zoning district's FBC-NE, FBC-UR, LFBC-LMR, and LFBC-LR context areas with the following conditions:

1. The lot shall not contain fewer than three (3) nor more than ten (10) detached housing units.
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   Minimum lot width: 110 feet

   Maximum lot width: 150 feet
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   Minimum lot depth: 100 feet

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14. Accessory dwelling units are not permitted in cottage court developments.

Amendments to R, FBC-NE, FBC-UR, LFBC-LMR, and LFBC-LR zoning districts:

Cottage court developments would be listed as a principal use permitted, as allowed in Section 2318 (Cottage Court Developments), in these zoning districts.

This ordinance adopted:

Ayes:_____

Nayes:_____

Adoption Date:_____

Effective Date:_____

First Reading:_____

Second Reading:_____

CITY OF MUSKEGON

By: _____
Ann Meisch, MMC, City Clerk

CERTIFICATE

The undersigned, being the duly qualified clerk of the City of Muskegon, Muskegon County, Michigan, does hereby certify that the foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Muskegon, at a regular meeting of the City Commission on the 25th day of February 2025, at which meeting a quorum was present and remained throughout, and that the original of said ordinance is on file in the records of the City of Muskegon. I further certify that the meeting was conducted and public notice was given pursuant to and in full compliance with the Michigan Zoning Enabling Act, Public Acts of Michigan No. 33 of 2006, and that minutes were kept and will be or have been made available as required thereby.

DATED: _____, 2025. _____

Ann Meisch, MMC

Clerk, City of Muskegon

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

CITY OF MUSKEGON

NOTICE OF ADOPTION

Please take notice that on February 25, 2025, the City Commission of the City of Muskegon adopted an ordinance to amend Section 400 and Articles II and XX of the zoning ordinance to create regulations that allow for cottage court developments.

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

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

Published _____, 2025. CITY OF MUSKEGON

By _____

Ann Meisch, MMC

City Clerk

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

Account No. 101-80400-5354

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: February 25, 2025	**Title:** Amendment to the zoning ordinance - Accessory Commercial Units
Submitted by: Mike Franzak, Planning Director	**Department:** Planning

Brief Summary:
Staff-initiated request to amend Section 400 and Articles II and XX of the zoning ordinance to create regulations that allow for accessory commercial units.

Detailed Summary & Background:

- An "accessory commercial unit" (ACU) is a small commercial space, like a retail store or office, that is attached to or built on the same property as a residential dwelling, essentially acting as a secondary business space within a residential neighborhood, similar to how an accessory dwelling unit (ADU) is a secondary living space on a residential lot.
- ACUs are often seen as a way to bring local businesses closer to residents and increase neighborhood vibrancy without significantly altering the character of the area.
- The Future Land Use Map created during the Master Plan process, includes "community node" areas where higher densities and uses should be considered.
- The Master Plan recommends uses such as these in the following sections of the document:
    - Housing & Neighborhoods: Goal 3: Create walkable community nodes within a short distance of all residents. Identify existing or potential community nodes in each city neighborhood to serve as a strong center(s) from which the neighborhood can orient itself and build upon. Update land use regulations to permit better integration of different land uses at identified community nodes.
- Economic Development: Goal 2: Create viable commercial corridors and community nodes. Simplify zoning regulations to permit flexibility in business typesThe zoning amendments proposed would do the following:
    - Create a definition for Accessory Commercial Unit.
    - Create an Accessory Commercial Unit Overlay District. ACUs would only be allowed within these boundaries and under these guidelines.

The Planning Commission unanimously (7-0, 2 members absent) recommended approval of the ordinance amendment.

Goal/Focus Area/Action Item Addressed:

Key Focus Areas:
Micro-commercial areas in neighborhoods
Neighborhood commercial center development

Goal/Action Item:
2027 Goal 2: Economic Development Housing and Business

Amount Requested:
N/A

Budgeted Item:

Yes		No		N/A	X	

Fund(s) or Account(s):
N/A

Budget Amendment Needed:

Yes		No		N/A	X	

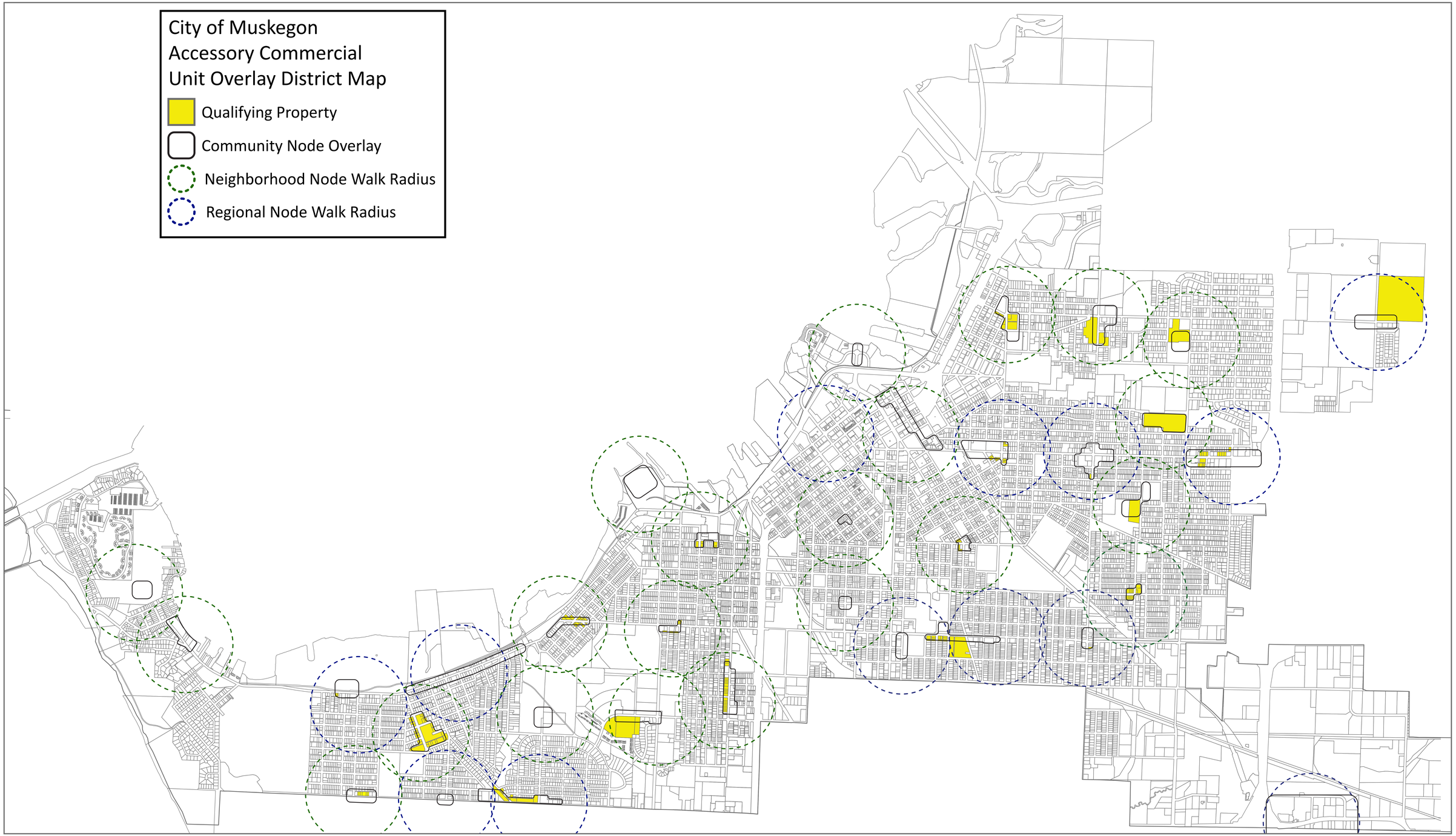
Recommended Motion:
I move to approve the request to amend Section 400 and Articles II and XX of the zoning ordinance to create regulations that allow for accessory commercial units as presented.

Approvals:

Immediate Division Head	X	
Information Technology		
Other Division Heads		
Communication		
Legal Review		

Guest(s) Invited / Presenting:

No


City of Muskegon
Accessory Commercial
Unit Overlay District Map
Qualifying Property
Community Node Overlay
Neighborhood Node Walk Radius
Regional Node Walk Radius

PLANNING COMMISSION EXCERPT

Examples of Accessory Commercial Units

Amendments to Article II (Definitions):

Accessory Commercial Unit (ACU): A smaller, secondary attached building intended for commercial use on a property that, but is accessory to the primary residential use of the property.

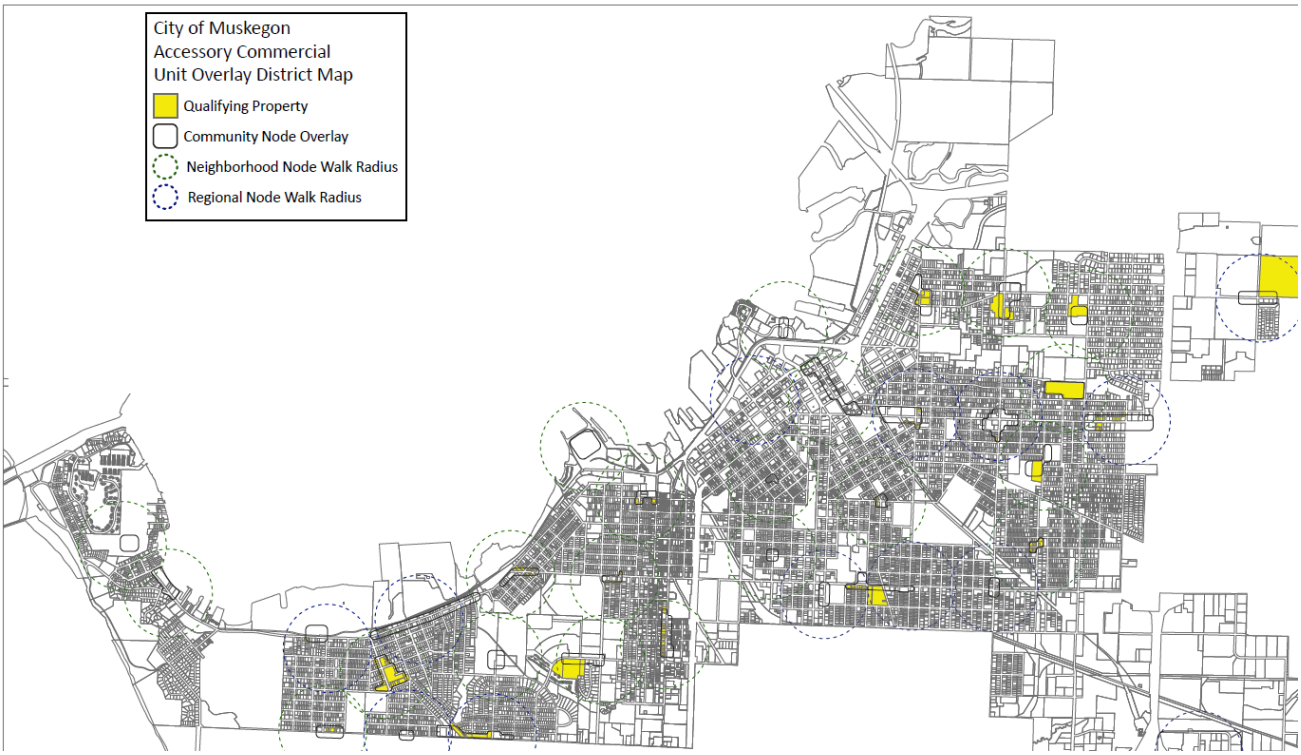
Proposed amendment to Section 2328: Accessory Commercial Unit Overlay District (Currently a blank section in General Provisions):

Accessory Commercial Units are allowed as a special land use permitted within the Accessory Commercial Unit Overlay District with the following conditions:

1. The property is located within the boundaries identified in Figure 23-4.
2. The underlying zoning of the property is R, Neighborhood Residential.
3. The principal use of the property is residential.

4. A special land use permit is issued, following the guidelines of Section 2332.
5. Permitted Uses:
    a. Retail (excluding alcohol sales)
    b. Office
    c. Personal service
    d. Gallery/museum
6. Building Requirements:
    a. Minimum building size of 200 square feet and receive a certificate of occupancy from the Building Inspections Department.
    b. The footprint of the ACU must be smaller than the footprint of the principal structure on the property.
    c. The ACU must meet the required front build-to-zone of 5 to 30 feet.
    d. The ACU must be attached to the principal structure on the property.
    e. Design requirements for the ACU must meet the Storefront Building Type Frontage Option of the Retail Building Type Facade Composition Requirements in 2006.09 of the Form Based Code.

Figure 23-4: Accessory Commercial Unit Overlay District Map (based on the Community Node Overlay in the Master Plan's Future Land Use Map).



CITY OF MUSKEGON

MUSKEGON COUNTY, MICHIGAN

ORDINANCE NO._____

An ordinance to amend Section 400 and Articles II and XX of the zoning ordinance to create regulations that allow for accessory commercial units.

THE CITY COMMISSION OF THE CITY OF MUSKEGON HEREBY ORDAINS:

Amendments to Article II (Definitions):

Accessory Commercial Unit (ACU): A smaller, secondary attached building intended for commercial use on a property that, but is accessory to the primary residential use of the property.

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    c. Personal service
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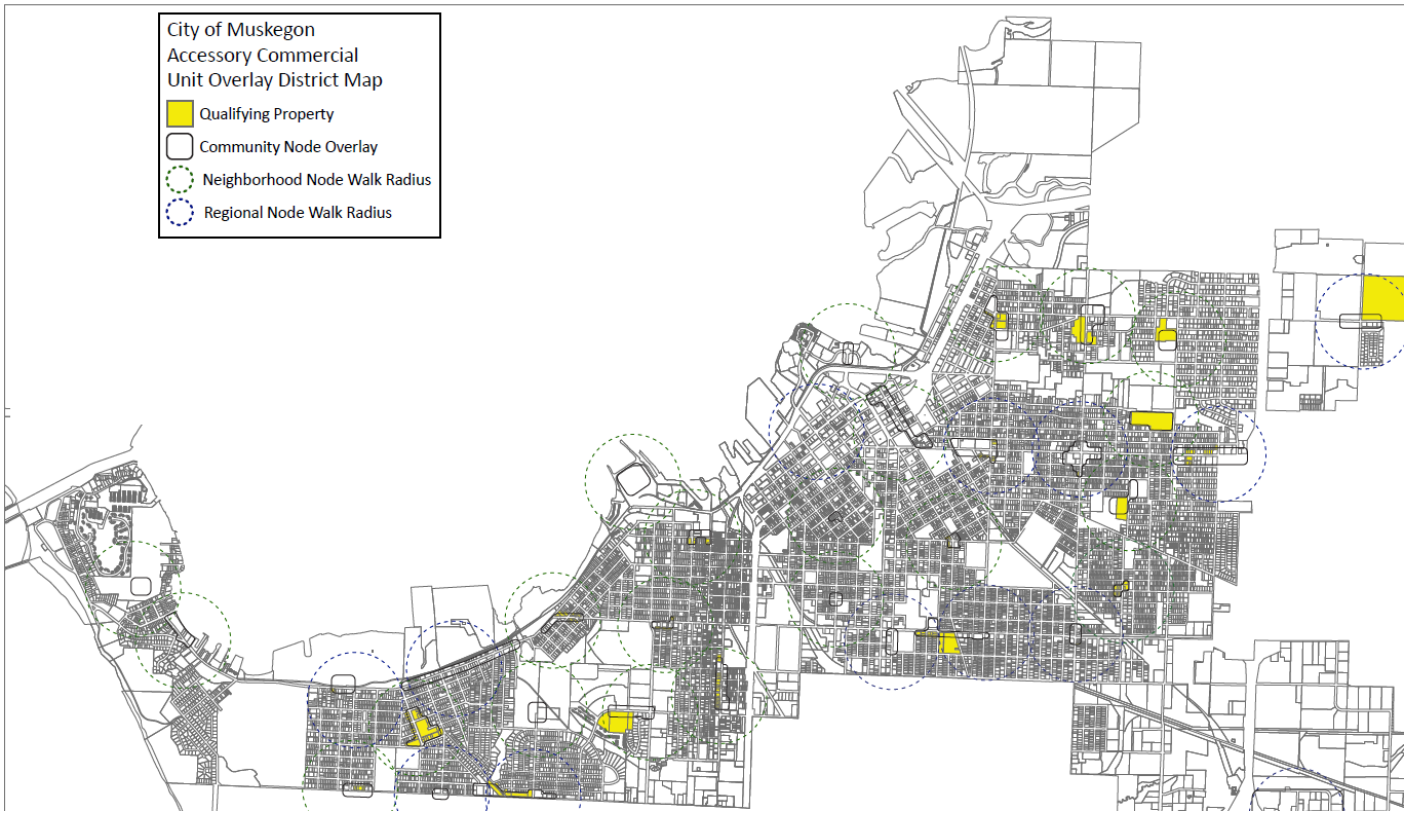
Figure 23-4: Accessory Commercial Unit Overlay District Map.



This ordinance adopted:

Ayes:_____

Nayes:_____

Adoption Date:_____

Effective Date:_____

First Reading:_____

Second Reading:_____

CITY OF MUSKEGON

By: _____
Ann Meisch, MMC, City Clerk

CERTIFICATE

The undersigned, being the duly qualified clerk of the City of Muskegon, Muskegon County, Michigan, does hereby certify that the foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Muskegon, at a regular meeting of the City Commission on the 25th day of February 2025, at which meeting a quorum was present and remained throughout, and that the original of said ordinance is on file in the records of the City of Muskegon. I further certify that the meeting was conducted and public notice was given pursuant to and in full compliance with the Michigan Zoning Enabling Act, Public Acts of Michigan No. 33 of 2006, and that minutes were kept and will be or have been made available as required thereby.

DATED: _____, 2025. _____

Ann Meisch, MMC

Clerk, City of Muskegon

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

CITY OF MUSKEGON

NOTICE OF ADOPTION

Please take notice that on February 25, 2025, the City Commission of the City of Muskegon adopted an ordinance to amend Section 400 and Articles II and XX of the zoning ordinance to create regulations that allow for accessory commercial units.

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

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

Published _____, 2025. CITY OF MUSKEGON

By _____

Ann Meisch, MMC

City Clerk

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

Account No. 101-80400-5354

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: February 25, 2025	**Title:** Muskegon Police Department Renovations
Submitted by: Timothy Kozal, Public Safety Director	**Department:** Public Safety-Police

Brief Summary:
Staff is seeking to authorize the award of a construction contract for the renovation of the first floor of the police department.

Detailed Summary & Background:
The police department is seeking to remodel the entire department as a multi-year capital improvement project. FY 24-25 has a budgeted cost of $286,653.74 to renovate the first floor of the police department. The police department is in need of a remodel due to outdated infrastructure, separated work areas, lack of storage and inadequate work space.

This project received 5 bids for the construction of the renovations with Muskegon Quality Builders coming in at the lowest bid and the only bid within budget. The police department recommends awarding the contract to Muskegon Quality Builders due to their cost and history of professionalism and quality projects.

Goal/Focus Area/Action Item Addressed:

<u>Key Focus Areas:</u>

<u>Goal/Action Item:</u>
2027 Goal 2: Economic Development Housing and Business

Amount Requested:
$284,500

Budgeted Item:

Yes	x	No		N/A		

Fund(s) or Account(s):
445-901-801-092424

Budget Amendment Needed:

Yes		No	x	N/A		

Recommended Motion:
I move to award the Police Department - First Floor Renovations construction contract to Muskegon Quality Builders at the cost of $284,500.

Approvals:

Immediate Division	x	

Guest(s) Invited / Presenting:

No

Head		
Information Technology		
Other Division Heads		
Communication		
Legal Review		

CONCEPT DESIGN STUDIO, INC.

Date: February 14, 2025

Project Name: City of Muskegon Police Department – First Floor Renovations
Project #: 1531-24

To:
Mr. Tim Kozal, Director of Public Safety
City of Muskegon
933 Terrace Street
Muskegon, MI 49440

Cc:
Thom Grimm, President, Muskegon Quality Builders
Emily Morgenstern, Police Community Coordinator
Lt. Bryan Pringle, City of Muskegon P.D.

RE: General Contractor Bid Recommendation

Director Kozal – I am happy to report we received five (5) competitive bids for the renovation work proposed for the first floor, Police Department Offices.

Following is a summary of the Bids:

Muskegon Quality Builders	$284,500.00	(PLM Bond $2,630.00)
C. Buck Construction	$318,936.00	(PLM Bond $3,986.00)
Tridonn Construction	$374,465.00	(PLM Bond $3,374.00)
Orion Construction	$415,092.00	(PLM Bond $6,211.00)
Compound Construction	$442,827.00	(PLM Bond $11,071.00)

Based on the price and the fact this was a competitive bid, I am recommending the City of Muskegon hire Muskegon Quality Builders. They are located in Muskegon Heights, though, as noted on their bid, they do own a warehouse in the City of Muskegon.

I have personally worked with them on many large and small projects. Most recently on the renovations at 221 W. Webster / Core Plaza, where I think they did a great job balancing a lot of internal clients on a tricky remodel.

I called Thom Grimm, president of MQB, and he is confident with his bid and his completion date of June 27th, 2025. Based on being able to start in early March.

Here is a list of the sub-contractors Muskegon Quality Builders has including in their pricing. Most are from Muskegon / Muskegon County:

800 ELLIS ROAD, SUITE 508 • NORTON SHORES, MI 49441
PHONE: 231.799.4838 • FAX: 231.799.4837

CONCEPT DESIGN STUDIO, INC.

Northside Heating and Cooling - City of Muskegon
Architectural Hardware - City of Muskegon (doors, frames and door hardware)
West Coast Interiors – Fruitport (flooring)
Flairwood – Fruitport (cabinetry)
Barrett Plumbing – Fruitport
Tandem Electric - Spring Lake
Dimension Four Painting - Norton Shores

Please let me know if you have any questions or concerns.
Drawings have already been submitted to Safebuilt for review.

A copy of their Bid along with their Bid Bond are attached.

A. Majeski

Alan M. Majeski AIA
Concept Design Studio, Inc.

800 ELLIS ROAD, SUITE 508 • NORTON SHORES, MI 49441
PHONE: 231.799.4838 • FAX: 231.799.4837

Concept Design Studio
800 East Ellis Road, Suite 508, Norton Shores, MI 49441

PH: (231) 799-4838
FX: (231) 799-4837

SECTION 00 41 00
PROPOSAL FORM

PROPOSAL DUE

(February 13th, 2025 at 2:00 P.M., Local Time)

The **GENERAL CONTRACTOR PROPOSAL** shall include and cover ALL CONSTRUCTION TRADES, including but not limited to; Building, Plumbing, Mechanical, and Electrical trades, as well as being responsible for all coordination between trades.

Muskegon Quality Builders, Inc.
Please indicate Company name above.

PROJECT: "Muskegon Police Department - First Floor Renovations, located at 933 Terrace Street, Muskegon City Hall"

TO: City of Muskegon
Clerk's Office
933 Terrace Street
Muskegon, MI 49442

ATTN: Bryan Prindle

The undersigned represents that they have:

A. Familiarized themselves with the local conditions affecting the cost of the work and with the Contract Documents, including Instructions to Bidders; Proposal Section; General, Supplementary and Special Conditions; etc., Drawings, Specifications and any Addenda issued and on file at the office of Concept Design Studio, Inc. 800 E. Ellis Road, Suite 508, Norton Shores, MI 49441, and hereby proposes to perform everything required to provide and furnish all labor, materials, necessary tools, expendable equipment, and all utility and transportation services, etc., necessary to perform and complete in a workmanlike manner all of the Work required for the Muskegon Police Department - First Floor Renovations, Muskegon City Hall, 933 Terrace Street, Muskegon, MI 49440.

B. in accordance with the Contract Documents, including Addenda No. 1, 2.

C. Included with this proposal a Bid Bond, Certified or Cashier's Check in the amount of five (5) percent or five Percent dollars ($ 5%).

D. Reviewed the Work fully understands the scope of the work required by interfacing Sub-Contractors as well as that required by the General Contractor, all of which is covered in this Proposal.

E. Agreed that their proposal, if accepted by the Owner, will be the basis for a contract directly with the Owner and to enter into such contract in accordance with the Intent of the Contract Documents.

Concept Design Studio
800 East Ellis Road, Suite 508, Norton Shores, MI 49441

PH: (231) 799-4838
FX: (231) 799-4837

BASE BID

The work described and specified shall be performed for the following Lump Sum, such amount constituting the Base Bid:

Two hundred Eighty four thousand five hundred and 00/100 dollars ($ 284,500.00) (amount of bid)

Number of days or date of Substantial Completion _____days or by June 27th, 2025

PLM BOND

The cost for the Performance Bond and Labor and Material Payment Bond for the Base Bid Work shall be Two thousand six hundred thirty and 00/100 dollars ($ 2,630.00) in addition to the Base Bid cost.

VOLUNTARY ALTERNATES

It is understood that if the following voluntary alternates are accepted, the base bid proposal will be adjusted accordingly:

ITEM DESCRIPTION (Note Add or Deduct)

NO. 1: Addendum 01, Item #3 Existing Flooring Alternate: Deduct $5,686.00 to leave the existing VCT on concrete and patch and prep over top before installing new VCT.

NO. 2:

NO. 3:

Concept Design Studio
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PH: (231) 799-4838
FX: (231) 799-4837

AGREEMENT

In submitting this bid, it is understood that the right is reserved by the Owner to reject any or all bids. It is agreed that this bid is binding for a period of thirty (30) - days from the opening thereof.

Date: 2-13-25

COMPANY NAME: Muskegon Quality Builders, Inc.

ADDRESS: 2837 Peck St.
Muskegon, MI 49444

PHONE: 231-733-4278

BY: [signature]
(Signature)

Thomas A. Grimm
(Name - Type or Print)

TITLE: President

* Please note Muskegon Quality Builders, Inc., owns its warehouse that is located at 327 E. Laketon, Muskegon, MI 49444 and qualifies for the 2% advantage for vendors located in the City of Muskegon.

Document A310 TM – 2010

Conforms with The American Institute of Architects AIA Document 310

Bid Bond

CONTRACTOR:
(Name, legal status and address)

Muskegon Quality Builders
2837 Peck Street
Muskegon, MI 49444

SURETY:
(Name, legal status and principal place of business)
Westfield Insurance Company
P.O. Box 5001
Westfield Center, OH 44251-5001
Mailing Address for Notices

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

OWNER:
(Name, legal status and address)

City of Muskegon
933 Terrace Street
Muskegon, MI 49440

BOND AMOUNT: 5% Five Percent of Amount Bid

PROJECT:
(Name, location or address, and Project number, if any)

Renovations to the Muskegon Police Department First Floor Offices

The Contractor and Surety are bound to the Owner in the amount set forth above, for the payment of which the Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, as provided herein. The conditions of this Bond are such that if the Owner accepts the bid of the Contractor within the time specified in the bid documents, or within such time period as may be agreed to by the Owner and Contractor, and the Contractor either (1) enters into a contract with the Owner in accordance with the terms of such bid, and gives such bond or bonds as may be specified in the bidding or Contract Documents, with a surety admitted in the jurisdiction of the Project and otherwise acceptable to the Owner, for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof; or (2) pays to the Owner the difference, not to exceed the amount of this Bond, between the amount specified in said bid and such larger amount for which the Owner may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect. The Surety hereby waives any notice of an agreement between the Owner and Contractor to extend the time in which the Owner may accept the bid. Waiver of notice by the Surety shall not apply to any extension exceeding sixty (60) days in the aggregate beyond the time for acceptance of bids specified in the bid documents, and the Owner and Contractor shall obtain the Surety's consent for an extension beyond sixty (60) days.

If this Bond is issued in connection with a subcontractor's bid to a Contractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

When this Bond has been furnished to comply with a statutory or other legal requirement in the location of the Project, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

Signed and sealed this 13th day of February, 2025.

Vaughn M. Vayon
(Witness)

Muskegon Quality Builders
(Principal) *(Seal)*

By: Thomas Vayon
(Title)

Heather Brunsdown
(Witness)

Westfield Insurance Company
(Surety) *(Seal)*

By: Lori King-Clyde
(Title) Lori King-Clyde, Attorney-in-Fact

S-0054/AS 8/10

THIS POWER OF ATTORNEY SUPERCEDES ANY PREVIOUS POWER BEARING THIS SAME POWER # AND ISSUED PRIOR TO 01/16/25, FOR ANY PERSON OR PERSONS NAMED BELOW.

General
Power
of Attorney

CERTIFIED COPY

POWER NO. **2140572 05**

Westfield Insurance Co.
Westfield National Insurance Co.
Ohio Farmers Insurance Co.

Westfield Center, Ohio

Know All Men by These Presents, That WESTFIELD INSURANCE COMPANY, WESTFIELD NATIONAL INSURANCE COMPANY and OHIO FARMERS INSURANCE COMPANY, corporations, hereinafter referred to individually as a "Company" and collectively as "Companies," duly organized and existing under the laws of the State of Ohio, and having its principal office in Westfield Center, Medina County, Ohio, do by these presents make, constitute and appoint

JANICE STICKLES, LORI KING-CLYDE, DAN CUSENZA, HEATHER L. BUONODONO, BETH WALKER, SHANNON NYHUIS, QUINN DEYER, BAYLEY REWA-SNIDER, JOINTLY OR SEVERALLY

of **KENTWOOD** and State of **MI** its true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver **any and all bonds, recognizances, undertakings, or other instruments or contracts of suretyship in any penal limit,** and to bind any of the Companies thereby as fully and to the same extent as if such bonds were signed by the President, sealed with the corporate seal of the applicable Company and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney(s)-in-Fact may do in the premises. Said appointment is made under and by authority of the following resolution adopted by the Board of Directors of each of the WESTFIELD INSURANCE COMPANY, WESTFIELD NATIONAL INSURANCE COMPANY and OHIO FARMERS INSURANCE COMPANY:

"Be It Resolved, that the President, any Senior Executive, any Secretary or any Fidelity & Surety Operations Executive or other Executive shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

The Attorney-in-Fact may be given full power and authority for and in the name of and on behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements of indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be as binding upon the Company as if signed by the President and sealed and attested by the Corporate Secretary."

"Be it Further Resolved, that the signature of any such designated person and the seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signatures or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached." (Each adopted at a meeting held on February 8, 2000).

In Witness Whereof, WESTFIELD INSURANCE COMPANY, WESTFIELD NATIONAL INSURANCE COMPANY and OHIO FARMERS INSURANCE COMPANY have caused these presents to be signed by their **National Surety Leader** and **Senior Executive** and their corporate seals to be hereto affixed this **16th** day of **JANUARY** A.D., **2025** .

Corporate
Seals
Affixed

WESTFIELD INSURANCE COMPANY SEAL
WESTFIELD NATIONAL INSURANCE CO. SEAL
OHIO FARMERS INSURANCE COMPANY CHARTERED 1848

WESTFIELD INSURANCE COMPANY
WESTFIELD NATIONAL INSURANCE COMPANY
OHIO FARMERS INSURANCE COMPANY

By:
Gary W. Stumper, *National Surety Leader* and *Senior Executive*

State of Ohio
County of Medina ss.:

On this **16th** day of **JANUARY** A.D., **2025** , before me personally came **Gary W. Stumper** to me known, who, being by me duly sworn, did depose and say, that he resides in **Medina, OH;** that he is **National Surety Leader** and **Senior Executive** of WESTFIELD INSURANCE COMPANY, WESTFIELD NATIONAL INSURANCE COMPANY and OHIO FARMERS INSURANCE COMPANY, the companies described in and which executed the above instrument; that he knows the seals of said Companies; that the seals affixed to said instrument are such corporate seals; that they were so affixed by order of the Boards of Directors of said Companies; and that he signed his name thereto by like order.

Notarial
Seal
Affixed

NOTARIAL SEAL STATE OF OHIO

State of Ohio
County of Medina ss.:

David A. Kotnik, Attorney at Law, *Notary Public*
My Commission Does Not Expire (Sec. 147.03 Ohio Revised Code)

I, **Frank A. Carrino,** Secretary of WESTFIELD INSURANCE COMPANY, WESTFIELD NATIONAL INSURANCE COMPANY and OHIO FARMERS INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Companies, which is still in full force and effect; and furthermore, the resolutions of the Boards of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seals of said Companies at Westfield Center, Ohio, this 13th day of February A.D., 2025

WESTFIELD INSURANCE COMPANY SEAL
WESTFIELD NATIONAL INSURANCE CO. SEAL
OHIO FARMERS INSURANCE COMPANY CHARTERED 1848

Frank A. Carrino, *Secretary*

BPOAC2 (combined) (05-24)

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: February 25, 2025	**Title:** 880 First St. Demolition- Asbestos Abatement Proposal
Submitted by: Contessa Alexander, Development Analyst	**Department:** Economic Development

Brief Summary:
City staff requests approval of Asbestos Abatement Inc.'s proposal for additional abatement work that is required for the demolition of the 880 First St. structure.

Detailed Summary & Background:
The City of Muskegon solicited bids from qualified contractors for the demolition of the building located at 880 First St., Muskegon, MI 49440 in July 2024. The scope of work includes complete demolition and removal of the structure, including all foundations and footings, backfilling the site, hydroseeding, and asbestos abatement. The primary objective is to eliminate blight, improve the area's aesthetic appeal, and encourage economic development by preparing the site for future opportunities.

Asbestos Abatement Inc. was awarded the bid by the City Commission on October 8, 2024. They completed the majority of the asbestos abatement but found additional unknown materials located on the roof. Due to the new finding, additional abatement is required before the company can proceed with demolition. Asbestos Abatement Inc. has submitted their abatement proposal for the new materials, which are also attached for your review.

Scope of Work

- Removal and disposal of asbestos-containing materials in Supplemental Material Testing Report dated 2/19/25
- Required personal air monitoring and clearances included. Continuous third-party air monitoring is **not** included.
- State notifications and permits included.

Price: $27,400

Goal/Focus Area/Action Item Addressed:

<u>Key Focus Areas:</u>
Progress toward completion of ongoing economic development projects

<u>Goal/Action Item:</u>
2027 Goal 2: Economic Development Housing and Business

Amount Requested: $27,400	**Budgeted Item:** Yes ■ No ☐ N/A ☐
Fund(s) or Account(s): Public Improvement Fund (445)	**Budget Amendment Needed:** Yes ■ No ☐ N/A ☐

Recommended Motion:
I move to approve the proposal from Asbestos Abatement Incorporated for the additional asbestos abatement work required at 880 First St. in the amount of $27,400 and authorize the City Manager to sign the attached proposal.

Approvals:

Immediate Division Head	■	
Information Technology		
Other Division Heads		
Communication		
Legal Review		

Guest(s) Invited / Presenting:

No

February 19, 2025

City of Muskegon
Attn: Contessa Alexander
933 Terrace Street
Muskegon, MI 49440

RE: Supplemental Asbestos Sampling at 880 First Street, Muskegon, MI.

Dear Ms. Alexander,

Asbestos Abatement Incorporated (AAI), is pleased to submit this Supplemental Material Testing Report for the above-referenced address. Additional material testing was required as additional suspect materials were discovered during the initial abatement activities.

Enclosed is the inspection report, which summarizes and documents our inspection findings, and conclusions.

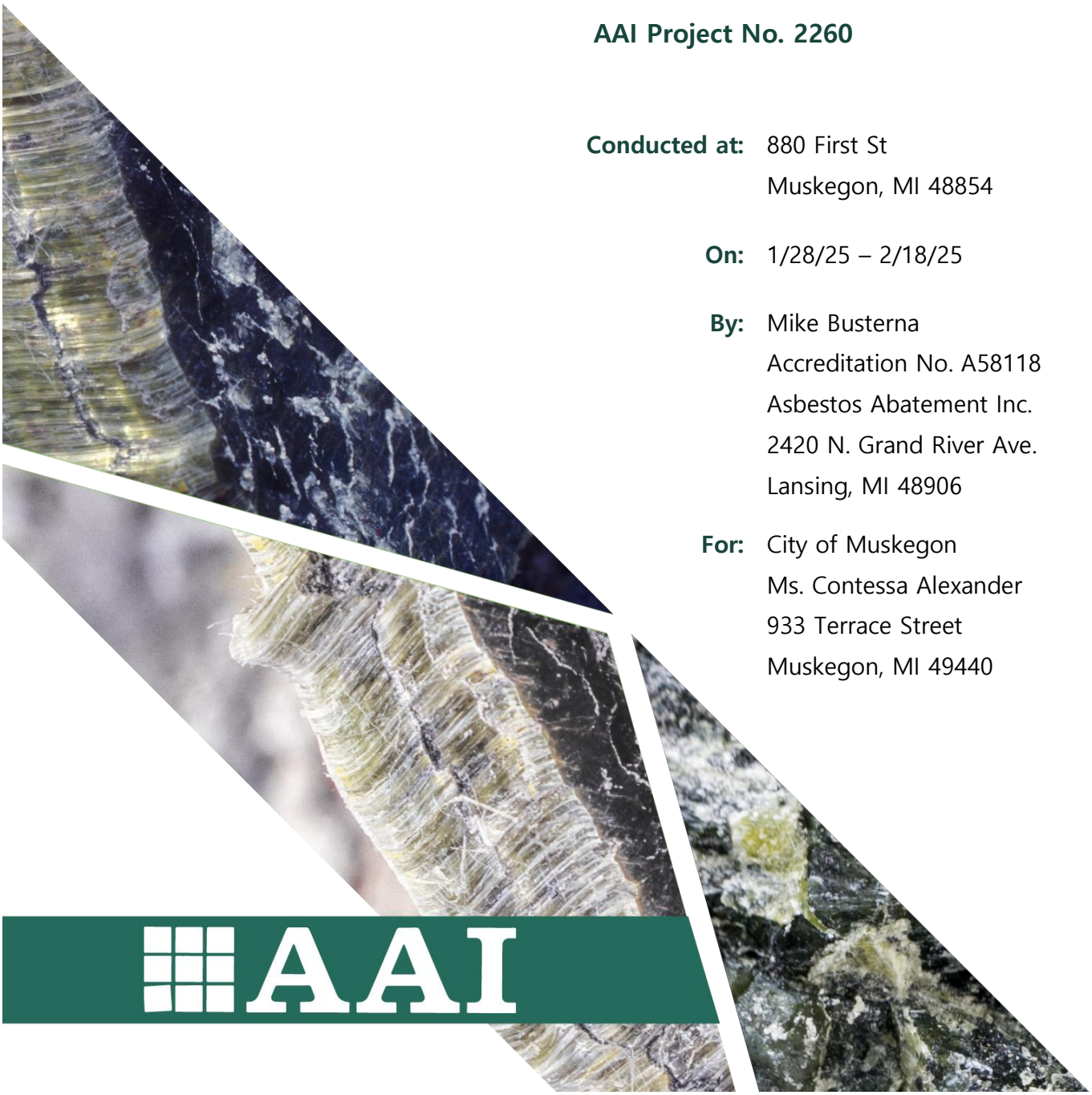
Please contact us if you have any questions about this report.

Sincerely,

Mike Busterna
Project Manager
Asbestos Abatement Incorporated

INSPECTION REPORT

Supplemental Material Testing



AAI Project No. 2260

Conducted at: 880 First St
Muskegon, MI 48854

On: 1/28/25 – 2/18/25

By: Mike Busterna
Accreditation No. A58118
Asbestos Abatement Inc.
2420 N. Grand River Ave.
Lansing, MI 48906

For: City of Muskegon
Ms. Contessa Alexander
933 Terrace Street
Muskegon, MI 49440

AAI

1.0 INTRODUCTION

The intent of the inspection was to identify asbestos-containing building materials that may be disturbed during upcoming renovation/demolition activities. Additional sampling was required due to hidden materials that were discovered as part of this renovation. The inspection was conducted by Mike Busterna (A58118), who is a State of Michigan Accredited Asbestos Inspector

2.0 ASBESTOS

A list of asbestos-containing materials is presented in the following table:

Asbestos-Containing Materials			
HA #	**Materials Description**	**Asbestos Results**	**Qty**
9	Black adhesive behind drywall in stairwell	5% Chrysotile	50 SF.
1	Lower roof joint seam caulk	5% Chrysotile	200 LF.
1A	Upper roof penthouse black/silver flashing & roofing tar	3% Chrysotile	760 SF.

APPENDIX A

Analytical Report – Asbestos

TRIANGLE ENVIRONMENTAL SERVICE CENTER, INC.

13509 East Boundary Road, Suite B, Midlothian, VA 23112
804-739-1751 • fax: 804-739-1753

BULK ASBESTOS SAMPLE ANALYSIS SUMMARY

CLIENT: Asbestos Abatement Inc.
2420 N. Grand River Ave.
Lansing, MI 48906

TESC LOGIN #: 250128E

DATE OF RECEIPT: 1/28/2025
DATE OF ANALYSIS: 1/28/2025
DATE OF REPORT: 1/28/2025

CLIENT JOB/ #: **2260**

JOB SITE: 800 First St. Muskegon, MI 49440

ANALYST: B. Trimmer

TESC SAMPLE #	CLIENT SAMPLE ID & GROSS DESCRIPTION	ESTIMATED % ASBESTOS	NON ASBESTOS % FIBERS	NON FIBROUS % MATERIALS
1	1A / Black granular	**NAD**	2% Cellulose	98%
2	1B / Black adhesive	**NAD**		100%
3	2A / Black adhesive	**NAD**		100%
4	2B / Black adhesive	**NAD**		100%
5	3A / Black adhesive	**3% Chrysotile**		97%
6	3B / Black adhesive	**3% Chrysotile**		97%
7	4A / Gray and black adhesive	**2% Chrysotile**		98%
8	4B / Gray and black adhesive	**2% Chrysotile**		98%
9	5A / Black adhesive	**5% Chrysotile**		95%
10	5B / Black adhesive	**5% Chrysotile**		95%

Samples are analyzed in accordance with "EPA -- 40 CFR Appendix E to Subpart E of Part 763, Interim Method for the Determination of Asbestos in Bulk Insulation Samples", EPA 600/R-93/116: Method for the Determination of Asbestos in Bulk Building Materials. None Detected: not detected at/or below the detected limit of method (Reporting limit: 1% Asbestos). Sodium Chloride is analyzed for quality control blank. TESC recommends by point count or Transmission Electron Microscopy (TEM), for materials regulated by the EPA NESHAP (National Emission Standards for Hazardous Air Pollutants) and found to contain less than ten percent (<10%) asbestos by Polarized Light Microscopy (PLM). Both services are available for an additional fee. This report must not be reproduced except in full with approval of Triangle Environmental Service Center, Inc. This test report relates only to the item(s) tested. This report may not be used by the client to claim product endorsement by NVLAP or any other agency of the U.S. Government. Client Samples condition acceptable for testing. Analysis of Dust Wipe, Soil, and Tape samples do not fall under NVLAP Accredition.

NVLAP Lab Code: 200794-0

[**LEGEND** NAD=No Asbestos Detected, Lino.=Linoleum, JC=Joint Compound]

Reviewed By Authorized Signatory:

Feng Jiang, MS Senior Geologist, Laboratory Director
Yuedong Fang, Senior Geologist

TRIANGLE ENVIRONMENTAL SERVICE CENTER, INC.

13509 East Boundary Road, Suite B, Midlothian, VA 23112
804-739-1751 • fax: 804-739-1753

BULK ASBESTOS SAMPLE ANALYSIS SUMMARY

CLIENT: Asbestos Abatement Inc.
2420 N. Grand River Ave.
Lansing, MI 48906

TESC LOGIN #: 250128E

DATE OF RECEIPT: 1/28/2025
DATE OF ANALYSIS: 1/28/2025
DATE OF REPORT: 1/28/2025

CLIENT JOB/ #: **2260**

JOB SITE: 800 First St. Muskegon, MI 49440

ANALYST: B. Trimmer

TESC SAMPLE #	CLIENT SAMPLE ID & GROSS DESCRIPTION	ESTIMATED % ASBESTOS	NON ASBESTOS % FIBERS	NON FIBROUS % MATERIALS
11	6A / Black adhesive	**7% Chrysotile**		93%
12	6B / Black adhesive	**NAD**	5% Cellulose	95%
13	7A / Black adhesive	**7% Chrysotile**		93%
14	7B / Black adhesive	**7% Chrysotile**		93%
15	8A / Black adhesive	**5% Chrysotile**		95%
16	8B / Black adhesive	**5% Chrysotile**		95%
17	9A / Black adhesive	**5% Chrysotile**		95%
18	9B / Black adhesive	**5% Chrysotile**	3% Cellulose	92%

Total Samples/Layers Analyzed: 18

Samples are analyzed in accordance with "EPA -- 40 CFR Appendix E to Subpart E of Part 763, Interim Method for the Determination of Asbestos in Bulk Insulation Samples", EPA 600/R-93/116: Method for the Determination of Asbestos in Bulk Building Materials. None Detected: not detected at/or below the detected limit of method (Reporting limit: 1% Asbestos). Sodium Chloride is analyzed for quality control blank. TESC recommends by point count or Transmission Electron Microscopy (TEM), for materials regulated by the EPA NESHAP (National Emission Standards for Hazardous Air Pollutants) and found to contain less than ten percent (<10%) asbestos by Polarized Light Microscopy (PLM). Both services are available for an additional fee. This report must not be reproduced except in full with approval of Triangle Environmental Service Center, Inc. This test report relates only to the item(s) tested. This report may not be used by the client to claim product endorsement by NVLAP or any other agency of the U.S. Government. Client Samples condition acceptable for testing. Analysis of Dust Wipe, Soil, and Tape samples do not fall under NVLAP Accredition.

NVLAP Lab Code: 200794-0

[**LEGEND** NAD=No Asbestos Detected, Lino.=Linoleum, JC=Joint Compound]

Reviewed By Authorized Signatory:

Feng Jiang, MS Senior Geologist, Laboratory Director
Yuedong Fang, Senior Geologist

Print Form

TESC LOGIN NUMBER: 250128E

TRIANGLE ENVIRONMENTAL SERVICE CENTER

13509 East Boundary Road, Suite B • Midlothian • VA • 23112 • Tel: 804-739-1751 • Fax: 804-739-1753

CHAIN OF CUSTODY FORM

LAB CUSTOMER: Asbestos Abatement Inc.
ADDRESS: 2420 N. Grand River Ave.
CITY, STATE, ZIP: Lansing MI 48906
TAT: 2 Hour: X 6 Hour: 24 Hour: 48 Hour: 3 Day: 5 Day:
CONTACT METHOD: Phone: 517-323-0052 **Fax:** 517-323-7382

DATE: 1/27/25
CONTACT NAME: 880 First St
PROJECT #: 2260
PROJECT SITE: 880 First St, Muskegon, MI 49440
Email: cadams@oneaai.com

	Asbestos									Lead							Other Metals					Air Quality/Mold							
Sample number	Sample Date	Bulk ID by PLM	PCM Fiber Count	PLM Point Count 400	PLM Point Count 1000	PLM Gravimetric	CARB 435 (Soil only)	TEM AHERA Air	TEM Bulk Chatfield	Air	Paint(% & PPM)	Soil(PPM)	Wipe	TCLP (Pb)	Waster Water	Drinking Water (Pb)	TCLP RCRA 8	CAM 17	Welding Fume	Toxic Metal Profile		Biocassette	Slide	Surface Tape	Surface Swab	Bulk	Air Volume (L) Wipe Area (ft^2) Scrape Area (cm^2)	Comments
1A	1/27/25	X																										1st-2nd floor black mast
1B	1/27/25	X																										1st-2nd floor black mast
2A	1/27/25	X																										2nd Floor black tar on b
2B	1/27/25	X																										2nd Floor black tar on b
3A	1/27/25	X																										2nd FL black caulk expa
3B	1/27/25	X																										2nd FL black caulk expa
4A	1/27/25	X																										2nd FL gray caulk expa
4B	1/27/25	X																										2nd FL gray caulk expa
5A	1/27/25	X																										Black Tar Roof Elevator
5B	1/27/25	X																										Black Tar Roof Elevator
6A	1/27/25	X																										Lower flashing black tar
6B	1/27/25	X																										Lower flashing black tar
7A	1/27/25	X																										Tar upper roof perimete
7B	1/27/25	X																										Tar upper roof perimete

Released by Mike Busterna	Signature:	Date/Time: 1/27/25 1pm
Received by Katherine P. Berry	Signature: Katherine P. Berry	Date/Time: 1/28/2025 1:50PM

Prepared by TESC

Pages: 1 of 1

Print Form

TESC LOGIN NUMBER: 250128E

TRIANGLE ENVIRONMENTAL SERVICE CENTER

13509 East Boundary Road, Suite B • Midlothian • VA • 23112 • Tel: 804-739-1751 • Fax: 804-739-1753

CHAIN OF CUSTODY FORM

LAB CUSTOMER: Asbestos Abatement Inc.
ADDRESS: 2420 N. Grand River Ave.
CITY, STATE, ZIP: Lansing MI 48906
TAT: 2 Hour: X 6 Hour: ____ 24 Hour: ____ 48 Hour: ____ 3 Day: ____ 5 Day: ____
CONTACT METHOD: Phone: 517-323-0052 Fax: 517-323-7382

DATE: 1/27/25
CONTACT NAME: 880 First St
PROJECT #: 2260
PROJECT SITE: 880 First St, Muskegon, MI 49440
Email: cadams@oneaai.com

Sample number	Asbestos									Lead							Other Metals					Air Quality/Mold							Comments
	Sample Date	Bulk ID by PLM	PCM Fiber Count	PLM Point Count 400	PLM Point Count 1000	PLM Gravimetric	CARB 435 (Soil only)	TEM AHERA Air	TEM Bulk Chatfield	Air	Paint(% & PPM)	Soil(PPM)	Wipe	TCLP (Pb)	Waster Water	Drinking Water (Pb)	TCLP RCRA 8	CAM 17	Welding Fume	Toxic Metal Profile		Biocassette	Slide	Surface Tape	Surface Swab	Bulk	Air Volume (L) Wipe Area (ft^2) Scrape Area (cm^2)	
8A	1/27/25	X																										S. Stair flashing caulk
8B	1/27/25	X																										S. Stair flashing caulk
9A	1/27/25	X																										2nd FL N Stair gluepod
9B	1/27/25	X																										2nd FL N Stair gluepod

Released by Mike Busterna — Signature: [signature] — Date/Time: 1/27/25 1pm
Received by Katherine P. Berry — Signature: Katherine P. Berry — Date/Time: 1/28/2025 1:50PM

Prepared by TESC

Pages: 1 of 1

TRIANGLE ENVIRONMENTAL SERVICE CENTER, INC.

13509 East Boundary Road, Suite B, Midlothian, VA 23112
804-739-1751 • fax: 804-739-1753

BULK ASBESTOS SAMPLE ANALYSIS SUMMARY

CLIENT: Asbestos Abatement Inc.
2420 N. Grand River Ave.
Lansing, MI 48906

TESC LOGIN #: 250218AL

DATE OF RECEIPT: 2/18/2025
DATE OF ANALYSIS: 2/18/2025
DATE OF REPORT: 2/18/2025

CLIENT JOB/ #: **2260**

JOB SITE: 880 First Street.

ANALYST: C. Eisenman

TESC SAMPLE #	CLIENT SAMPLE ID & GROSS DESCRIPTION	ESTIMATED % ASBESTOS	NON ASBESTOS % FIBERS	NON FIBROUS % MATERIALS
1A	1A-Top Flashing / Black adhesive and silver paint	**3% Chrysotile**		97%
1B	1A-Bottom Flashing / Black tar-like	**3% Chrysotile**	10% Cellulose 2% Fiberglass	85%
1C	1A-Plaster / Tan granular	**NAD**		100%
2A	1B-Top Flashing / Black adhesive and silver paint	**NAD**	5% Cellulose 2% Fiberglass	93%
2B	1B-Middle Flashing / Black tar-like	**4% Chrysotile**	10% Cellulose 2% Fiberglass	84%
2C	1B-Bottom Flashing / Black tar-like	**NAD**	20% Synthetic	80%

Total Samples/Layers Analyzed: 6

Samples are analyzed in accordance with "EPA -- 40 CFR Appendix E to Subpart E of Part 763, Interim Method for the Determination of Asbestos in Bulk Insulation Samples", EPA 600/R-93/116: Method for the Determination of Asbestos in Bulk Building Materials. None Detected: not detected at/or below the detected limit of method (Reporting limit: 1% Asbestos). Sodium Chloride is analyzed for quality control blank. TESC recommends by point count or Transmission Electron Microscopy (TEM), for materials regulated by the EPA NESHAP (National Emission Standards for Hazardous Air Pollutants) and found to contain less than ten percent (<10%) asbestos by Polarized Light Microscopy (PLM). Both services are available for an additional fee. This report must not be reproduced except in full with approval of Triangle Environmental Service Center, Inc. This test report relates only to the item(s) tested. This report may not be used by the client to claim product endorsement by NVLAP or any other agency of the U.S. Government. Client Samples condition acceptable for testing. Analysis of Dust Wipe, Soil, and Tape samples do not fall under NVLAP Accredition.

NVLAP Lab Code: 200794-0

[**LEGEND** NAD=No Asbestos Detected, Lino.=Linoleum, JC=Joint Compound]

Reviewed By Authorized Signatory:

Feng Jiang, MS Senior Geologist, Laboratory Director
Yuedong Fang, Senior Geologist

Print Form

TESC LOGIN NUMBER: 250218AL

TRIANGLE ENVIRONMENTAL SERVICE CENTER

13509 East Boundary Road, Suite B • Midlothian • VA • 23112 • Tel: 804-739-1751 • Fax: 804-739-1753

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LAB CUSTOMER: Asbestos Abatement Inc.
ADDRESS: 2420 N. Grand River Ave.
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TAT: 2 Hour: X 6 Hour: ____ 24 Hour: ____ 48 Hour: ____ 3 Day: ____ 5 Day: ____
CONTACT METHOD: Phone: 517-323-0052 **Fax:** 517-323-7382

DATE: 2/14/25
CONTACT NAME: Cody Adams
PROJECT #: 2260
PROJECT SITE: 880 First Street
Email: cadams@oneaai.com

Sample number	Asbestos									Lead							Other Metals					Air Quality/Mold							Comments
	Sample Date	Bulk ID by PLM	PCM Fiber Count	PLM Point Count 400	PLM Point Count 1000	PLM Gravimetric	CARB 435 (Soil only)	TEM AHERA Air	TEM Bulk Chatfield	Air	Paint(% & PPM)	Soil(PPM)	Wipe	TCLP (Pb)	Waster Water	Drinking Water (Pb)	TCLP RCRA 8	CAM 17	Welding Fume	Toxic Metal Profile		Biocassette	Slide	Surface Tape	Surface Swab	Bulk	Air Volume (L) / Wipe Area (ft^2) / Scrape Area (cm^2)	
1A	2/13/25	X																										Silver roofing multi layers
1B	2/13/25	X																										Silver roofing multi layers

Released by Mike Busterna — Signature: [signature] — Date/Time: 2/14/25 2:00pm
Received by Katherine P. Berry — Signature: Katherine P. Berry — Date/Time: 2/18/2025 2:24PM

Prepared by TESC

Pages: 1 of 1

TRIANGLE ENVIRONMENTAL SERVICE CENTER, INC.

13509 East Boundary Road, Suite B, Midlothian, VA 23112
804-739-1751 • fax: 804-739-1753

BULK ASBESTOS SAMPLE ANALYSIS SUMMARY

CLIENT: Asbestos Abatement Inc.
2420 N. Grand River Ave.
Lansing, MI 48906

TESC LOGIN #: 250203B

DATE OF RECEIPT: 2/3/2025
DATE OF ANALYSIS: 2/3/2025
DATE OF REPORT: 2/3/2025

CLIENT JOB/ #: **2260**

JOB SITE: 880 First Street.

ANALYST: B. Trimmer

TESC SAMPLE #	CLIENT SAMPLE ID & GROSS DESCRIPTION	ESTIMATED % ASBESTOS	NON ASBESTOS % FIBERS	NON FIBROUS % MATERIALS
1	1A / Black adhesive	**5% Chrysotile**		95%
2	1B / Black adhesive	**3% Chrysotile**		97%
3	2A / Black adhesive	**NAD**	3% Cellulose	97%
4	2B / Black adhesive	**NAD**	3% Cellulose	97%
5	3A / Black adhesive	**NAD**	2% Cellulose	98%
6	3B / Black adhesive	**NAD**	2% Cellulose	98%
7	4A / Black adhesive	**NAD**	2% Cellulose	98%
8	4B / Black adhesive	**NAD**	2% Cellulose	98%

Total Samples/Layers Analyzed: 8

Samples are analyzed in accordance with "EPA -- 40 CFR Appendix E to Subpart E of Part 763, Interim Method for the Determination of Asbestos in Bulk Insulation Samples", EPA 600/R-93/116: Method for the Determination of Asbestos in Bulk Building Materials. None Detected: not detected at/or below the detected limit of method (Reporting limit: 1% Asbestos). Sodium Chloride is analyzed for quality control blank. TESC recommends by point count or Transmission Electron Microscopy (TEM), for materials regulated by the EPA NESHAP (National Emission Standards for Hazardous Air Pollutants) and found to contain less than ten percent (<10%) asbestos by Polarized Light Microscopy (PLM). Both services are available for an additional fee. This report must not be reproduced except in full with approval of Triangle Environmental Service Center, Inc. This test report relates only to the item(s) tested. This report may not be used by the client to claim product endorsement by NVLAP or any other agency of the U.S. Government. Client Samples condition acceptable for testing. Analysis of Dust Wipe, Soil, and Tape samples do not fall under NVLAP Accredition.

NVLAP Lab Code: 200794-0

[**LEGEND** NAD=No Asbestos Detected, Lino.=Linoleum, JC=Joint Compound]

Reviewed By Authorized Signatory:

Feng Jiang, MS Senior Geologist, Laboratory Director
Yuedong Fang, Senior Geologist

Print Form

TESC LOGIN NUMBER: 250203B

TRIANGLE ENVIRONMENTAL SERVICE CENTER

13509 East Boundary Road, Suite B • Midlothian • VA • 23112 • Tel: 804-739-1751 • Fax: 804-739-1753

CHAIN OF CUSTODY FORM

LAB CUSTOMER: Asbestos Abatement Inc.
ADDRESS: 2420 N. Grand River Ave.
CITY, STATE, ZIP: Lansing MI 48906
TAT: 2 Hour: X 6 Hour: ____ 24 Hour: ____ 48 Hour: ____ 3 Day: ____ 5 Day: ____
CONTACT METHOD: Phone: 517-323-0052 Fax: 517-323-7382

DATE: 1/31/25
CONTACT NAME: Cody Adams
PROJECT #: 2260
PROJECT SITE: 880 First Street
Email: cadams@oneaai.com

	Asbestos									Lead							Other Metals					Air Quality/Mold							
Sample number	Sample Date	Bulk ID by PLM	PCM Fiber Count	PLM Point Count 400	PLM Point Count 1000	PLM Gravimetric	CARB 435 (Soil only)	TEM AHERA Air	TEM Bulk Chatfield	Air	Paint(% & PPM)	Soil(PPM)	Wipe	TCLP (Pb)	Waster Water	Drinking Water (Pb)	TCLP RCRA 8	CAM 17	Welding Fume	Toxic Metal Profile		Biocassette	Slide	Surface Tape	Surface Swab	Bulk	Air Volume (L) Wipe Area (ft^2) Scrape Area (cm^2)	Comments
1A	1/30/25	X																										New roof crack caulk
1B	1/30/25	X																										New roof crack caulk
2A	1/30/25	X																										New roof tar flashing
2B	1/30/25	X																										New roof tar flashing
3A	1/30/25	X																										Old roof penetration
3B	1/30/25	X																										Old roof penetration
4A	1/30/25	X																										Old roof bottom layer
4B	1/30/25	X																										Old roof bottom layer

Released by Mike Busterna	Signature: [signature]	Date/Time: 1/31/25 12:45pm
Received by Katherine P. Berry	Signature: Katherine P. Berry	Date/Time: 2/3/2025 8:48AM

Prepared by TESC

Pages: 1 of 1

APPENDIX B

Digital Photograph Log

Site Photograph Log

Client Name: City of Muskegon
Project Name: 880 First St Demolition
Project Address: 880 First St, Muskegon, MI 49440
AAI Project No. 2260

PHOTOGRAPH #1

HA #: 9

MATERIAL CLASSIFICATION
Asbestos-Containing Building Material

MATERIAL DESCRIPTION
Black adhesive behind drywall in stairwell

ADDITIONAL NOTES
5th Floor North Stairwell

PHOTOGRAPH #2

HA #: 9

MATERIAL CLASSIFICATION
Asbestos-Containing Building Material

MATERIAL DESCRIPTION
Black adhesive behind drywall in stairwell

ADDITIONAL NOTES
3rd Floor North Stairwell

PHOTOGRAPH #3

HA #: 9

MATERIAL CLASSIFICATION
Asbestos-Containing Building Material

MATERIAL DESCRIPTION
Black adhesive behind drywall in stairwell

ADDITIONAL NOTES
4th Floor North Stairwell

Site Photograph Log

Client Name: City of Muskegon
Project Name: 880 First St Demolition
Project Address: 880 First St, Muskegon, MI 49440
AAI Project No. 2260

PHOTOGRAPH #4

HA #: 9

MATERIAL CLASSIFICATION
Asbestos-Containing Building Material

MATERIAL DESCRIPTION
Black adhesive behind drywall in stairwell

ADDITIONAL NOTES
2nd Floor North Stairwell

PHOTOGRAPH #5

HA #: 9

MATERIAL CLASSIFICATION
Asbestos-Containing Building Material

MATERIAL DESCRIPTION
Black adhesive behind drywall in stairwell

ADDITIONAL NOTES
Basement North Stairwell

PHOTOGRAPH #6

HA #: 9

MATERIAL CLASSIFICATION
Asbestos-Containing Building Material

MATERIAL DESCRIPTION
Black adhesive behind drywall in stairwell

ADDITIONAL NOTES
1st Floor North Stairwell

Site Photograph Log

Client Name: City of Muskegon
Project Name: 880 First St Demolition
Project Address: 880 First St, Muskegon, MI 49440
AAI Project No. 2260

PHOTOGRAPH #7

HA #: 1

MATERIAL CLASSIFICATION
Asbestos-Containing Building Material

MATERIAL DESCRIPTION
Lower roof joint seam caulk

ADDITIONAL NOTES
Under multiple layers of roofing

PHOTOGRAPH #8

HA #: 1

MATERIAL CLASSIFICATION
Asbestos-Containing Building Material

MATERIAL DESCRIPTION
Lower roof joint seam caulk

ADDITIONAL NOTES
Under multiple layers of roofing

PHOTOGRAPH #9

HA #: 1A

MATERIAL CLASSIFICATION
Asbestos-Containing Building Material

MATERIAL DESCRIPTION
Upper penthouse black/silver flashing & roofing tar

ADDITIONAL NOTES

Site Photograph Log

Client Name: City of Muskegon
Project Name: 880 First St Demolition
Project Address: 880 First St, Muskegon, MI 49440
AAI Project No. 2260

PHOTOGRAPH #10

HA #: 1A

MATERIAL CLASSIFICATION
Asbestos-Containing Building Material

MATERIAL DESCRIPTION
Upper penthouse black/silver flashing & roofing tar

ADDITIONAL NOTES

February 19, 2025

Contessa Alexander
Development Analyst
City of Muskegon
933 Terrace St.
Muskegon, MI 49440

RE: 880 First Street Additional Abatement Proposal

Asbestos Abatement Inc. (AAI) is pleased to provide you with the following proposal for your consideration. The scope of work is limited to the work described below only and not for any other substance or condition. The price included applicable taxes.

Scope by AAI:
Removal and disposal of asbestos containing materials in Supplemental Material Testing Report dated 2/19/25.
Required personal air monitoring and clearances included. Continuous third-party air monitoring not included.
State notification and permits included.

Price = $27,400

Notes/Disclaimers: work hours are M-F during normal business hours.

The quoted rates are valid for 30 days from the date listed at the top of this agreement.

If you have any questions, feel free to call me. Thank you.

Respectfully,

Mike Busterna
Project Manager/Estimator

ACCREDITED BUSINESS

Accepted By: _____
Signature

Print Name: _____

Title: _____ Date: _____