

CITY OF MUSKEGON

CITY COMMISSION MEETING

MAY 10, 2005

CITY COMMISSION CHAMBERS @ 5:30 P.M.

AGENDA

- ❑ CALL TO ORDER:
- ❑ PRAYER:
- ❑ PLEDGE OF ALLEGIANCE:
- ❑ ROLL CALL:
- ❑ HONORS AND AWARDS:
- ❑ INTRODUCTIONS/PRESENTATION:
- ❑ CONSENT AGENDA:
 - A. Approval of Minutes. CITY CLERK
 - B. Sale of Buildable Vacant Lot on Dudley Street. PLANNING & ECONOMIC DEVELOPMENT
 - C. Beach Peddler Agreement, Polish Water Ice. ASSISTANT CITY MANAGER
 - D. ASCAP Music License. CITY MANAGER
 - E. Purchase of Garbage Carts. PUBLIC WORKS
 - F. Request to Enter Into an Agreement with DOCVIEW, LLC. PUBLIC SAFETY
- ❑ PUBLIC HEARINGS:
- ❑ COMMUNICATIONS:
- ❑ CITY MANAGER'S REPORT:
- ❑ UNFINISHED BUSINESS:
 - A. First Quarter 2005 Budget Reforecast. FINANCE
- ❑ NEW BUSINESS:
 - A. Sale of 625 Ottawa Street Excluding the Right of Way. PLANNING & ECONOMIC DEVELOPMENT
 - B. Amendment to Non-Union Rx Benefit. FINANCE

- C. Extension 2004 - 2005 Bethany Housing Community Housing Development Organization (CHDO) Agreement. COMMUNITY AND NEIGHBORHOOD SERVICES
- D. Reallocation of 1997 CHDO Funds to Habitat for Humanity for Jimmy Carter Built Project. COMMUNITY AND NEIGHBORHOOD SERVICES
- E. Lead Based Paint Abatement at 1983 Hoyt. COMMUNITY AND NEIGHBORHOOD SERVICES
- F. Approval of Contractor for Completion of Rehabilitation of Structure at 1983 Hoyt. COMMUNITY AND NEIGHBORHOOD SERVICES
- G. First Reading, Amend the City Code of Ordinances, to Repeal Chapter 102, Vehicles for Hire. LEGISLATIVE POLICY COMMITTEE
- H. Liquor License Request - D & L of Michigan, LLC, 441 W. Western. CITY CLERK

☐ **ANY OTHER BUSINESS:**

☐ **PUBLIC PARTICIPATION:**

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

☐ **ADJOURNMENT:**

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

Date: May 10, 2005
To: Honorable Mayor and City Commissioners
From: Gail A. Kunding, City Clerk
RE: Approval of Minutes

SUMMARY OF REQUEST: To approve the minutes of the Regular Commission Meeting that was held on Tuesday, April 26, 2005.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

CITY OF MUSKEGON

CITY COMMISSION MEETING

MAY 10, 2005

CITY COMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Tuesday, May 10, 2005.

Mayor Warmington opened the meeting with a prayer from Pastor Sarah Johnson of the Word of Truth Outreach after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen Warmington, Vice Mayor Bill Larson, Commissioner Chris Carter, Kevin Davis, Stephen Gawron, Clara Shepherd, and Lawrence Spataro, City Manager Bryon Mazade, City Attorney John Schrier, and City Clerk Gail Kunding.

2005-43 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve the minutes of the Regular Commission Meeting that was held on Tuesday, April 26, 2005.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. Sale of Buildable Vacant Lot on Dudley Street. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the sale of a vacant buildable lot at 1275 Dudley Avenue to Lawrence Baker, 835 Stevens Street, Muskegon, MI. The lot is 181.7 x 135.9 x 279.85 x 165 x 125.3 ft. and is being offered to Mr. Baker for \$9,750. He will be splitting the property into 2 (two) lots in order to build 2 (two) single-family homes, which will comply with the City's Policy for Sale of City-Owned Residential Property. The True Cash Value (TCV) for the property listed in the Assessor's office is \$17,000, so our price is set at \$12,750 which is 75% of that amount.

FINANCIAL IMPACT: The sale of this lot for construction of 2 (two) new homes will generate additional tax revenue for the City and will place the property back on the City's tax rolls thus relieving the City of continued maintenance costs.

BUDGET ACTION REQUIRED: None.

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

COMMITTEE RECOMMENDATION: The Land Reutilization Committee recommends approval of the sale and that the sale price should be \$9,750 due to the steep slope of the property and the amount of clean fill that would be required in order to build the homes.

C. Beach Peddler Agreement, Polish Water Ice. ASSISTANT CITY MANAGER

SUMMARY OF REQUEST: To authorize the Mayor to sign a one-year agreement between the City of Muskegon and Polish Water Ice, Inc. to sell their product (Polish Water Ice) on Pere Marquette beach.

FINANCIAL IMPACT: None. (Polish Water Ice, Inc. will pay the City \$3,000).

BUDGET ACTION REQUIRED: None.

COMMITTEE RECOMMENDATION: The Leisure Services Board recommends approval.

D. ASCAP Music License. CITY MANAGER

SUMMARY OF REQUEST: To approve an agreement with ASCAP, which provides permission for the City to use copyrighted music.

FINANCIAL IMPACT: \$268 a year.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the agreement with ASCAP.

E. Purchase of Garbage Carts. PUBLIC WORKS

SUMMARY OF REQUEST: Our stock of replacement garbage carts is now low enough that we need to purchase another truck-load. We have quotes from the two vendors that we have used in the past. Rehrig Pacific of Lawrenceville, Georgia is the low bidder at \$41 per cart for a total of \$22,632 for 552 carts. Therefore we are requesting your approval to purchase these replacement garbage carts from Rehrig Pacific.

FINANCIAL IMPACT: This purchase was budgeted in the General Sanitation Budget.

BUDGET ACTION REQUIRED: None is needed.

STAFF RECOMMENDATION: Approve the purchase.

F. Request to Enter Into an Agreement with DOCVIEW, LLC. PUBLIC SAFETY

SUMMARY OF REQUEST: Police Department staff request that the Commission authorize the Director of Public Safety to enter into a service agreement with DOCVIEW LLC of Lansing, Michigan. DOCVIEW provides an internet-based service known as TRAC View. The TRAC View service allows for internet access and acquisition of traffic collision reports. Citizens, Insurance Companies, Attorneys, etc. will now be able to purchase collision reports on line and not have to make a trip to the Police Department, though

reports may still be purchased in person.

FINANCIAL IMPACT: There is no cost to the City for implementing this service. We will still receive our compensation for each downloaded report. This will be provided to us on a quarterly basis by DOCVIEW. Currently we have one staff position in Records assigned to handle collision reports. We anticipate that this will free-up the bulk of this person's time and allow her to attend to other duties.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of this request.

Motion by Commissioner Carter, second by Vice Mayor Larson to approve the Consent Agenda as read.

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

Nays: None

MOTION PASSES

2005-44 UNFINISHED BUSINESS:

A. First Quarter 2005 Budget Reforecast - Adoption. FINANCE

SUMMARY OF REQUEST: Staff has previously transmitted the ***First Quarter 2005 Budget Reforecast*** which outlines proposed changes to the original budget that have come about as result of changes in policy priorities, labor contracts, updated economic conditions, or other factors. At this time staff is recommending adoption of the budget reforecast together with any additional changes deemed necessary by Commissioners.

FINANCIAL IMPACT: First quarter proposed changes to the General fund are relatively minor. The most recent information from the state indicates that 2005 state shared revenues will be \$13,657 less than originally projected. A state revenue conference is scheduled for May at which time further information may emerge. A more significant shortfall is forecast for the CDBG allocation to the General Fund: the original budgeted amount of \$400,000 has been reduced to \$250,000 reflecting the deterioration of CDBG revenues. Other general fund revenues appear to be in line with original projections. Proposed expenditure changes to the General Fund are minor resulting in an overall \$5,348 increase in projected costs. This figure incorporates the change resulting from the personnel adjustments related to the housing inspections matter.

The most significant change included in the first quarter reforecast is in the Public Improvement Fund. Two new fire trucks (\$800,000) and Fisherman's Landing improvements (\$175,000) have been added. At the time the original budget was prepared, it was thought that one truck would be under contract in 2004. This did not occur and, since that time, it has become apparent from rising maintenance costs that a second truck is warranted. The Fisherman's Landing improvements have been previously discussed and involve an agreement for the Fisherman's Landing group to repay the City over time.

BUDGET ACTION REQUIRED: Self-explanatory.

STAFF RECOMMENDATION: Staff recommends formal approval of the *Reforecast* and related budget amendments.

Motion by Vice Mayor Larson, second by Commissioner Shepherd to approve the first quarter 2005 Budget Reforecast with amendments.

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

Nays: None

MOTION PASSES

2005-45 NEW BUSINESS:

A. Sale of 625 Ottawa Street Excluding the Right of Way. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the sale of the vacant property at 625 Ottawa Street excluding the ROW for Shoreline Drive to MIJU Corporation, 2597 Memorial Drive, Muskegon, MI. The lot is currently 174 x 181 ft. with the ROW included and is being offered to MIJU Corporation for \$52,334.66 (\$3.22 per square foot). Mr. Frazier, owner of MIJU Corporation, will be utilizing this property for the adjacent business. Mr. Frazier has also signed a purchase agreement.

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

BUDGET ACTION REQUIRED: None.

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

Motion by Vice Mayor Larson, second by Commissioner Spataro to approve the sale of 625 Ottawa Street excluding the right-of-way.

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

Nays: None

MOTION PASSES

B. Amendment to Non-Union Rx Benefit. FINANCE

SUMMARY OF REQUEST: Most active city employees elect healthcare coverage through the Priority Health HMO program. However, a small number (7) still have coverage through the city's "self-insured" plan. With rising healthcare costs, staff has periodically recommended changes in the Rx co-pay for the HMO plan. Due to an oversight, the Rx co-pay for non-union members of the self-insured plan was not adjusted at the start of the year when other benefit changes were made. At this time, it is recommended that the Rx co-pay be increased from \$2 generic/\$5 brand-name to \$20 generic/\$40 brand-name. This change will directly impact one non-union

employee currently enrolled in the self-insured plan and will indirectly impact a second clerical-union employee whose contract tie-bars their co-pay to the non-union level. The \$20/\$40 co-pay is consistent with co-pays in place or being negotiated with other employee groups. Making this change now gives affected employees the chance to consider options during the City's open enrollment period.

FINANCIAL IMPACT: Greater sharing of Rx costs between City and affected employees.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the proposed amendment to the City's Non-Union Salary Rx co-pay.

Motion by Commissioner Spataro, second by Commissioner Gawron to approve the amendment to the City's non-union salary prescription co-pay.

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

Nays: None

MOTION PASSES

C. Extension 2004 – 2005 Bethany Housing Community Housing Development Organization (CHDO) Agreement. COMMUNITY AND NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To direct the Mayor and City Clerk to sign the 2004-2005 extension agreement for the CHDO Bethany Housing for Fifty Five Thousand Dollars. The funding will be used to rehabilitate the Bethany owned transitional house at 380-382 Houston. After the Mayor and Clerk sign the extension contract the CNS Office will retain one copy for our files and a copy will be supplied to the Clerk's Office and one to Bethany Housing. If the project is not completed by December 31, 2005, the City of Muskegon will recapture the funding.

FINANCIAL IMPACT: Funding will be allocated from the 2004-2005 HOME programs.

BUDGET ACTION REQUIRED: The Commission previously approved the funding.

STAFF RECOMMENDATION: To direct the Mayor and Clerk to sign the extension agreements.

Motion by Commissioner Carter, second by Commissioner Spataro to approve the extension of the 2004-2005 Bethany Housing Community Housing Development Organization Agreement for 380-382 Houston and direct staff to address the parking situation for the tenants.

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

Nays: None

MOTION PASSES

D. Reallocation of 1997 CHDO Funds to Habitat for Humanity for Jimmy Carter Built Project. COMMUNITY AND NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To direct staff to reallocate unused 1997 HOME CHDO funding of Thirty Thousand Seven Hundred and Seven Dollars (\$30,707) to Habitat for Humanity to assist them with their housing blitz project this summer formally known as the Jimmy Carter Built project. The original funding was allocated to another CHDO in 1997 and the funding was never spent. Therefore it is the request of the CNS to have the funding allocated to Habitat for Humanity.

FINANCIAL IMPACT: Funding will be allocated from the 1997 HOME funds allocation.

BUDGET ACTION REQUIRED: None.

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

COMMITTEE RECOMMENDATION: The previous allocation was approved by the Commission and the Citizen District Council.

Motion by Commissioner Spataro, second by Commissioner Carter to approve the reallocation of 1997 CHDO funds to Habitat for Humanity for Jimmy Carter Built Project.

**ROLL VOTE: Ayes: Spataro, Warmington, Carter, Davis, Gawron, Larson, and Shepherd
Nays: None**

MOTION PASSES

**E. Lead Based Paint Abatement at 1983 Hoyt. COMMUNITY AND
NEIGHBORHOOD SERVICES**

SUMMARY OF REQUEST: To approve the bid with Success Builders, 2722 E. Broadway, Muskegon, Michigan for the lead based paint abatement of the city-owned home at 1983 Hoyt for \$18,900. The other bid received was from A-1 Professional Construction, 15 North Park, Grand Rapids, Michigan for \$20,400. After the lead base paint abatement is complete, the structure will be totally rehabilitated and then sold to a qualified low to moderate-income homebuyer.

FINANCIAL IMPACT: Cost of the abatement will be allocated from the 2003 HOME budget.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the bid and authorize staff to contract the work with Success Builders of Muskegon.

Motion by Commissioner Spataro, second by Commissioner Davis to approve the lead-based paint abatement at 1983 Hoyt.

**ROLL VOTE: Ayes: Warmington, Carter, Davis, Gawron, Larson, Shepherd, and Spataro
Nays: None**

MOTION PASSES

F. Approval of Contractor for Completion of Rehabilitation of Structure at 1983

Hoyt. COMMUNITY AND NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the contract with Lewis Johnson Construction, 1607 Bonita Court of Grand Haven for the completion of the rehabilitation of 1983 Hoyt for Fifty Six Thousand Nine Hundred (\$56,900). The structure was obtained by the City of Muskegon through the "Good Neighbor Program" from the U.S. Department of Housing and Urban Development for the total cost of one dollar (\$1.00). After the final rehabilitation is completed, the property will be sold to a qualified family in accord with the City's neighborhood revitalization efforts, continuing the City's aggressive neighborhood revitalization efforts. The CNS Office received four proposals for this project. The other three were: Top Notch Design, 4740 Jenson, Fruitport, (\$66,535); Wasco/Briggs, 210 E. Broadway, Muskegon Heights, (\$73,613); R&R Smith, 2251 W. Giles Road, North Muskegon, (\$80,874).

FINANCIAL IMPACT: The funding for this project will be taken from the City's HOME funds from fiscal year 2003 and program income.

BUDGET ACTION REQUIRED: None required.

STAFF RECOMMENDATION: To approve the Community and Neighborhood Services request.

COMMITTEE RECOMMENDATION: The Commission approved for the CNS Office to obtain this home through the "Good Neighbor Program".

Motion by Commissioner Gawron, second by Commissioner Shepherd to approve the contract with Lewis Johnson Construction for the completion of the rehabilitation of 1983 Hoyt for \$56,900.

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

Nays: None

MOTION PASSES

G. First Reading, Amend the City Code of Ordinances, to Repeal Chapter 102, Vehicles for Hire. LEGISLATIVE POLICY COMMITTEE

SUMMARY OF REQUEST: To repeal and reserve Chapter 102, Vehicles for Hire, of the City of Muskegon Code of Ordinances.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To adopt the ordinance.

COMMITTEE RECOMMENDATION: This was discussed at the April 27th Legislative Policy Committee Meeting.

Motion by Commissioner Spataro, second by Commissioner Gawron to amend the City Code of Ordinances to repeal Chapter 102 regarding Vehicles for Hire.

Motion by Commissioner Spataro, second by Vice Mayor Larson to table the

amendment to the City Code of Ordinances to repeal Chapter 102 regarding Vehicles for Hire to the June 13th Commission Worksession.

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

Nays: None

MOTION PASSES

Motion by Commissioner Spataro, second by Commissioner Carter to extend the current licenses until this item is resolved.

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

Nays: None

MOTION PASSES

H. Liquor License Request - D & L of Michigan, LLC, 441 W. Western. CITY CLERK

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from D & L of Michigan, LLC, to transfer ownership of the 2004 Class C-SDM licensed business with dance permit and outdoor service (1 area), located in escrow at 3621 Getty, Norton Shores, from North-Saylor, Inc. and to transfer location to 441 W. Western, Muskegon.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: The Police Department is recommending denial of the request.

Motion by Vice Mayor Larson, second by Commissioner Shepherd to approve the liquor license transfer.

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

Nays: None.

MOTION PASSES

2005-46 CLOSED SESSION: To discuss pending litigation and collective bargaining.

Motion by Commissioner Carter, second by Commissioner Spataro to go into Closed Session at 7:16 p.m. to discuss pending litigation and collective bargaining.

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

Nays: None

MOTION PASSES

Motion by Vice Mayor Larson, second by Commissioner Shepherd to come out of Closed Session at 8:00 p.m.

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

Nays: None

MOTION PASSES

Motion by Commissioner Spataro, second by Commissioner Carter to concur with the City Attorney's recommendation.

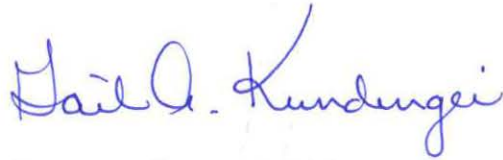
ROLL VOTE: Ayes: Warmington, Carter, Davis, Gawron, Larson, Shepherd, and Spataro

Nays: None

MOTION PASSES

ADJOURNMENT: The City Commission Meeting adjourned at 8:02 p.m.

Respectfully submitted,

A handwritten signature in blue ink, reading "Gail A. Kunding". The signature is written in a cursive, flowing style.

Gail A. Kunding, MMC
City Clerk

Commission Meeting Date: May 10, 2005

Date: April 27, 2005
To: Honorable Mayor & City Commission
From: Planning & Economic Development Department *abc*
RE: Sale of Buildable Vacant Lot on Dudley Street

SUMMARY OF REQUEST:

To approve the sale of a vacant buildable lot at 1275 Dudley Avenue (Parcel #24-610-000-0147-00) to Lawrence Baker, 835 Stevens Street, Muskegon, MI. The lot is 181.7 x 135.9 x 279.85 x 165 x 125.3 ft. and is being offered to Mr. Baker for \$9,750. He will be splitting the property into 2 (two) lots in order to build 2 (two) single-family homes, which will comply with the City's Policy for Sale of City-Owned Residential Property. The True Cash Value (TCV) for the property listed in the Assessor's office is \$17,000, so our price is set at \$12,750 which is 75% of that amount.

FINANCIAL IMPACT:

The sale of this lot for construction of 2 (two) new homes will generate additional tax revenue for the City and will place the property back on the City's tax rolls thus relieving the City of continued maintenance costs.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

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

COMMITTEE RECOMMENDATION:

The Land Reutilization Committee recommends approval of the sale and that the sale price should be \$9,750 due to the steep slope of the property and the amount of clean fill that would be required in order to build the homes.

Resolution No. 2005-43(b)

MUSKEGON CITY COMMISSION

RESOLUTION APPROVING THE SALE OF A BUILDABLE LOT AT 1275 DUDLEY AVENUE IN MARQUETTE NEIGHBORHOOD FOR \$9,750 as recommended by the Land Reutilization Committee at their regular meeting of April 26, 2005.

WHEREAS, Lawrence Baker has placed a \$400 deposit for the parcel designated as parcel number 24-610-000-0147-00, located at 1275 Dudley Avenue; and

WHEREAS, the price for parcel number 24-610-000-0147-00 is set by the City at \$12,750, which is 75% of the True Cash Value (TCV) listed in the City Assessor's Office; and

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

WHEREAS, the sale is not consistent with City policy regarding the disposition of buildable lots, due to the steep slope of the property and the amount of clean fill that will be required in order to build the homes.

NOW THEREFORE BE IT RESOLVED, that parcel number 24-610-000-0147-00, located at 1275 Dudley Avenue be sold to Lawrence Baker for \$9,750.

**CITY OF MUSKEGON URBAN RENEWAL PLAT NO. 1 LOTS 147 THRU 149
INCL**

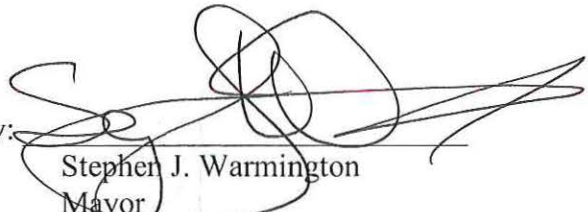
Adopted this 10th day of May 2005

Ayes: Carter, Davis, Gawron, Larson, Shepherd, Spataro, and Warmington

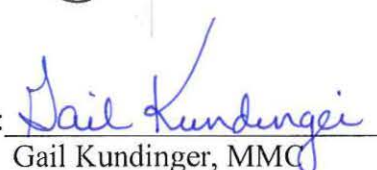
Nays: None

Absent: None

By:


Stephen J. Warmington
Mayor

Attest:


Gail Kunderger, MMC
City Clerk

CERTIFICATION

2005-43(b)

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, Michigan at a regular meeting held on May 10, 2005.

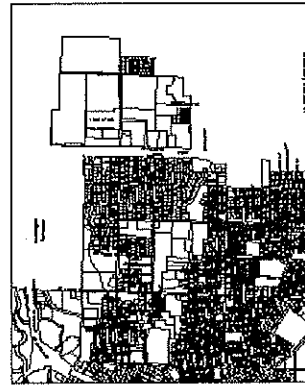
By:


Gail Kunding, MMC
City Clerk

City of Muskegon
1275 Dudley



■ = Subject Property (es)



Clerk

2015-43(6)
5-10-05

Transnation Title Insurance Company
570 Seminole Rd Ste 102
Muskegon, MI 49444

Escrow Officer: Kimber VanderWall

Title No.: MUS438571
Date: 06/15/2005

SELLER'S SETTLEMENT STATEMENT

Seller(s): City of Muskegon, a municipal
corporation

Buyer(s): Lawrence Baker

Property: 1275 Dudley Avenue
Muskegon, MI 49442
Muskegon Urban Renewal 1, Lot 147-149

	DEBIT	CREDIT
Contract Sales Price		\$9,750.00
Earnest money held by seller	\$400.00	
Sidewalk Assessment to City of Muskegon	\$744.30	
Commission Paid at Settlement	\$0.00	
to		
to		
Settlement or closing fee to LandAmerica Transnation	\$200.00	
Title insurance to LandAmerica Transnation	\$226.00	
***** Sub Total	\$1,570.30	\$9,750.00
Balance Due To Seller	\$8,179.70	
Total	\$9,750.00	\$9,750.00

The above figures do not include sales or use taxes on personal property.

APPROVED AND ACCEPTED

Broker:

City of Muskegon, a municipal
corporation

By: _____

BY Hope Mitchell
Hope Griffith, Asst. Planner
Mitchell

ADDENDUM TO PURCHASE AGREEMENT

Relative to the Purchase Agreement by and between City of Muskegon, a municipal corporation as Seller(s) and Lawrence Baker as Buyer(s) of property located at 1275 Dudley Avenue, Muskegon, MI 49442 dated 5/10/05, it is hereby agreed that the said Purchase Agreement is amended as follows:

The complete legal description is attached. Closing date to be June 15, 2005.

All other terms and conditions of said Purchase Agreement remain unchanged.

Date: 6-15-05

City of Muskegon, a municipal
corporation

BY Hope Mitchell
Hope Griffith, Asst. Planner |
Mitchell

Lawrence Baker
Lawrence Baker

EXHIBIT A

File Number – MUS438571

Legal Description:

Lots 147 through 149, inclusive, Muskegon Urban Renewal Plat No, 1, as recorded in Liber 19 of Plats, Pages 6 through 8, Muskegon County Records.

BUYERS ACCEPT PROPERTY "AS IS"

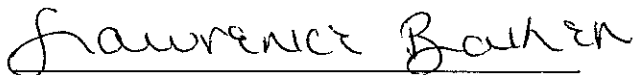
Date: June 15, 2005

Property: 1275 Dudley Avenue
Muskegon, MI 49442
Commitment No.: MUS438571

We, the undersigned, being the buyers of the above captioned property, understand and acknowledge that Buyer(s) are buying the property in an "AS IS" condition and that neither the Seller(s) nor Realtor make any warranties as to the structure(s) located upon the land purchased or the condition thereof.

Further, the undersigned agree to indemnify, save and hold harmless and and Transnation Title Insurance Company, from any responsibility and/or liability, loss or damage relative thereto.

The foregoing agreement is hereby accepted and approved on June 15, 2005.



Lawrence Baker

CONTINGENCY REMOVAL

Date: June 15, 2005

Property: 1275 Dudley Avenue
Muskegon, MI 49442

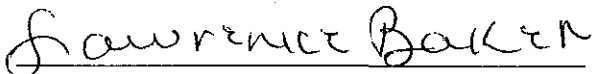
Seller(s): City of Muskegon, a municipal corporation

Buyer(s): Lawrence Baker

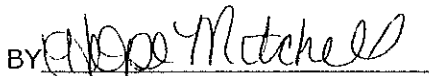
Commitment No.: MUS438571

In reference to the sales agreement dated 5/10/05 between the Buyer(s) and Seller(s) herein identified, and all subsequent addendums to that agreement for the property stated above, it is agreed by the Buyer(s) and Seller(s) that all contingencies pursuant to said agreement, have been met, resolved or removed to the satisfaction of all parties concerned.

Further, the undersigned agree to indemnify, save and hold harmless and and Transnation Title Insurance Company, from any responsibility and/or liability, loss or damage relative thereto.


Lawrence Baker

City of Muskegon, a municipal
corporation

BY 
Hope Griffith, Asst. Planner |
Mitchell

Date: June 15 2005

Commitment No.: MUS438571

Property Address: 1275 Dudley Avenue, Muskegon, Michigan 49442

The undersigned hereby acknowledge receipt of a Request to Rescind Homeowner's Principle Residence Exemption Affidavit form (Michigan Department of Treasury Form No. 26092) as same is required by Public Act 237 of 1994.

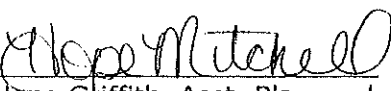
☒ The undersigned do not request that Transnation Title Insurance Company file the form on their behalf.

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

Sellers:

City of Muskegon, a municipal
corporation

BY


Hope Griffith, Asst. Planner /
Mitchell

**ACKNOWLEDGEMENT OF HOMEOWNER'S PRINCIPLE RESIDENCE EXEMPTION
AFFIDAVIT AND REQUEST TO RESCIND HOMESTEAD EXEMPTION AND PROPERTY
TRANSFER AFFIDAVIT**

Date: June 15, 2005

Commitment No.: MUS438571

Property: 1275 Dudley Avenue, Muskegon, MI 49442

The undersigned hereby acknowledges receipt of Property Transfer Affidavit form (Michigan Department of Treasury Form No. L-4260) as same is required by Public Act 415 of 1994 which imposes obligations on buyers/transferees to file said form within 45 days of the date of transfer. The undersigned further acknowledges that Transnation Title Insurance Company is under no obligation to provide said form but does as an accommodation to the undersigned. The undersigned assumes all liability relative to compliance with the Act and, accordingly, holds the Company harmless from and against any liability relative thereto.

Please check one of the following:

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

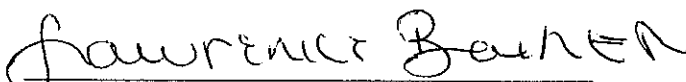
☒ The undersigned have fully and properly completed the form and request that Transnation Title Insurance Company mail the form by first class mail and acknowledges that the Company shall not be liable in the event that any of the information provided on said form is inaccurate or incomplete, or in the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

The undersigned hereby acknowledge receipt of the Homeowner's Principle Residence Exemption Affidavit (Michigan Department of Treasury Form No. 2368) as same is required by Public Act 415 of 1994 which imposes obligations on Purchasers/Transferees to file the form within 45 days of the date of transfer. The undersigned further acknowledge(s) that Transnation Title Insurance Company is under no obligation to provide said form but does so as an accommodation to the undersigned. The undersigned assume(s) all responsibility relative to compliance with the Act and, accordingly, holds the Company harmless from and against any liability relative thereto.

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

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

BUYERS:


Lawrence Baker

This form is issued under authority of
P.A. 415 of 1994. Filing is mandatory.

PROPERTY TRANSFER AFFIDAVIT

This form must be filed whenever real estate or some types of personal property are transferred (even if you are not recording a deed). It is used by the assessor to insure the property is assessed properly and receives the correct **taxable value**. It must be filed by the new owner with the **assessor for the city or township** where the property is located within **45 days** of the transfer. If it is not filed timely, a penalty of \$5/day (maximum \$200) applies. The information on this form is NOT CONFIDENTIAL.

1. Street Address of Property 1275 Dudley Avenue	2. County Muskegon	4. Date of Transfer (or land contract was signed) June 15, 2005
3. City/Township/Village of Real Estate City	Township/City/Village Muskegon	5. Purchase Price of Real Estate \$9,750.00
6. Property Identification Number (PIN). If you don't have a PIN, attach a legal description. 61-24-610-000-0145-00,		PIN. This number ranges from 10 to 25 digits. It usually includes hyphens and sometimes includes letters. It is on the property tax bill and on the assessment notice.
7. Seller's (Transferor) Name City of Muskegon, a municipal corporation	8. Buyer's (Transferee) Name and Mailing Address Lawrence Baker 1275 Dudley Avenue 8355 F&E 4NS Muskegon MI 49442 musk.mi 49442	
Items 9-13 are optional. However, by completing them you may avoid further correspondence.		
Transfers include deeds, land contracts, transfers involving trusts or wills, certain long-term leases and interest in a business. See the back for a complete list.		
9. Type of Transfer?		
10. Is the transfer between related persons?	11. Amount of Down Payment	
12. If you financed the purchase, did you pay market rate of interest?	13. Amount Financed (Borrowed)	

Exemptions

The Michigan Constitution limits how much a property's **taxable value** can increase while it is owned by the same person. Once the property is transferred, the **taxable value** must be adjusted by the assessor in the following year to 50 percent of the property's usual selling price. Certain types of transfers are exempt from adjustment. Below are brief descriptions of the types of exempt transfers; full descriptions are in MCL Section 211.27a(7)(a-n). If you believe this transfer is exempt, indicate below the type of exemption you are claiming. If you claim an exemption, your assessor may request more information to support your claim.

- ☐ transfer from one spouse to the other spouse
- ☐ change in ownership solely to exclude or include a spouse
- ☐ transfer of that portion of a property subject to a life lease or life estate (*until* the life lease or life estate expires)
- ☐ transfer to effect the foreclosure or forfeiture of real property
- ☐ transfer by redemption from a tax sale
- ☐ transfer into a trust where the settlor or the settlor's spouse conveys property to the trust and is also the sole beneficiary of the trust
- ☐ transfer resulting from a court order unless the order specifies a monetary payment
- ☐ transfer creating or ending a joint ownership if at least one person is an original owner of the property (or his/her spouse)
- ☐ transfer to establish or release a security interest (collateral)
- ☐ transfer of real estate through normal public trading of stocks
- ☐ transfer between entities under common control or among members of an affiliated group
- ☐ transfer resulting from transactions that qualify as a tax-free reorganization
- ☐ transfer of qualified agricultural property when the property remains qualified agricultural property and affidavit has been filed.
- ☐ other, specify:

Certification

I certify that the information above is true and complete to be best of my knowledge.

Owner's Signature Lawrence Baker	Date 6/15	If signer is other than the owner, print name and title.
-------------------------------------	--------------	--

QUIT-CLAIM DEED

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

QUIT CLAIMS to **LAWRENCE BAKER**, a married man, of 835 Stevens, Muskegon, Michigan 49442,

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

CITY OF MUSKEGON URBAN RENEWAL PLAT NO. 1, LOTS 147 THRU 149, INCLUSIVE

for the sum of Nine Thousand Seven Hundred Fifty and no/100 Dollars (\$9,750.00)

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

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

Dated this 20 day of May, 2005.

Signed in the presence of:

Linda Potter
Linda Potter

Jo Ann Krukowski
Jo Ann Krukowski

CITY OF MUSKEGON

By Stephen J. Warmington
Stephen J. Warmington, Its Mayor

and Gail A. Kunding
Gail A. Kunding, MMC, Its Clerk

STATE OF MICHIGAN
COUNTY OF MUSKEGON

Signed and sworn to before me in Muskegon County, Michigan, on May 20, 2005, by STEPHEN J. WARMINGTON and GAIL A. KUNDINGER, MMC, the Mayor and Clerk, respectively, of the CITY OF MUSKEGON, a municipal corporation, on behalf of the City.

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

Linda S. Potter
Linda S. Potter, Notary Public
Acting in the County of Muskegon
Muskegon County, Michigan
My Comm. Expires: 9-25-06

WHEN RECORDED RETURN TO: Grantees

SEND SUBSEQUENT TAX BILLS TO: Grantees

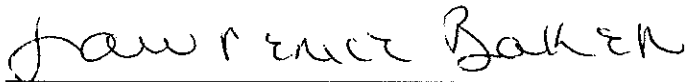
SURVEY WAIVER

Date: June 15, 2005

Property: 1275 Dudley Avenue
Muskegon, MI 49442
Commitment No.: MUS438571

We, the undersigned, herein acknowledge that we have been strongly advised to obtain a land survey showing the dimensions of the property and the location of all buildings situated thereon. We have agreed, completely of our own volition, not to obtain a survey and wish to complete the transaction without the recommended survey.

Further, the undersigned agree to indemnify, save and hold harmless and Transnation Title Insurance Company, from any responsibility and/or liability, loss or damage concerning or pertaining to survey matters, including but not limited to size of lot or land, location of boundary lines, locations of buildings and encroachments of any kind.

A handwritten signature in cursive script that reads "Lawrence Baker". The signature is written in dark ink and is positioned above a horizontal line.

Lawrence Baker

Transnation Title Insurance Company
570 Seminole Rd Ste 102
Muskegon, MI 49444

Escrow Officer: Kimber VanderWall

Title No.: MUS438571
Date: 06/15/2005

PURCHASER'S SETTLEMENT STATEMENT

Buyer(s): Lawrence Baker Seller(s): City of Muskegon, a municipal corporation

Property: 1275 Dudley Avenue
Muskegon, MI 49442

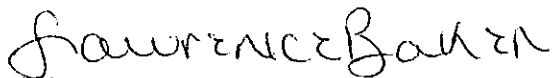
Muskegon Urban Renewal 1, Lot 147-149

	DEBIT	CREDIT
Contract Sales Price	\$9,750.00	
Deposit or earnest money		\$400.00
Settlement or closing fee to LandAmerica	\$200.00	
Transnation		
Recording Fees	\$14.00	
Deed: Mortgage: Releases:	\$14.00	
***** Sub Total	\$9,964.00	\$400.00
Balance Due From Borrower		\$9,564.00
Total	\$9,964.00	\$9,964.00

The above figures do not include sales or use taxes on personal property.

ACCEPTED AND APPROVED

Broker:



Lawrence Baker

By: _____

CITY OF MUSKEGON
LAND REUTILIZATION COMMITTEE
REGULAR MEETING
MINUTES

April 26, 2005

Chairman M. Amrhein called the meeting to order at 4:03 p.m. and roll was taken.

MEMBERS PRESENT: M. Amrhein, C. Shepherd, R. Hill, R. Allen, J. Martin Jr.
K. Davis

MEMBERS ABSENT: J. McClain, excused

STAFF PRESENT: H. Griffith, D. Leafers

OTHERS PRESENT: L. Baker, 835 Stevens

ELECTION OF OFFICERS

A motion to re-elect M. Amrhein as Chairman and J. Martin Jr. as Vice-Chairman was made by K. Davis, supported by R. Hill and unanimously approved.

APPROVAL OF MINUTES

A motion to approve the minutes of the regular meeting of August 24, 2004 was made by K. Davis, supported by J. Martin Jr. and unanimously approved.

NEW BUSINESS

Lawrence Baker – 1275 Dudley Ave. – Request to purchase city-owned buildable lot at 1275 Dudley Avenue for \$9,000. H. Griffith presented the staff report. L. Baker would like to purchase this lot from the City. The request required LRC approval because 1) the lot has 181.7 feet of frontage, and 2) he is requesting a reduction in the selling price. The property is located at the end of a cul-de-sac and has 181.7 ft. of street frontage. Mr. Baker plans to split the lot and build two single family homes. Each home would require a minimum of 1,260 sq. ft. of usable living space, excluding the basement. Mr. Baker is proposing homes that exceed that requirement. Due to the sharp slope of the property, a large amount of fill would be required before he could build. The extra cost generated by the fill is the reason for his request to reduce the selling price. He estimated he would need approximately 2800 yards of fill, which would cost from \$11,200 to \$14,000 plus machine time. Doug Sayles from the Department of Public Works for the City stated that the price for clean fill can range from \$4 to \$10 or more per yard. Due to increasing trucking fees, the fill price is rising. There will also be extra foundation needed beyond what would normally be used in new construction, due to the slope of the property.

The policy for selling City-owned buildable lots requires that the price for the lot be based on 75% of the TCV, which would make the selling price of this property \$12,750. Mr. Baker requested that it be reduced to \$9,000. Staff felt that there were special circumstances with this

property and that the price could be lowered. Staff suggested a selling price of \$10,500. Pictures of the property were provided to the commission members, depicting a steep slope. If the property sale is approved, Mr. Baker would have to apply for the lot split once he owns the property. The commission members were provided with the Zoning Ordinance excerpt from Section 2302 LAND DISTURBANCES (excerpt).

Staff recommended approval of the sale of the buildable lot to Mr. Baker, and that the purchase price be lowered from the policy requirement due to the steep slope of the property and the amount of fill that would be needed in order to build the homes.

M. Amrhein asked if the LRC could make an approval contingent upon the lot being split. H. Griffith stated they could. R. Allen asked how much it cost to have a lot split, and who paid. H. Griffith stated it cost \$25 and Mr. Baker would pay that plus the cost of a survey. K. Davis thought the condition of the lot was already taken into consideration when the selling price was set. H. Griffith stated that the newer homes in that area could account for the higher price on the lot. Other lots and homes in the area were discussed. C. Shepherd asked about the water and sewer for the site. H. Griffith stated there were taps for water and sewer with no lines running thru the property. L. Baker provided pictures to the commission members of other homes that he has built on difficult properties, such as this.

A motion to sell the lot to L. Baker for the staff-suggested price of \$10,500 was made by C. Shepherd and supported by J. Martin Jr. with discussion on the motion continuing.

K. Davis asked L. Baker if he would still purchase the lot at the \$10,500 price. L. Baker stated he would like to purchase the property for \$9,000 due to the cost of the fill and the added cost for the extra foundation that would be needed. He stated the lot needed a lot of work and that he would also be paying several other fees, including permits and water hookup. C. Shepherd withdrew the motion.

R. Allen understood Mr. Baker's situation, but that area was in demand right now and believed the lot would sell. R. Hill suggested they split the difference on the price and go with \$9,750. This price was discussed among the Commission members. K. Davis stated the City would recoup the rest of the money in property taxes.

A motion to recommend approval of the sale of 1275 Dudley for \$9,750 to Lawrence Baker was made by K. Davis, supported by C. Shepherd and unanimously approved.

OTHER

YTD Property Sales – \$18,006.

ADJOURN

There being no further business, the meeting was adjourned at 4:26 p.m.

dml
4/26/05

REAL ESTATE PURCHASE AGREEMENT

THIS AGREEMENT is made May 10, 2005, by and between the **CITY OF MUSKEGON**, a municipal corporation, with offices at 933 Terrace, Muskegon, Michigan 49440 ("Seller"), and **LAWRENCE BAKER**, a married man, of 835 Stevens, Muskegon, Michigan 49442 ("Buyer").

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

CITY OF MUSKEGON URBAN RENEWAL PLAT NO. 1, LOTS 147 THRU 149,
INCLUSIVE

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

2. **Purchase Price and Manner of Payment.** The purchase price for the Premises shall be Nine Thousand Seven Hundred Fifty and no/100 Dollars (\$9,750.00).

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

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

5. **Covenant to Construct Improvements and Use.** Buyer acknowledges that, as part of the consideration inuring to the City, Buyer covenants and agrees to construct on the premises two (2) single-family homes, up to all codes, within eighteen (18) months of the closing of this transaction. Buyer may only remove those trees necessary for construction of the homes

and driveways. The homes shall be substantially completed within eighteen (18) months and, in the event said substantial completion has not occurred, or the restriction of this paragraph relating to tree removal is violated, in the sole judgment of the City, the property and all improvements then installed shall revert in title to the City, without any compensation or credit to Buyer. Buyer further covenants that the homes shall be owner occupied for five (5) years after the closing. The covenants in this paragraph shall survive the closing and run with the land.

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

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

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

9. **Closing.** The closing date of this sale shall be on or before _____, 200__ ("Closing"). The Closing shall be conducted at Land America Transnation Title Insurance Company, 570 Seminole Road, Ste. 102, Muskegon, MI 49444. If necessary, the parties shall execute an IRS closing report at the Closing.

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

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

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

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

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

14. **General Provisions.**

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

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

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

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

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

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

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

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

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

WITNESSES:

Linda Potter
Linda Potter

Jo Ann Krukowski
Jo Ann Krukowski

SELLER: CITY OF MUSKEGON

By [Signature]
Stephen J. Warmington, Mayor

Gail A. Kunderger
Gail A. Kunderger, MMC, Clerk

BUYER:

[Signature]
[Signature]

Lawrence Baker
LAWRENCE BAKER
SS No.: 369-58-7827

QUIT-CLAIM DEED

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

QUIT CLAIMS to **LAWRENCE BAKER**, a married man, of 835 Stevens, Muskegon, Michigan 49442,

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

CITY OF MUSKEGON URBAN RENEWAL PLAT NO. 1, LOTS 147 THRU 149, INCLUSIVE

for the sum of Nine Thousand Seven Hundred Fifty and no/100 Dollars (\$9,750.00)

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

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

Dated this _____ day of _____, 2005.

Signed in the presence of:

Linda Potter
Linda Potter

Jo Ann Krukowski
Jo Ann Krukowski

CITY OF MUSKEGON

By Stephen J. Warmington
Stephen J. Warmington, Its Mayor

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

STATE OF MICHIGAN
COUNTY OF MUSKEGON

Signed and sworn to before me in Muskegon County, Michigan, on May 20, 2005, by STEPHEN J. WARMINGTON and GAIL A. KUNDERGER, MMC, the Mayor and Clerk, respectively, of the CITY OF MUSKEGON, a municipal corporation, on behalf of the City.

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

Linda S. Potter
Linda S. Potter, Notary Public
Acting in the County of Muskegon
Muskegon County, Michigan
My Comm. Expires: 9-25-06

WHEN RECORDED RETURN TO: Grantees

SEND SUBSEQUENT TAX BILLS TO: Grantees

1275
Dudley











CITY COMMISSION AGENDA ITEM
CITY COMMISSION MEETING DATED May 10, 2005

MEMORANDUM

To: Mayor and City Commissioners
From: Lee Slaughter, Assistant City Manager
Date: May 3, 2005
Re: Beach Peddler Agreement – Polish Water Ice.

SUMMARY OF REQUEST:

To authorize the Mayor to sign a one year agreement between the City of Muskegon and Polish Water Ice, Inc. to sell their product (Polish Water Ice) on Pere Marquette beach.

FINANCIAL IMPACT:

None. (Polish Water Ice, Inc. will pay the city \$3000).

BUDGET ACTION REQUIRED:

None.

COMMITTEE RECOMMENDATION:

The Leisure Services Board recommends approval.

LICENSE AGREEMENT

THIS AGREEMENT made May 10, 2005, between the **City of Muskegon**, a Michigan municipal corporation, of 933 Terrace Street, Muskegon, Michigan 49440 ("City") and **Refreshing Concepts**, a Michigan _____ corporation of 3700 Rivertown Parkway, Suite 2166, Grandville, Michigan 49418 ("Licensee"). In consideration of the mutual promises herein contained, the parties agree:

1. **Grant of License.** City grants to Licensee a non-exclusive license to occupy and use, subject to the terms of this license Pere Marquette beach between the channel and the Muskegon Filtration Plant and between the water's edge and the Ovals in the City of Muskegon, Muskegon County, Michigan ("Premises"):

2. **Term, Renewal.** The term of this license shall commence May 15, 2005 and shall terminate October 15, 2005.

License Payments. Licensee shall pay to City the sum of \$2,250, with such amount being satisfied by payments of \$750 on June 30, July 30, and August 30. At the conclusion of the Term, Licensee shall provide a report approximating the gross receipts from the sale of Polish Water Ice on the Premises.

3. **Use of the Premises.** The Premises shall be used and restricted as follows:

a. **Operating of Concession for the Sale of Polish Water Ice.** The Licensee is permitted to sell Polish Water Ice on the Premises. Licensee may operate sale of Polish Water Ice on the premises, in the sole discretion of Licensee prior to Memorial Day and after Labor Day.

b. **Inconsistent Uses.** Any use for other purposes than specified above, without written permission, shall render this license immediately revocable at the option of City.

4. **Utilities.** Licensee shall supply and pay for all utilities to the Premises. City shall have no responsibility for furnishing any utilities and does not guarantee same; provided that City shall have the right to enter upon the Premises at any time for the purpose of repairing municipal utilities involved.

5. **Taxes and Assessments.** Licensee shall pay all lawful fees, taxes and assessments during the term of this License which may be levied by any authority. Said taxes and assessments may include taxes on fixtures, equipment and property owned by Licensee or situated on the Premises.

6. **Signs.** Licensee shall not place any signs on the Premises. Licensee is a sub-tenant of a building, owned by another party, but which is located on property owned by the City and within the area described as the Premises. This provision does not prohibit Licensee from applying for a permit to place a sign on that building.

7. **Condition of the Premises.** Licensee shall exercise its best efforts to insure that none of its containers become litter on the Premises.

8. **Alterations and Additions.** No alterations or additions to the Premises shall be made unless City consents in writing.

9. **Liens.** Licensee shall pay promptly for all labor or materials and shall keep the Premises free of all liens or encumbrances of any kind.

10. **Indemnification.** To the fullest extent permitted by law, Licensee agrees to defend, pay on behalf of, indemnify, and hold harmless the City, its elected and appointed officials, employees and volunteers and others working on behalf of the City against any and all claims, demands, suits, or loss, including all costs connected therewith, and for any damages which may be asserted, claimed or recovered against or from the City, its elected and appointed officials, employees, volunteers or others working in behalf of the City, by reason of personal injury, including bodily injury and death and/or property damage, including loss of use thereof, which arises out of or is in any way connected or associated with this agreement.

11. **Hazardous Substances.** No goods shall be brought onto the Premises or placed in the waters adjacent thereto that are in any way explosive or hazardous. No activity shall be conducted on the Premises nor machinery used if such activity or machinery will increase the cost of or suspend insurance on the Premises or will in any way injure the Premises. Licensee shall indemnify, pursuant to the provisions of this license, the City concerning the presence or release of any hazardous substance into the waters or onto the Premises.

12. **Default.** If Licensee fails to pay when due any payment required by this license, or defaults in any other terms hereof, City may declare this license forfeited only if Licensee fails to cure such Default within 10 days after Licensee receives written notice from City of the Default. If Licensee fails to cure a Default within such 10-day period, City may exercise a right of reentry on the Premises after declaring forfeiture.

13. **Surrender of Premises on Termination of License.** At termination, Licensee shall surrender the Premises. Upon termination, City may prohibit Licensee from further sales on the Premises.

14. **Holding Over.** If Licensee holds over the Premises after termination said holding shall be deemed holding over from month to month. The terms of this License shall apply during said monthly terms.

15. **Insurance.** The Licensee shall not commence occupancy until it has obtained the insurance required under this paragraph. All coverage shall be with insurance carriers acceptable to City.

a. ***Workers' Compensation Insurance.*** The Licensee shall procure and maintain during the life of this contract, Worker's Compensation Insurance, including Employers Liability Coverage, in accordance with all applicable Statutes of the State of Michigan.

b. ***Commercial General Liability Insurance.*** The Licensee shall procure and maintain during the life of this contract, Commercial General Liability Insurance on an "Occurrence Basis" with limits of liability not less than \$1,000,000 per occurrence and/or aggregate combined single limit, Personal Injury, Bodily Injury and Property Damage. Coverage shall include the following extensions: (i) Contractual Liability; (ii) Products and Completed Operations; (iii) Independent Licensees Coverage; (iv) Broad Form General Liability Extensions or equivalent; (v) Deletion of all Explosion, Collapse and Underground (XCU) Exclusions, if applicable.

c. ***Motor Vehicle Liability.*** The Licensee shall procure and maintain during the life of this contract Motor Vehicle Liability Insurance, including Michigan No-Fault Coverages, with limits of liability of not less than \$500,000 per occurrence combined single limit Bodily Injury and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles and all hired vehicles.

d. ***Additional Insured.*** Commercial General Liability and Motor Vehicle Liability Insurance, as described above, shall include an endorsement stating the following shall be "Additional Insureds": The City, all elected and appointed officials, all employees and volunteers, all boards, commissions and/or authorities and board members, including employees and volunteers thereof.

e. ***Cancellation Notice.*** Workers' Compensation Insurance, Commercial General Liability Insurance and Motor Vehicle Liability Insurance, as described above, shall include an endorsement stating the following: "It is understood and agreed that thirty (30) days' Advance Written Notice of Cancellation, Non-Renewal, Reduction and/or Material Change shall be sent to:

CITY OF MUSKEGON
Attn: City Manager
933 Terrace Street
Muskegon, Michigan 49440

f. ***Proof of Insurance Coverage.*** The Licensee shall provide the City at the time the contracts are returned by him for execution, certificates and policies as listed below:

- i. Two (2) copies of Certificate of Insurance for Workers' Compensation Insurance;
- ii. Two (2) copies of Certificate of Insurance for Commercial General Liability Insurance;
- iii. Two (2) copies of Certificate of Insurance for Vehicle Liability Insurance;
- iv. Original Policy, or original Binder pending issuance of policy, for Owner's and Licensee's Protective Liability Insurance.
- v. If so requested, Certified Copies of all policies mentioned above will be furnished.

g. **Notice of Termination.** If any of the above coverages expire during the term of this contract, the Licensee shall deliver renewal certificates and/or policies to City at least ten (10) days prior to the expiration date.

16. **Non-Waiver.** The failure of City to enforce any of its rights hereunder shall not be deemed a waiver of subsequent enforcement.

17. **Time of the Essence.** Time is expressly declared to be of the essence of this license.

18. **Cumulative Rights and Remedies.** Every right and remedy given to the City by this License is cumulative and no right or remedy shall be exclusive of any other provided by law. The exercise of one right or remedy by City shall not impair the right of City to exercise any other.

19. **Non-Assignment.** This License may not be assigned at any time by Licensee.

20. **Insolvency and Bankruptcy.** If a petition in bankruptcy is filed by or against Licensee or if it becomes insolvent within the meaning of any state or federal insolvency law, or if it makes an assignment for the benefit of its creditors, or a receiver of any part of Licensee's business is appointed by any state or federal court, and the said appointment is not vacated within 15 days of the appointment, or if any property or assets of the Licensee is attached and not vacated within 15 days of the attachment, this Licensee shall be deemed to have been breached by Licensee and City shall be entitled to exclude Licensee from the Premises without any prior notice. This license shall in no event constitute an asset of Licensee assignable to a receiver or trustee in bankruptcy by operation of law or otherwise.

21. **Inspection of Premises.** City reserves the right to enter the Premises at any reasonable time for the purpose of inspection and exercise of any and all rights hereunder.

22. **Benefit.** This License Agreement shall be binding upon and inure to the benefit of the respective parties, their successors and personal representatives.

23. **No Interest in Land Created.** Licensee agrees that this agreement is a license and not a lease, and that no interest or estate in real property or the improvements thereon is created by this agreement.

24. **No Third Party Beneficiary Clause.** This Agreement shall benefit only the parties to this Agreement, and not a third party.

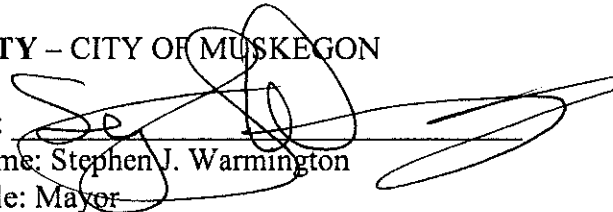
25. **Notices.** Notices under this agreement shall be mailed first class mail as follows:

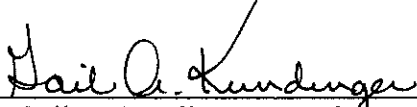
CITY OF MUSKEGON
Attn: City Manger
933 Terrace Street
Muskegon, Michigan 49440

Tom Curyto
3700 Rivertown Parkway
Rivertown Crossings Mall
Grandville, MI 49418

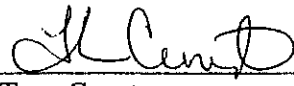
IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

CITY - CITY OF MUSKEGON

By: 
Name: Stephen J. Warmington
Title: Mayor
Date: 5-16, 2005

and: 
Name: Gail A. Kunding, MMC
Title: Clerk
Date: 5-17, 2005

LICENSEE - POLISH WATER ICE

By: 
Name: Tom Curyto
Title: Owner/President
Date: 5-18, 2005

AGENDA ITEM NO. _____

CITY COMMISSION MEETING _____

TO: Honorable Mayor and City Commissioners

FROM: Bryon L. Mazade, City Manager

DATE: May 2, 2005

RE: ASCAP Music License

SUMMARY OF REQUEST:

To approve an agreement with ASCAP, which provides permission for the City to use copyrighted music.

FINANCIAL IMPACT:

\$268.00 a year.

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

To approve the attached agreement with ASCAP.

COMMITTEE RECOMMENDATION:

None.



RECEIVED

JUN 10 2005

MUSKEGON
CITY MANAGER'S OFFICE

June 3, 2005

Mr. Bryon Mazada
City of Muskegon, MI
City of Muskegon, MI
P.O. Box 536
Muskegon MI 49443-0536

Dear Mr. Mazada:

This will acknowledge, with thanks, receipt of your signed license agreement. An executed copy of the license agreement is enclosed for your records.

The ASCAP license agreement allows you to provide legally to your patrons America's best music, and we are certain it will contribute to the success of your business.

Thank you for your cooperation in this matter, and if we can be of assistance, please contact us.

Sincerely,

Kevin Garrelts

AKM

Enclosures: License Agreement
Certificate

ACC #: 10-23-012526-1

JUN 01 2005

10-23-012526-1

2005-43(d)

LICENSE AGREEMENT - LOCAL GOVERNMENTAL ENTITIES

Agreement between the American Society of Composers, Authors and Publishers

("ASCAP") located at

2690 Cumberland Parkway, Suite 490
Atlanta, GA 30339-3913

by City of Muskegon, MI

("LICENSEE"), located at

P.O. Box 536
Muskegon, MI 49443-0536

as follows:

1. Grant and Term of License

(a) ASCAP grants and LICENSEE accepts a license to perform publicly on the "Premises" and at "Events" and "Functions," and not elsewhere or otherwise, non-dramatic renditions of the separate musical compositions in the "ASCAP repertory." The performances licensed under this Agreement may be by means of "Live Entertainment" or "Mechanical Music". For purposes of this Agreement,

(i) "LICENSEE" shall include the named entity and any of its constituent bodies, departments, agencies or leagues.

(ii) "Mechanical Music" means music which is performed at the Premises by means other than by live musicians who are performing at the Premises, including, but not limited to (A) compact disc, audio record or audio tape players (but not including "jukeboxes"), (B) videotape, videodisc or DVD players; (C) the reception and communication at the premises of radio or television transmissions which originate outside the Premises; and which are not exempt under the Copyright Law; or (D) a music-on-hold telephone system operated by LICENSEE at the Premises.

(iii) "Live Entertainment" means music that is performed at the Premises by musicians, singers or other performers.

(iv) "Premises" means buildings, hospitals, airports, zoos, museums, athletic facilities, and recreational facilities, including, but not limited to, community centers, parks, swimming pools, and skating rinks owned or operated by LICENSEE and any site which has been engaged by LICENSEE for use by LICENSEE.

(v) "ASCAP repertory" means all copyrighted musical compositions written or published by ASCAP members or members of affiliated foreign performing rights societies, including compositions written or published during the term of this Agreement and of which ASCAP has the right to license non-dramatic public performances.

(vi) "Events" and "Functions" means any activity conducted, sponsored, or presented by or under the auspices of LICENSEE. Except as set forth in paragraph 2.(d) below, "Events" and "Functions" shall include, but are not limited to, aerobics and exercise classes, athletic events, dances and other social events, concerts, festivals, arts and crafts fairs, and parades held under the auspices of or sponsored or promoted by LICENSEE on the Premises.

(vii) "Special Events" means musical events, concerts, shows, pageants, sporting events, festivals, competitions, and other events of limited duration presented by LICENSEE for which the "Gross Revenue" of such Special Event exceeds \$25,000 (as defined in paragraph 4.(d) below).

(b) This Agreement shall be for an initial term of one year, commencing 04/01/2005, which shall be considered the effective date of this Agreement, and continuing thereafter for additional terms of one year each. Either party may give notice of termination to the other no later than thirty (30) days prior to the end of the initial or any renewal term. If such notice is given, the agreement shall terminate on the last day of the term in which notice is given.

RECEIVED

JUN 10 2005

MUSKEGON
CITY MANAGER'S OFFICE

2. Limitations On License

(a) This license is not assignable or transferable by operation of law or otherwise. This license does not authorize LICENSEE to grant to others any right to perform publicly in any manner any of the musical compositions licensed under this agreement, nor does it authorize any public performances at any of the Premises in any manner except as expressly herein provided.

(b) This license does not authorize (i) the broadcasting, telecasting or transmission or retransmission by wire, Internet, website or otherwise, of renditions of musical compositions in ASCAP's repertory to persons outside of the Premises, other than by means of a music-on-hold telephone system operated by LICENSEE at the Premises; and (ii) performances by means of background music (such as *Muzak*) or other services delivered to the Premises. Nothing in this paragraph shall be deemed to limit LICENSEE's right to transmit renditions of musical compositions in the ASCAP repertory to those who attend Events or Functions on the Premises by means of teleconferencing, videoconferencing or similar technology.

(c) This license is limited to non-dramatic performances, and does not authorize any dramatic performances. For purposes of this agreement, a dramatic performance shall include, but not be limited to, the following:

- (i) performance of a "dramatico-musical work" (as hereinafter defined) in its entirety;
- (ii) performance of one or more musical compositions from a "dramatico-musical work" (as hereinafter defined) accompanied by dialogue, pantomime, dance, stage action, or visual representation of the work from which the music is taken;
- (iii) performance of one or more musical compositions as part of a story or plot, whether accompanied or unaccompanied by dialogue, pantomime, dance, stage action, or visual representation;
- (iv) performance of a concert version of a "dramatico-musical work" (as hereinafter defined).

The term "dramatico-musical work" as used in this Agreement, shall include, but not be limited to, a musical comedy, opera, play with music, revue, or ballet.

(d) This license does not authorize performances:

- (i) at any convention, exposition, trade show, conference, congress, industrial show or similar activity presented by LICENSEE or on the Premises unless it is presented or sponsored solely by and under the auspices of LICENSEE, is presented entirely on LICENSEE'S Premises, and is not open to the general public;
- (ii) by or at colleges and universities;
- (iii) at any professional sports event or game played on the Premises;
- (iv) at any permanently situated theme or amusement park owned or operated by LICENSEE;
- (v) by any symphony or community orchestra;
- (vi) by means of a coin operated phonorecord player (jukebox) for which a license is otherwise available from the Jukebox License Office.

3. License Fee

(a) In consideration of the license granted herein, LICENSEE agrees to pay ASCAP a license fee which includes the total of the "Base License Fee" and any applicable "Special Events License Fees", all of which shall be calculated in accordance with the Rate Schedule attached to and made part of this Agreement. For purposes of this Agreement,

- (i) "Base License Fee" means the annual fee due in accordance with Schedule A of the Rate Schedule and based on LICENSEE's population as established in the most recent published U.S. Census data. It does not include any fees due for Special Events.
- (ii) "Special Events License Fees" mean the amount due in accordance with Schedule B of the Rate Schedule when Special Events are presented by or on behalf of LICENSEE. It does not include any Base License Fees due.
- (iii) LICENSEES who are legally organized as state municipal and/or county leagues or state associations of municipal and/or county attorneys shall be required to pay only the fee under Schedule C of the Rate Schedule. Such leagues or associations are not subject to Schedule A or Schedule B of the Rate Schedule. Fees paid by such leagues or associations do not cover performances of the municipality, county or other local government entity represented by the league or association. Schedule C fees are not applicable to municipal, county or other local government entities.

(b) Unless otherwise limited by law, LICENSEE shall pay a finance charge of 1.5% per month from the due date, or the maximum amount permitted by law, whichever is less, on any required payment that it is not made within thirty days of its due date.

4. Reports and Payments

- (a) Upon the execution of this Agreement, LICENSEE shall submit:
- (i) a report stating LICENSEE's population based on the most recent published U.S. Census data. The population set forth in the report shall be used to calculate the Base License Fee under this Agreement; and (ii) a report containing the information set forth in paragraph 4.(d) below for all Special Events that were presented between the effective date of this Agreement and the execution of this Agreement.
- (b) The Base License Fee for the first year of this Agreement and any license fees due for Special Events that were presented between the effective date of this Agreement and the execution of this Agreement shall be payable upon the execution of this Agreement.
- (c) Base License Fees for subsequent years shall be due and payable within 30 days of the renewal date of this Agreement and shall be accompanied by a statement confirming whether any Special Events were presented during the previous calendar year.
- (d) Ninety days after the conclusion of each Special Event, LICENSEE shall submit to ASCAP payment for such Special Event and a report in printed or computer readable form stating:
- (i) the date presented;
 - (ii) the name of the attraction(s) appearing;
 - (iii) the "Gross Revenue" of the event. "Gross Revenue" means all monies received by LICENSEE or on LICENSEE'S behalf from the sale of tickets for each Special Event. If there are no monies from the sale of tickets, "Gross Revenue" shall mean contributions from sponsors or other payments received by LICENSEE for each Special Event;
 - (iv) the license fee due for each Special Event.
- (e) If LICENSEE presents, sponsors or promotes a Special Event that is reportable under Rate Schedule B with another person or entity licensed under an ASCAP License Agreement, LICENSEE shall indicate the name, address, phone number and ASCAP account number of the other person(s) or entity(ies) and the party responsible for payment for such Special Event. If the other party is not licensed by ASCAP, LICENSEE shall pay the license fee due hereunder, notwithstanding any agreement to the contrary between LICENSEE and the other party.
- (f) LICENSEE agrees to furnish to ASCAP, where available, copies of all programs of musical works performed, which are prepared for distribution to the audience or for the use or information of LICENSEE or any department thereof. The programs shall include all encores to the extent possible. LICENSEE shall be under no obligation to furnish programs when they have not been otherwise prepared.
- (g) ASCAP shall have the right to examine LICENSEE'S books and records at LICENSEE'S place of business during normal business hours to such extent as may be necessary to verify the reports required by paragraph 4.(d) above. ASCAP shall have the right to adjust LICENSEE'S Base License Fee based upon the most recently available revised population figures and Population Estimates Program provided by the U.S. Census Department.

5. Breach or Default

Upon any breach or default by LICENSEE of any term or condition herein contained, ASCAP may terminate this license by giving LICENSEE thirty days notice to cure such breach or default, and in the event that such breach or default has not been cured within said thirty days, this license shall terminate on the expiration of such thirty-day period without further notice from ASCAP. In the event of such termination, ASCAP shall refund on a pro-rata basis to LICENSEE any unearned license fees paid in advance.

6. Interference in Operations

ASCAP shall have the right to terminate this license upon thirty days written notice if there is any major interference with, or substantial increase in the cost of, ASCAP's operations as the result of any law in the state, territory, dependency, possession or political subdivision in which LICENSEE is located which is applicable to the licensing of performing rights. In the event of such termination, ASCAP shall refund to LICENSEE on a pro-rata basis any unearned license fees paid in advance.



**2005 RATE SCHEDULE
FOR LOCAL GOVERNMENTS**

SCHEDULE A Base License Fee

POPULATION			BASE LICENSE FEE
1	-	50,000	\$ 268
50,001	-	75,000	537
75,001	-	100,000	644
100,001	-	125,000	860
125,001	-	150,000	1,074
150,001	-	200,000	1,396
200,001	-	250,000	1,718
250,001	-	300,000	2,041
300,001	-	350,000	2,364
350,001	-	400,000	2,686
400,001	-	450,000	3,008
450,001	-	500,000	3,331
500,001	-	plus	4,082 plus \$500 for each 100,000 of population above 500,000 to a maximum fee of \$53,714.

SCHEDULE B Special Events

The rate for Special Events shall be 1% of Gross Revenue.

"Special Events" means musical events, concerts, shows, pageants, sporting events, festivals, competitions, and other events of limited duration presented by LICENSEE for which the "Gross Revenue" of such Special Event exceeds \$25,000.

"Gross Revenue" means all monies received by LICENSEE or on LICENSEE'S behalf from the sale of tickets for each Special Event. If there are no monies from the sale of tickets, "Gross Revenue" shall mean contributions from sponsors or other payments received by LICENSEE for each Special Event.

SCHEDULE C State Municipal and/or County Leagues or State Associations of Attorneys

The annual license fee for LICENSEES who are legally organized as state municipal and/or county leagues or state associations of municipal and/or county attorneys shall be \$268.

License Fee for Year 2006 and Thereafter

For each calendar year commencing 2006, all dollar figures set forth in Schedules A, B and C above (except for \$500 add-on for populations of 500,001 or more) shall be the license fee for the preceding calendar year, adjusted in accordance with the increase in the Consumer Price Index - All Urban Consumers (CPI-U) between the preceding October and the next preceding October. Any additional license fees due resulting from the CPI adjustment shall be payable upon billing by ASCAP.

Policy - Local Governmental Entities

City of Muskegon, MI City of Muskegon, MI

Premise Address: 933 Terrace St. City, State Zip: Muskegon, MI 49440 Phone: 231-724-6724	Mailing Address: P.O. Box 536 City, State Zip: Muskegon, MI 49443-0536 Fax: 231-722-1214
Main Contact: Mr. Bryon Mazada Role: City Manager Phone: 231-724-6724 Identified By: TLM	Account Num: ALM: Jennifer Chadwick TLM: Jennifer Chadwick District:

Status: New Prospect Rate Start Date: 04/01/2005 Rate End Date: Charge Freq: Annual Seasonal Start: Seasonal End: Exception: Yes Total Rate: \$268.00	Factors	Values
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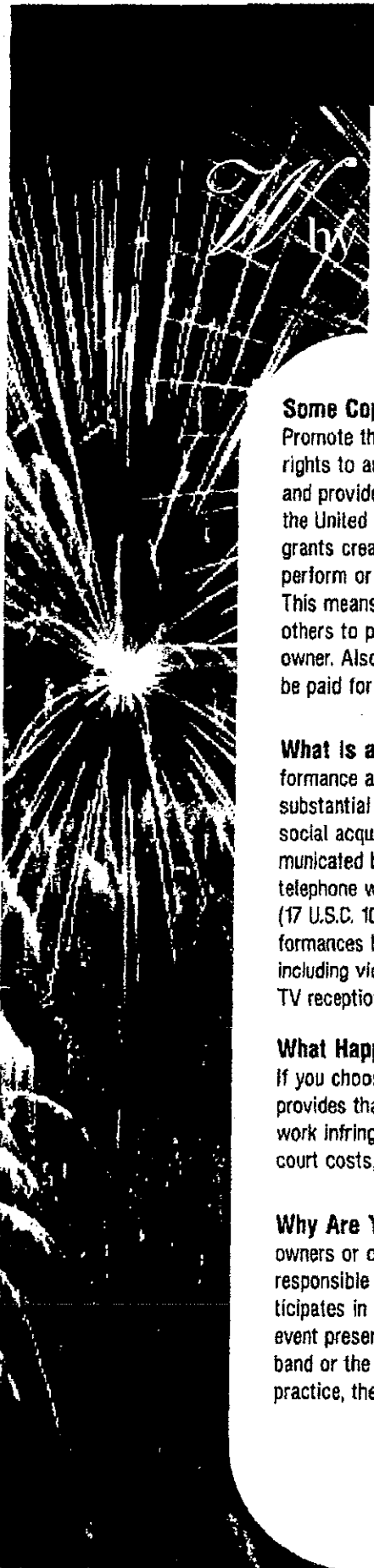
Billing Information

Year	Rate

Site Information

Audio Number Speakers: Type of Speakers: Square footage: Receiver Location: Wiring: Paging Capability?	Audio/Visual Number of Units: Size of each Unit: Size of Screen: Projection: Self-contained speaker? Extension speaker? VCR present? Type of programming:
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Comments:



Why A Local Government Needs A License to Play Music

Some Copyright Law Basics: The Constitution authorizes Congress "to Promote the Progress of Science and the Useful Arts" by granting exclusive rights to authors. This insures that creators can earn a living from their work and provides incentive for the creation of more works. The Copyright Law of the United States, Title 17 USC, establishes property rights in musical works and grants creators and owners of copyrighted musical works the exclusive right to perform or authorize the performance of their works publicly (17 U.S.C. 106(4)). This means that, generally, other parties cannot publicly perform or authorize others to perform copyrighted works without the permission of the copyright owner. Also, as the case with other property rights, the owner has the right to be paid for the use of his property.

What is a public performance? The Copyright Law defines a public performance as one "in a place open to the public or at any place where a substantial number of persons outside of a normal circle of a family and its social acquaintances is gathered." Performances transmitted or otherwise communicated by means of any device or process (for example via broadcast, telephone wire, or other means) to the public are also public performances (17 U.S.C. 101). The law requires users to obtain authorization not only for performances by live musicians, but also for performances by mechanical means including videotapes, CD's, tapes, music on hold, karaoke, jukeboxes and radio and TV reception.

What Happens If You Play Copyrighted Music Without Permission?

If you choose to use someone's musical property without permission, the law provides that a court can assess damages from a minimum of \$750 for each work infringed, require you to pay the copyright owners' attorney's fees and court costs, and enter an injunction against you.

Why Are You Responsible for Obtaining a License? Under the law, owners or operators of facilities or presenters of concerts and other events are responsible for performances on their premises. Technically, everyone who participates in an infringing performance is liable and copyright owners can sue the event presenter or owner of an establishment as well as the members of the band or the disc jockey who actually gave the unauthorized performance. In practice, the owners and presenters obtain licenses as a cost of doing business.



SCAP and the International Municipal Lawyers Association

How do you obtain a license? It is impossible for copyright owners to know of every conceivable use or performance of their works, and it would also be difficult for users of music to locate all the copyright owners and negotiate licenses for all of the works that might be used. So, composers and publishers of musical works authorize collective licensing organizations like ASCAP to locate and license public performances of their works. ASCAP, the American Society of Composers, Authors and Publishers, makes giving and obtaining permission to perform music simple, providing a valuable service to businesses and creators alike. ASCAP is the largest performing rights organization in the world, made up entirely of composers, songwriters and publishers.

Why Should You Obtain the ASCAP License Agreement for Local Governments?

Local governments have obtained many different licenses from ASCAP for decades, but IMLA and ASCAP found the current licensing system was burdensome and left local governments vulnerable. Under the old system, each potential use of music (and you can see from this brochure there are many!) needed to be identified and separately licensed. One local government might have many different licenses each with different reporting and payment requirements, fee structures, levels and types of coverage, and effective dates. And there may be significant gaps in coverage raising the potential for copyright infringement liability.

What Are the Benefits of the Agreement? The ASCAP License Agreement for Municipalities and Governmental Entities – the product of negotiation between IMLA and ASCAP – provides simple, fast, comprehensive and affordable access to every variety of music you need to attract, entertain, enlighten and educate your citizens and visitors.

- Access to, and the right to perform, any or all of the more than 8 million works of the more than 110,000 ASCAP composer, lyricist, songwriter and publisher members and the repertoires of nearly 60 affiliated societies worldwide.
- Immediate access to contemporary music as soon as it is written or published...At no additional cost!
- Saves the time, expense, paperwork and trouble of contacting and negotiating separate permission for each musical work that may be performed during the year.
- Helps prevent even inadvertent infringements on the rights of ASCAP members and foreign affiliates.

The ASCAP License Agreement

What Is Covered? The license agreement covers almost all non-dramatic performances you present both on government property and at functions and events at other locations. These include live performances, recorded performances (CDs, tapes, radio and television over loud-speakers), and music on hold (ASCAP's licenses with radio stations do not cover your music on hold transmissions).

Does the License Cover All Uses of Music By Our Government? The license provides broad coverage for just about any public performance. But copyright owners enjoy a number of separate rights, including performing rights, recording rights and the right to reproduce (print) and distribute copies of their works, so rental or purchase of music does not authorize its public performance. Also, ASCAP members only grant ASCAP the right to license non-dramatic public performances of copyrighted music in the ASCAP repertory, so "dramatic" or "grand rights" performances are not covered.

As it did with IMLA, ASCAP has negotiated comprehensive licenses with representatives of other industries. Those licenses should cover your performances in those areas – so to avoid duplicative coverage, the Local Government license excludes those performances. For example, ASCAP and the American Council On Education and the National Association of College & University Business Officers negotiated a model agreement which almost all U.S. colleges & universities have obtained. Similarly, radio and television broadcasts, cable, satellite and Internet transmissions are also separately licensed (although some of your closed circuit or intranet transmissions are covered by the new license). Finally, performances at theme and amusement parks, by professional sports teams or at professional sports events, and by symphony orchestras, are licensed separately.

When and How Are Fees Paid? A base annual fee based on population covers almost all government sponsored or presented performances. In addition, a separate Special Event fee is paid 90 days after major events that have very high ticket revenue. ASCAP and IMLA agreed on this dual fee to keep the base license fee low and reasonable for all government entities. Only those local governments that present major events pay additional fees for those events.

How does the Special Event fee work? You pay license fees, based on "gross revenue" for all "special events" you present. Special events are those with "gross revenue" in excess of \$25,000. "Gross revenue" means all monies you receive or is received on your behalf from the sale of tickets for each special event. If there are no monies from the sale of tickets, "gross revenue" means contributions from sponsors or other payments received.

You are not required to keep track of the music performed at each special event, but you should send copies of any available programs. The program information you furnish helps us properly pay royalties to the composers and publishers whose works you have presented.

Where Do the License Fees Go? Over 84 cents of each dollar we collect goes right back to our members and to the members of affiliated foreign societies whose works are represented by ASCAP in the U.S.

Who Reports and Pays For Co-Promoted Special Events? If you present, sponsor or promote a special event with someone who is licensed under an ASCAP License Agreement, you will still need to report that event and provide the name, address, phone number and ASCAP account number of the other party. You must also let us know who will be responsible for payment. If the other presenter is not licensed by ASCAP, then you will be responsible for paying the license fee due - even if you have an agreement to the contrary with the other party.

Must You sign an ASCAP local government license agreement? No, but you must obtain authorization to perform our members' music. You can also obtain permission directly from the copyright owner. But ASCAP provides a valuable service to governments, businesses and organizations that use copyrighted music—by helping you easily meet your obligations under the Copyright Law. In short, the ASCAP license is music to everyone's ears.

Are Changes to the Model License Agreement Permitted? The provisions of ASCAP's license agreements are uniform and do not vary for licensees making similar use of ASCAP's members' music. The reason for this is that ASCAP's licensing activities are largely governed by a consent decree entered in a federal antitrust action, *United States v. ASCAP*, and one provision of that decree prohibits ASCAP from "[e]ntering into, recognizing, enforcing or claiming any rights under any license . . . which discriminates in license fee, or other terms and conditions between licensees similarly situated . . ."

Simply put, modification of the license agreement may well expose ASCAP to a claim of discrimination asserted by other licensees with whom we have executed the same form of license agreement. However, we recognize the special legal requirements of municipalities and other governmental entities, therefore, the agreement permits modifications such as the inclusion of equal employment opportunity statements and other provisions that are required by local or state law.

What If You Believe ASCAP's Fees Are Unreasonable? Any music user who thinks the fee for an ASCAP license is unreasonable may ask the U.S. District Court for the Southern District of New York to determine a reasonable fee by instituting a proceeding in that court. For more information on this process, your attorney should contact ASCAP's Legal Department in New York.





ASCAP LOCAL GOVERNMENT FACT SHEET

Benefit of License: 1 Comprehensive Agreement - 1 annual fee & single report !

- Covers almost any municipal activity
- Removes potential liability
- Automatically covers additional uses without extra fees/reports**
- Cheap – cost less than individual rates

* **Monitoring or Tracking only of events with gross revenue in excess of \$25,000.00

What's Covered:

1.) All Government Owned Buildings & Property

- Examples:
- | | |
|--|----------------------|
| - Background Music in Municipal Buildings | - Airports |
| - Music On Hold in Municipal Buildings | - Museums |
| - Employee Functions, parties | - Ice & Roller Rinks |
| - City Buses & Trains | - Skate parks |
| - Libraries | - Zoos & Aquariums |
| - Swimming Pools (Water Aerobics) | - Hospitals |
| - Municipal owned shops | - Carousels |
| - Senior Center Dances & Classes | - Public Parks |
| - Golf & Tennis Center Snack Bars | |
| - Community/Recreation Center Activities (Dances, classes) | |
| - Arena & Convention Centers (when not "rented out" to others) | |

2.) Also covers events sponsored by or presented solely by municipality:

- Examples:
- | | |
|---|------------------------------|
| - Arts & Crafts Fairs | - Parades |
| - Festivals | - Concerts |
| - First Night/New Year's Celebrations | - Carnivals |
| - Amateur Athletic Leagues | - City Sponsored Conventions |
| - Non-exempt elementary & secondary school performances | |

Restrictions/Not Covered:

- Examples:
- Coin-Operated Jukeboxes
 - Performances by or at Colleges & Universities
 - Performances at any professional sports event/game
 - Theme & Amusement Parks
 - Community or Symphony Orchestras
 - Conventions presented by outside entities
 - Broadcast radio or TV, Cable, Satellite or internet (except closed circuit)

Date: May 3, 2005
To: Honorable Mayor and City Commissioners
From: Public Works
RE: Purchase of Garbage Carts

SUMMARY OF REQUEST:

Our stock of replacement garbage carts is now low enough that we need to purchase another truck-load. We have quotes from the two vendors that we have used in the past. Rehrig Pacific of Lawrenceville, Georgia is the low bidder at \$41.00 per cart for a total of \$22,632.00 for 552 carts. Therefore we are requesting your approval to purchase these replacement garbage carts from Rehrig Pacific.

FINANCIAL IMPACT:

This purchase was budgeted in the General Sanitation Budget.

BUDGET ACTION REQUIRED:

None is needed.

STAFF RECOMMENDATION:

Approve the purchase.

Memo

To: Robert Kuhn, Public Works Director
From: Bob Fountain
CC: Mohammed Al-Shatel, Deputy Public Works Director
Date: May 3, 2005
Re: Quotations on Replacement Garbage Carts

Our inventory of replacement garbage carts has dropped below 100 and we are issuing 1-2 carts every day or so. So we need to order another truckload of carts since the lead time to build and ship carts is 4-5 weeks. We are budgeted in the Sanitation budget for \$21,000 to purchase carts. I have obtained bids from the two vendors we have used in the past. Both vendors have raised their prices. The low bid is \$22,632 from Rehrig Pacific Co. which is \$1632.00 over what we budgeted.

We have some savings in our budget for Sunset's contract price for garbage collection that can cover the amount of this purchase that is over the amount we budgeted. The inflation rate for 2004 was 2.2% which is lower than the 2.5% that we anticipated in the budget. We will save about \$3200.00 on the cost for collection in 2005. This will cover the additional \$1632.00 that the carts will cost over our budgeted amount. I recommend that we make this purchase now.

Bid Summary

Company	Address	Unit Price per Cart	Total Price
Rehrig Pacific Co.	Lawrenceville, Georgia	41.00	22,632.00 (552 carts)
Bell Equipment Co.	Grand Rapids, Michigan	48.27	25,341.75 (525 carts)

CITY COMMISSION MEETING
Tuesday May 10, 2005

TO: Honorable Mayor and City Commissioners

FROM: Anthony L. Kleibecker 
Director of Public Safety

DATE: May 4, 2005

SUBJECT: Request to Enter Into an Agreement with DOCVIEW, LLC.

SUMMARY OF REQUEST:

Police Department staff request that the Commission authorize the Director of Public Safety to enter into a service agreement with DOCVIEW LLC of Lansing, Michigan. DOCVIEW provides an internet-based service known as TRAC View. The TRAC View service allows for internet access and acquisition of traffic collision reports. Citizens, Insurance Companies, Attorneys, etc. will now be able to purchase collision reports on line and not have to make a trip to the Police Department, though reports may still be purchased in person.

FINANCIAL IMPACT:

There is no cost to the city for implementing this service. We will still receive our compensation for each downloaded report. This will be provided to us on a quarterly basis by DOCVIEW. Currently we have one staff position in Records assigned to handle collision reports. We anticipate that this will free up the bulk of this person's time and allow her to attend to other duties.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATIONS:

Approval of this request.

Service Agreement

This Service Agreement is dated May 11, 2005

BETWEEN:

DOCVIEW, LLC of 4940 Contec Drive, Lansing, Michigan 48910

- AND -

Muskegon Police Department of 980 Jefferson Street, Muskegon, MI 49443-0536 herein "Police Department")

IN CONSIDERATION OF THE COVENANTS and agreements contained in this Service Agreement, the parties to this Agreement agree as follows:

Responsibilities and Compensation for each Party

1. The Police Department will accept a Maximum Compensation Rate of \$5.50 for each report downloaded by an Insurance Company. \$5.50 compensation will also be provided to the Police Department for any report that is downloaded by a citizen or other entity (including Insurance Adjusters, Law Firms, Road Commissions, or other government agencies where fees are assessed, etc.) Compensation checks will be sent monthly or on a quarterly basis dated January 15th, April 15th, July 15th, and October 15th. This compensation will be provided to the Police Department from DOCVIEW, LLC via check or direct deposit. All participating Police agencies have free access to the reports that are scanned to the TRACView system.
2. The Maximum Compensation Rate is also based upon a View Ratio. On a monthly basis, the View Ratio is calculated by dividing the total number of paid reports viewed by the total number of reports scanned. If the View Ratio is over 60 percent, the Maximum Compensation Rate is issued. If the View Ratio is 30-59 percent, the Compensation Rate is \$1.00 less per paid view. If the View Ratio is 11-29 percent, the Compensation Rate is \$2.00 less per paid view. A View Ratio of 10 percent or less results in zero compensation.
3. DOCVIEW, LLC reserves the right to charge the Police Department \$0.25 cents or the actual cost (whichever is least) for the indexing of each accident report. Any charges assessed to the Police Department for indexing would be deducted from the compensation that is provided to the Department on a quarterly basis.

4. The Police Department will direct all Insurance Companies and other entity requests (including Insurance Adjusters, Law Firms, Road Commissions, or other government agencies, etc.) for traffic accident reports to the TRACView system.
5. The Police Department understands that any legally documented Insurance Agency, Law Enforcement Agency or other entity deemed appropriate by the Police Department and DOCVIEW, LLC may access the traffic accident images. This waiver is acknowledged by the Police Department authorized agent by signing this agreement.

Excuse for Delay or Failure to Perform

6. The DOCVIEW, LLC will not be liable in any way for a delay, non-delivery or default due to labor disputes, transportation shortage, delays in receipt of material, priorities, fires, accidents and other causes beyond the control of the DOCVIEW, LLC or its partners and suppliers.

Cancellation

7. DOCVIEW, LLC and the Police Department reserve the right to cancel this Agreement. DOCVIEW, LLC and the Police Department will provide notice of cancellation to each other 30 days prior. If equipment is provided by DOCVIEW, LLC and cancellation occurs within the first year, all equipment must be returned. If the Police Department does not notify the DOCVIEW, LLC prior to the end of the first year, this agreement will be extended for succeeding one year periods unless either party notifies the other in writing at least 30 days prior to cancellation.

Notices

8. Any notice to be given or document to be delivered to either the DOCVIEW, LLC or Police Department pursuant to this Agreement will be sufficient if delivered personally or sent by prepaid registered mail to the address specified above.

Governed

9. This Agreement will be governed by and construed in accordance with the laws of the State of Michigan.

Arbitration

10. If any clause of the Agreement is held unconscionable by any court of competent jurisdiction, arbitration panel or other official finder of fact, the clause will be deleted from this Agreement and the balance of the Agreement will remain in full force and effect.

Scope

11. This Agreement constitutes the entire agreement between the parties and there are no further items or provisions, either oral or otherwise.

Risk of Loss

12. Risk of Loss will be the responsibility of the Police Department from the time of scanning to TRACView. The Police Department may at its expense, request backups of the data. DOCVIEW, LLC will send a DVD of the data upon receipt, in writing, from the Police Department.

IN WITNESS WHEREOF the parties have executed this Service Agreement on this date: **May 11, 2005.**

DOCVIEW, LLC

Per: Dan Puuri


Witness


Anthony L. Kleibecker
Director of Public Safety
Muskegon Police Department

TRACView

Traffic Accident Imaging Solutions

What is TRACView?

TRACView is an Internet based application that was developed to help police departments and insurance companies manage and access traffic accident reports in a more efficient manner.

Through the use of cutting edge online document management technology, you are now able to rapidly find and view an accident report usually within 48 to 72 hours of when the accident occurred. Now you can access these reports over the Internet, 24 hours a day!

TRACView Benefits Include:

- **Flexible searching tools** help you find the report quickly and easily.
- Reports are usually **available within 48 to 72 hours** of the accident.
- **PDF formatted**, so you can view, save, print and email reports.
- The system is **accessible 24 hours a day**, seven days a week.

Eliminate misfiles
Eliminate need to access off-site paper storage
Eliminate need to re-file
Eliminate problems associated with file non-availability
Eliminate the backlog in the availability of documents
Improve document control
Improve marketing image

Improve security
Improve workflow
Increase file integrity
Increase productivity
Increase speed of retrieving documents
Increase the reproductive quality
Reduce the barrier of old technology

Reduce filing equipment costs
Reduce use of floor space
Reduce staff requirements
Reduce storage costs
Reduce supply costs
Reduce time locating pages in a file

Law Enforcement Agency

- ✓ Traffic Accident Reports are scanned utilizing a Color duplex scanner provided by TRACView
- ✓ Department is compensated for report writing and scanning
- ✓ Police personnel can view accident information scanned by other participating police agencies
- ✓ Time savings to record unit personnel can be re-allocated to support functions; crime analysis, court liaison, etc.

Advantages to Citizens and Insurance Companies

- ✓ Able to access reports 24/7
- ✓ Convenient monthly billing desired by private sector
- ✓ Email notification of corrected/replaced reports scanned to system



Phone: 866.394.0832

Email: info@tracview.com

Date: April 26, 2005

To: Honorable Mayor and City Commissioners

From: Finance Director

RE: First Quarter 2005 Budget Reforecast

SUMMARY OF REQUEST: At this time staff is transmitting the *First Quarter 2005 Budget Reforecast* which outlines proposed changes to the original budget that have come about as result of changes in policy priorities, labor contracts, updated economic conditions, or other factors. For the next meeting, an action item will be placed on the agenda for adoption of the second quarter budget reforecast together with any additional changes deemed necessary by Commissioners.

FINANCIAL IMPACT: First quarter proposed changes to the General fund are relatively minor. The most recent information from the state indicates that 2005 state shared revenues will be \$13,657 less than originally projected. A state revenue conference is scheduled for May at which time further information may emerge. A more significant shortfall is forecast for the CDBG allocation to the General Fund: the original budgeted amount of \$400,000 has been reduced to \$250,000 reflecting the deterioration of CDBG revenues. Other general fund revenues appear to be in line with original projections. Proposed expenditure changes to the General Fund are minor resulting in an overall \$5,348 increase in projected costs. This figure incorporates the change resulting from the personnel adjustments related to the housing inspections matter.

The most significant change included in the first quarter reforecast is in the Public Improvement Fund. Two new fire trucks (\$800,000) and Fisherman's Landing improvements (\$175,000) have been added. At the time the original budget was prepared, it was thought that one truck would be under contract in 2004. This did not occur and, since that time, it has become apparent from rising maintenance costs that a second truck is warranted. The Fisherman's Landing improvements have been previously discussed and involve an agreement for the Fisherman's Landing group to repay the city over time.

BUDGET ACTION REQUIRED: Self-explanatory.

STAFF RECOMMENDATION: The City Commission should review the *Reforecast* to ensure it reflects their policy initiatives. At the next City Commission meeting, staff will request formal approval of the *Reforecast* and related budget amendments.

COMMITTEE RECOMMENDATION: There is no committee recommendation at this time.

CITY OF MUSKEGON
GENERAL FUND

HISTORICAL SUMMARY

Year	Revenues & Transfers In	Expenditures & Transfers Out	Fund Balance at Year-End
1995	\$ 16,633,179	\$ 16,337,586	\$ 2,322,307
1996	17,666,214	18,018,159	1,970,362
1997	20,437,646	20,358,321	2,049,687
1998	21,643,855	21,634,467	2,059,075
1999	21,451,681	22,011,881	1,498,875
2000	23,685,516	22,232,657	2,951,734
2001	23,446,611	23,235,978	3,162,367
2002	23,617,163	23,971,534	2,807,996
2003	23,328,756	23,705,334	2,431,418
2004	23,401,793	23,388,019	2,445,192

Fiscal 2005 Budget Summary

FUND BALANCE AT START OF YEAR \$ 2,445,192

MEANS OF FINANCING:

Taxes	14,173,925	60.8%
Licenses and Permits	981,600	4.2%
Federal Grants	184,717	0.8%
State Grants	17,000	0.1%
State Shared Revenue	4,675,000	20.1%
Other Charges	2,163,104	9.3%
Interest & Rentals	217,053	0.9%
Fines and Fees	502,000	2.2%
Other Revenue	307,250	1.3%
Other Financing Sources	<u>80,833</u>	<u>0.3%</u>
	23,302,482	100.0%

ESTIMATED REQUIREMENTS:

Customer Value Added Activities	17,613,727	75.3%
Business Value Added Activities	4,075,316	17.4%
Fixed Budget Items	<u>1,702,375</u>	<u>7.3%</u>
	23,391,418	100.0%

ESTIMATED FUND BALANCE AT END OF YEAR \$ 2,356,256

OPERATING DEFICIT (USE OF FUND BALANCE)	\$ (88,936)
TARGET FUND BALANCE (10% PRIOR YEAR EXPENDITURES)	\$ 2,338,802
ESTIMATED EXCESS (SHORTFALL) vs. TARGET	\$ 17,454

City of Muskegon
2005 First Quarter Budget Reforecast - General Fund
General Fund Revenue Summary By Source

	Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Revised Estimate 2005	Change From 2005 Original	% Change From 2004 Original
Available Fund Balance - BOY	\$ 2,807,996	\$ 2,807,996	\$ 2,277,365	\$ 2,445,192	\$ 2,445,192	\$ 167,827	\$ 167,827
Taxes							
City income tax	\$ 6,542,355	\$ 7,033,387	\$ 6,650,000	\$ 2,246,485	\$ 6,650,000	\$ -	0.00%
Property taxes - general	4,212,477	4,702,417	5,482,822	965,525	5,482,822	-	0.00%
Property taxes - sanitation	1,805,752	1,551,518	1,589,076	281,424	1,589,076	-	0.00%
Property taxes - pass-through from LDFA II	157,632	-	-	-	-	-	0.00%
Industrial facilities taxes	446,557	398,934	357,027	64	357,027	-	0.00%
Payments in lieu of taxes	70,085	72,816	80,000	-	80,000	-	0.00%
Delinquent chargeback collected	11,886	7,968	15,000	-	15,000	-	0.00%
	\$ 13,246,744	\$ 13,767,040	\$ 14,173,925	\$ 3,493,498	\$ 14,173,925	\$ -	0.00%
Licenses and permits							
Business licenses	\$ 28,455	\$ 33,835	\$ 33,000	\$ 3,490	\$ 33,000	\$ -	0.00%
Liquor licenses	36,427	35,681	37,500	6,961	37,500	-	0.00%
Cable TV franchise fees	265,532	333,618	260,000	-	260,000	-	0.00%
Telecom franchise fees (Act 48)	32,024	-	-	-	-	-	0.00%
Rental property registration	4,905	14,584	10,000	6,990	10,000	-	0.00%
Property Maintenance Inspection Fees	91,360	46,625	50,000	2,910	50,000	-	0.00%
Burial permits	103,564	102,702	110,000	23,617	110,000	-	0.00%
Building permits	275,642	350,102	275,000	100,964	275,000	-	0.00%
Electrical permits	125,718	103,989	100,000	45,249	100,000	-	0.00%
Plumbing permits	50,030	50,711	45,000	9,249	45,000	-	0.00%
Mechanical permits	94,013	66,682	60,000	12,110	60,000	-	0.00%
Franchise fees	-	485	-	-	-	-	0.00%
Cat Licenses	-	-	-	865	1,000	1,000	0.00%
Police gun registration	1,110	-	-	28	100	100	0.00%
	\$ 1,108,780	\$ 1,139,014	\$ 980,500	\$ 212,433	\$ 981,600	\$ 1,100	0.11%
Federal grants							
Federal operational grant	\$ 211,597	\$ 233,158	\$ 184,717	\$ 12,299	\$ 184,717	-	0.00%
	\$ 211,597	\$ 233,158	\$ 184,717	\$ 12,299	\$ 184,717	\$ -	0.00%
State grants							
Act 302 police training grant	\$ 17,148	\$ -	\$ 17,000	\$ 77	\$ 17,000	-	0.00%
State operational grant	6,117	33,127	-	-	-	-	0.00%
	\$ 23,265	\$ 33,127	\$ 17,000	\$ 77	\$ 17,000	\$ -	0.00%
State shared revenue							
State sales tax	\$ 4,938,861	\$ 4,645,348	\$ 4,688,657	\$ -	\$ 4,675,000	(13,657)	-0.29%
	\$ 4,938,861	\$ 4,645,348	\$ 4,688,657	\$ -	\$ 4,675,000	\$ (13,657)	-0.29%

City of Muskegon
2005 First Quarter Budget Reforecast - General Fund
General Fund Revenue Summary By Source

	Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Revised Estimate 2005	Change From 2005 Original	% Change From 2004 Original
Other charges for sales and services							
Tax administration fees	\$ 264,949	\$ 228,801	\$ 233,748	\$ -	\$ 233,748	\$ -	0.00%
Utility administration fees	183,439	183,439	183,439	-	183,439	-	0.00%
Reimbursement for elections	30,648	15,626	13,000	227	13,000	-	0.00%
Indirect cost reimbursement	974,894	1,012,708	1,035,617	172,602	1,035,617	-	0.00%
Site-plan review fee	780	2,700	1,000	(4,200)	1,000	-	0.00%
Sale of cemetery lots	18,233	17,324	20,000	3,085	20,000	-	0.00%
Sale of columbarium niches	-	1,000	-	-	-	-	0.00%
Police miscellaneous	83,060	64,684	70,000	16,273	70,000	-	0.00%
Police impound fees	65,010	49,320	20,000	10,050	30,000	10,000	50.00%
Landlord's alert fee	315	40	-	290	500	500	0.00%
Fire protection-state property	45,965	45,423	42,000	30	42,000	-	0.00%
Zoning fees	11,880	18,680	13,000	2,620	13,000	-	0.00%
Clerk fees	2,022	3,162	4,300	2,604	4,300	-	0.00%
Clerk - passport fees	1,735	2,550	2,000	630	2,000	-	0.00%
Tax abatement application fees	16,020	13,636	6,000	111	6,000	-	0.00%
Treasurer fees	20,702	45,909	33,000	6,838	45,000	12,000	36.36%
False alarm fees	11,429	12,425	12,000	180	12,000	-	0.00%
Miscellaneous cemetery income	21,763	24,722	24,000	939	24,000	-	0.00%
Senior transit program fees	6,651	6,864	8,000	1,774	7,500	(500)	-6.25%
Township electrical services	11,410	13,608	-	-	-	-	0.00%
Fire miscellaneous	13,297	18,183	20,000	815	20,000	-	0.00%
Sanitation stickers	49,856	62,704	50,000	3,694	50,000	-	0.00%
Lot cleanup fees	91,709	40,633	70,000	3,769	70,000	-	0.00%
Reimbursements for mowing and demolitions	158,315	36,820	70,000	1,639	70,000	-	0.00%
Special events reimbursements	30,610	101,822	100,000	4,219	100,000	-	0.00%
Recreation program fees	116,174	105,895	126,000	4,590	110,000	(16,000)	-12.70%
	\$ 2,230,866	\$ 2,128,678	\$ 2,157,104	\$ 232,779	\$ 2,163,104	\$ 6,000	0.28%
Interest and rental income							
Interest	\$ 48,505	\$ 17,275	\$ 70,000	\$ -	\$ 70,000	\$ -	0.00%
Flea market	31,867	31,998	29,000	-	29,000	-	0.00%
Farmers market	29,880	25,829	32,000	134	32,000	-	0.00%
City right of way rental	4,400	4,400	4,400	2,400	4,400	-	0.00%
Advertising Revenue	-	-	-	479	2,000	2,000	0.00%
Parking rentals	6,017	3,245	5,000	700	5,000	-	0.00%
McGraft park rentals	41,338	49,181	46,288	1,800	46,288	-	0.00%
Other park rentals	27,400	28,838	28,365	8,538	28,365	-	0.00%
	\$ 189,407	\$ 160,766	\$ 215,053	\$ 14,051	\$ 217,053	\$ 2,000	0.93%

City of Muskegon
2005 First Quarter Budget Reforecast - General Fund
General Fund Revenue Summary By Source

	Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Revised Estimate 2005	Change From 2005 Original	% Change From 2004 Original
Fines and fees							
Income tax - penalty and interest	\$ 194,562	\$ 293,971	\$ 190,000	\$ 63,145	\$ 190,000	\$ -	0.00%
Late fees on current taxes	52,791	89,452	25,000	-	50,000	25,000	100.00%
Interest on late invoices	549	877	2,000	-	2,000	-	0.00%
Parking fines	71,698	100,425	100,000	36,422	100,000	-	0.00%
Court fines	152,082	137,440	160,000	27,015	160,000	-	0.00%
	\$ 471,682	\$ 622,165	\$ 477,000	\$ 126,582	\$ 502,000	\$ 25,000	5.24%
Other revenue							
Sale of land and assets	\$ -	\$ -	\$ 1,000	\$ -	\$ 1,000	\$ -	0.00%
Police sale and auction proceeds	1,139	1,577	4,000	-	4,000	-	0.00%
CDBG program reimbursements	234,073	291,983	400,000	2,680	250,000	(150,000)	-37.50%
Contributions	35,461	18,030	11,000	1,400	11,000	-	0.00%
Contributions - Veteran's Park Maintenance	14,232	20,449	17,250	-	17,250	-	0.00%
Muskegon County Community Foundation	33,000	8,000	8,000	-	8,000	-	0.00%
Miscellaneous reimbursements	-	-	1,000	-	1,000	-	0.00%
Miscellaneous and sundry	13,289	21,249	15,000	2,212	15,000	-	0.00%
	\$ 331,194	\$ 361,288	\$ 457,250	\$ 6,492	\$ 307,250	\$ (150,000)	-32.80%
Other financing sources							
Operating transfers in							
Cemetery Perpetual Care	\$ 61,360	\$ 46,209	\$ 60,000	\$ 8,433	\$ 60,000	\$ -	0.00%
Criminal Forfeitures Fund	-	-	10,000	-	10,000	-	0.00%
Police Training Fund	-	-	-	-	-	-	0.00%
DDA for Administration	10,000	10,000	10,000	1,667	10,000	-	0.00%
Reese Playfield Fund	-	-	-	-	-	-	0.00%
RLF for Administration	5,000	5,000	-	833	833	833	0.00%
Budget Stabilization Fund	500,000	250,000	-	-	-	-	0.00%
Hackley Park Memorial Fund	-	-	-	-	-	-	0.00%
	\$ 576,360	\$ 311,209	\$ 80,000	\$ 10,933	\$ 80,833	\$ 833	1.04%
Total general fund revenues and other sources							
	\$ 23,328,756	\$ 23,401,793	\$ 23,431,206	\$ 4,109,144	\$ 23,302,482	\$ (128,724)	-0.55%

City of Muskegon
2005 First Quarter Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

	Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Actual As % of Revised	Revised Estimate 2005	Change From 2005 Original	% Change From 2005 Original
I. Customer Value Added Activities								
40301 Police Department								
5100 Salaries & Benefits	\$ 6,068,410	\$ 6,620,652	\$ 7,158,057	\$ 1,388,440	19%	\$ 7,158,057	\$ -	0.00%
5200 Operating Supplies	100,795	83,880	99,607	18,795	19%	99,607	-	0.00%
5300 Contractual Services	907,969	929,723	920,000	192,151	21%	920,000	-	0.00%
5400 Other Expenses	15,774	27,620	38,000	3,618	10%	38,000	-	0.00%
5700 Capital Outlays	30,581	10,741	5,000	5,314	71%	7,500	2,500	50.00%
5900 Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
	\$ 7,123,529	\$ 7,672,616	\$ 8,220,664	\$ 1,608,318	20%	\$ 8,223,164	\$ 2,500	0.03%
	\$ 7,123,529	\$ 7,672,616	\$ 8,220,664	\$ 1,608,318	20%	\$ 8,223,164	\$ 2,500	0.03%
50336 Fire Department								
5100 Salaries & Benefits	\$ 3,037,824	\$ 3,094,164	\$ 3,193,875	\$ 672,713	22%	\$ 3,092,664	\$ (101,211)	-3.17%
5200 Operating Supplies	95,604	80,524	72,434	14,677	20%	72,434	-	0.00%
5300 Contractual Services	187,853	179,375	170,000	30,677	18%	170,000	-	0.00%
5400 Other Expenses	12,378	4,978	7,500	1,147	15%	7,500	-	0.00%
5700 Capital Outlays	98,132	241,967	45,000	16,134	36%	45,000	-	0.00%
5900 Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
	\$ 3,431,791	\$ 3,601,008	\$ 3,488,809	\$ 735,348	22%	\$ 3,387,598	\$ (101,211)	-2.90%
50387 Fire Safety Inspections								
5100 Salaries & Benefits	\$ 761,792	\$ 780,291	\$ 694,082	\$ 155,450	20%	\$ 785,488	\$ 91,406	13.17%
5200 Operating Supplies	18,780	18,942	20,000	2,983	15%	20,000	-	0.00%
5300 Contractual Services	152,279	189,915	208,242	22,570	11%	208,242	-	0.00%
5400 Other Expenses	11,094	7,758	8,000	903	11%	8,000	-	0.00%
5700 Capital Outlays	3,616	2,150	2,000	1,843	92%	2,000	-	0.00%
5900 Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
	\$ 947,561	\$ 999,056	\$ 932,324	\$ 183,749	18%	\$ 1,023,730	\$ 91,406	9.80%
	\$ 4,379,352	\$ 4,600,664	\$ 4,421,133	\$ 919,097	21%	\$ 4,411,328	\$ (9,805)	-0.22%
60523 General Sanitation								
5100 Salaries & Benefits	\$ 75,757	\$ 67,480	\$ 68,735	\$ 13,693	20%	\$ 68,735	\$ -	0.00%
5200 Operating Supplies	109	311	-	-	N/A	-	-	0.00%
5300 Contractual Services	1,491,309	1,461,415	1,476,815	228,483	15%	1,476,815	-	0.00%
5400 Other Expenses	66	-	-	-	N/A	-	-	0.00%
5700 Capital Outlays	41,399	-	21,000	-	0%	21,000	-	0.00%
5900 Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
	\$ 1,608,639	\$ 1,529,206	\$ 1,566,650	\$ 242,176	15%	\$ 1,566,650	\$ -	0.00%

City of Muskegon
2005 First Quarter Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

	Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Actual As % of Revised	Revised Estimate 2005	Change From 2005 Original	% Change From 2005 Original
60528 Recycling								
5100 Salaries & Benefits			\$ -		N/A	\$ -	\$ -	0.00%
5200 Operating Supplies			-		N/A	-	-	0.00%
5300 Contractual Services	230,058	159,996	163,527	26,537	16%	163,527	-	0.00%
5400 Other Expenses	-	-	-	-	N/A	-	-	0.00%
5700 Capital Outlays	3,250	-	1,500	-	0%	1,500	-	0.00%
5900 Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
	\$ 233,308	\$ 159,996	\$ 165,027	\$ 26,537	16%	\$ 165,027	\$ -	0.00%
60550 Stormwater Management								
5100 Salaries & Benefits	\$ 3,835	\$ 2,310	\$ -	\$ -	N/A	\$ -	\$ -	0.00%
5200 Operating Supplies	501	-	-	-	N/A	-	-	0.00%
5300 Contractual Services	2,569	9,806	13,917	6,353	39%	16,270	2,353	16.91%
5400 Other Expenses	-	75	-	-	N/A	-	-	0.00%
5700 Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900 Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
	\$ 6,905	\$ 12,191	\$ 13,917	\$ 6,353	39%	\$ 16,270	\$ 2,353	16.91%
60448 Streetlighting								
5100 Salaries & Benefits	\$ 842	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	0.00%
5200 Operating Supplies	-	-	-	-	N/A	-	-	0.00%
5300 Contractual Services	504,832	506,590	533,600	88,125	17%	533,600	-	0.00%
5400 Other Expenses	-	-	-	-	N/A	-	-	0.00%
5700 Capital Outlays	3,850	-	-	-	N/A	-	-	0.00%
5900 Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
	\$ 509,524	\$ 506,590	\$ 533,600	\$ 88,125	17%	\$ 533,600	\$ -	0.00%
60707 Senior Citizen Transit								
5100 Salaries & Benefits	\$ 38,746	\$ 39,064	\$ 51,847	\$ 8,466	17%	\$ 49,847	\$ (2,000)	-3.86%
5200 Operating Supplies	-	-	-	-	N/A	-	-	0.00%
5300 Contractual Services	10,140	10,140	10,140	1,950	19%	10,140	-	0.00%
5400 Other Expenses	-	-	-	-	N/A	-	-	0.00%
5700 Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900 Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
	\$ 48,886	\$ 49,204	\$ 61,987	\$ 10,416	17%	\$ 59,987	\$ (2,000)	-3.23%
60446 Community Event Support								
5100 Salaries & Benefits	\$ 34,581	\$ 29,594	\$ 32,500	\$ 251	1%	\$ 32,500	\$ -	0.00%
5200 Operating Supplies	2,949	2,563	2,750	-	0%	2,750	-	0.00%
5300 Contractual Services	17,574	9,764	30,470	198	1%	30,470	-	0.00%
5400 Other Expenses	-	-	-	-	N/A	-	-	0.00%
5700 Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900 Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
	\$ 55,104	\$ 41,921	\$ 65,720	\$ 449	1%	\$ 65,720	\$ -	0.00%
	\$ 2,462,366	\$ 2,299,108	\$ 2,406,801	\$ 374,056	16%	\$ 2,407,154	\$ 353	0.01%

City of Muskegon
2005 First Quarter Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Actual As % of Revised	Revised Estimate 2005	Change From 2005 Original	% Change From 2005 Original
70751 Parks Maintenance									
5100	Salaries & Benefits	\$ 478,197	\$ 445,710	\$ 467,299	\$ 81,045	17%	\$ 467,299	\$ -	0.00%
5200	Operating Supplies	140,573	104,812	104,300	6,873	7%	104,300	-	0.00%
5300	Contractual Services	586,465	590,526	505,716	50,422	10%	505,716	-	0.00%
5400	Other Expenses	168	41	-	15	30%	50	50	0.00%
5700	Capital Outlays	85,387	57,430	54,556	12	0%	54,556	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		\$ 1,290,790	\$ 1,198,519	\$ 1,131,871	\$ 138,367	12%	\$ 1,131,921	\$ 50	0.00%
70757 Mc Graft Park Maintenance									
5100	Salaries & Benefits	\$ 8,765	\$ 12,017	\$ 16,884	\$ 964	6%	\$ 16,884	\$ -	0.00%
5200	Operating Supplies	5,306	2,396	4,500	-	0%	4,500	-	0.00%
5300	Contractual Services	30,830	46,024	25,497	4,979	20%	25,497	-	0.00%
5400	Other Expenses	-	-	-	-	N/A	-	-	0.00%
5700	Capital Outlays	39	52	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		\$ 44,940	\$ 60,489	\$ 46,881	\$ 5,943	13%	\$ 46,881	\$ -	0.00%
70775 General & Inner City Recreation									
5100	Salaries & Benefits	\$ 280,235	\$ 217,770	\$ 216,969	\$ 27,343	12%	\$ 226,969	\$ 10,000	4.61%
5200	Operating Supplies	41,843	39,754	36,566	5,477	15%	36,566	-	0.00%
5300	Contractual Services	123,619	90,280	98,534	8,680	9%	98,534	-	0.00%
5400	Other Expenses	6,967	3,042	3,800	572	15%	3,800	-	0.00%
5700	Capital Outlays	2,127	32	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		\$ 464,791	\$ 350,878	\$ 355,869	\$ 42,072	11%	\$ 365,869	\$ 10,000	2.81%
70276 Cemeteries Maintenance									
5100	Salaries & Benefits	\$ 205,975	\$ 196,792	\$ 203,549	\$ 32,533	16%	\$ 203,549	\$ -	0.00%
5200	Operating Supplies	10,846	12,079	17,169	366	2%	17,169	-	0.00%
5300	Contractual Services	251,300	249,830	227,750	14,459	6%	227,750	-	0.00%
5400	Other Expenses	751	138	-	-	N/A	-	-	0.00%
5700	Capital Outlays	41,908	23,461	16,490	31	0%	16,490	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		\$ 510,780	\$ 482,300	\$ 464,958	\$ 47,389	10%	\$ 464,958	\$ -	0.00%
70585 Parking Operations									
5100	Salaries & Benefits	\$ 18,010	\$ 2,168	\$ -	\$ 1,456	83%	\$ 1,750	\$ 1,750	0.00%
5200	Operating Supplies	1,738	199	3,000	-	0%	3,000	-	0.00%
5300	Contractual Services	235,608	24,974	32,040	4,517	14%	32,040	-	0.00%
5400	Other Expenses	-	-	-	-	N/A	-	-	0.00%
5700	Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		\$ 255,356	\$ 27,341	\$ 35,040	\$ 5,973	16%	\$ 36,790	\$ 1,750	4.99%
70357 Graffiti Removal									
5100	Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	0.00%
5200	Operating Supplies	-	513	1,000	-	0%	1,000	-	0.00%
5300	Contractual Services	-	4,089	4,000	-	0%	4,000	-	0.00%
5400	Other Expenses	-	-	-	-	N/A	-	-	0.00%
5700	Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		\$ -	\$ 4,602	\$ 5,000	\$ -	0%	\$ 5,000	\$ -	0.00%
70771 Forestry									
5100	Salaries & Benefits	\$ 103,509	\$ 68,860	\$ -	\$ -	N/A	\$ -	\$ -	0.00%
5200	Operating Supplies	8,075	2,971	-	-	N/A	-	-	0.00%
5300	Contractual Services	21,692	14,289	-	-	N/A	-	-	0.00%
5400	Other Expenses	940	493	-	-	N/A	-	-	0.00%
5700	Capital Outlays	2,458	906	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		\$ 136,674	\$ 87,519	\$ -	\$ -	N/A	\$ -	\$ -	0.00%

City of Muskegon
2005 First Quarter Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Actual As % of Revised	Revised Estimate 2005	Change From 2005 Original	% Change From 2005 Original
70863	Farmers' Market & Flea Market								
5100	Salaries & Benefits	\$ 30,792	\$ 30,972	\$ 21,867	\$ 177	1%	\$ 21,867	\$ -	0.00%
5200	Operating Supplies	465	402	280	-	0%	280	-	0.00%
5300	Contractual Services	14,462	16,678	8,000	833	10%	8,000	-	0.00%
5400	Other Expenses	-	-	-	-	N/A	-	-	0.00%
5700	Capital Outlays	225	-	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		\$ 45,944	\$ 48,052	\$ 30,147	\$ 1,010	3%	\$ 30,147	\$ -	0.00%
		\$ 2,749,275	\$ 2,259,700	\$ 2,069,766	\$ 240,754	12%	\$ 2,081,566	\$ 11,800	0.57%
80387	Environmental Services								
5100	Salaries & Benefits	\$ 181,136	\$ 125,553	\$ 105,855	\$ 18,702	18%	\$ 105,855	\$ -	0.00%
5200	Operating Supplies	7,859	4,744	6,500	325	5%	6,500	-	0.00%
5300	Contractual Services	281,831	266,724	196,500	7,146	4%	196,500	-	0.00%
5400	Other Expenses	189	-	500	-	0%	500	-	0.00%
5700	Capital Outlays	3,396	35	3,000	-	0%	3,000	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		\$ 474,411	\$ 397,056	\$ 312,355	\$ 26,173	8%	\$ 312,355	\$ -	0.00%
		\$ 474,411	\$ 397,056	\$ 312,355	\$ 26,173	8%	\$ 312,355	\$ -	0.00%
10875	Other - Contributions to Outside Agencies								
	Muskegon Area Transit (MATS)	\$ 80,163	\$ 80,164	\$ 80,500	\$ 56,173	70%	\$ 80,500	\$ -	0.00%
	Neighborhood Association Grants	29,308	24,776	25,000	-	0%	25,000	-	0.00%
	Muskegon Area First	42,000	20,000	45,660	-	0%	45,660	-	0.00%
	Veterans Memorial Day Costs	7,898	8,022	8,000	-	0%	8,000	-	0.00%
	WMSRDC - Muskegon Area Plan (MAP)	-	-	-	-	N/A	-	-	0.00%
	Institute for Healing Racism	3,000	1,000	1,000	-	0%	1,000	-	0.00%
	MLK Diversity Program	1,000	1,000	1,000	-	0%	1,000	-	0.00%
	Muskegon Area Labor Management (MALMC)	1,000	1,000	1,000	-	0%	1,000	-	0.00%
	Muskegon County and Humane Society - Feral Cat Control	17,890	11,332	16,000	-	0%	16,000	-	0.00%
	Other	-	-	-	-	N/A	-	-	0.00%
	Contributions To Outside Agencies	\$ 182,259	\$ 147,294	\$ 178,160	\$ 56,173	32%	\$ 178,160	\$ -	0.00%
		\$ 182,259	\$ 147,294	\$ 178,160	\$ 56,173	32%	\$ 178,160	\$ -	0.00%
Total Customer Value Added Activities		\$ 17,371,192	\$ 17,375,838	\$ 17,608,879	\$ 3,224,571	18%	\$ 17,613,727	\$ 4,848	0.03%
As a Percent of Total General Fund Expenditures		73.3%	74.3%	75.3%	78.0%		75.3%		

City of Muskegon
2005 First Quarter Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Actual As % of Revised	Revised Estimate 2005	Change From 2005 Original	% Change From 2005 Original
II. Business Value Added Activities									
10101 City Commission									
5100	Salaries & Benefits	\$ 59,698	\$ 61,918	\$ 62,658	\$ 12,935	21%	\$ 62,658	\$ -	0.00%
5200	Operating Supplies	9,367	14,894	13,500	21	0%	13,500	-	0.00%
5300	Contractual Services	28,258	3,517	5,000	104	2%	5,000	-	0.00%
5400	Other Expenses	6,126	2,427	6,000	500	8%	6,000	-	0.00%
5700	Capital Outlays	-	480	500	-	0%	500	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		\$ 103,449	\$ 83,236	\$ 87,658	\$ 13,560	15%	\$ 87,658	\$ -	0.00%
10102 City Promotions & Public Relations									
5100	Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	0.00%
5200	Operating Supplies	2,643	546	-	9	9%	100	100	0.00%
5300	Contractual Services	27,909	9,533	15,188	124	1%	15,088	(100)	-0.66%
5400	Other Expenses	-	397	-	-	N/A	-	-	0.00%
5700	Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		\$ 30,552	\$ 10,476	\$ 15,188	\$ 133	1%	\$ 15,188	\$ -	0.00%
10172 City Manager									
5100	Salaries & Benefits	\$ 182,226	\$ 194,094	\$ 198,312	\$ 46,529	23%	\$ 198,312	\$ -	0.00%
5200	Operating Supplies	1,846	1,421	2,000	125	6%	2,000	-	0.00%
5300	Contractual Services	2,609	2,496	3,200	336	11%	3,200	-	0.00%
5400	Other Expenses	1,646	1,197	2,000	175	9%	2,000	-	0.00%
5700	Capital Outlays	-	-	687	-	0%	687	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		\$ 188,327	\$ 199,208	\$ 206,199	\$ 47,165	23%	\$ 206,199	\$ -	0.00%
10145 City Attorney									
5100	Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	0.00%
5200	Operating Supplies	869	819	1,000	-	0%	1,000	-	0.00%
5300	Contractual Services	383,732	428,310	400,000	117,629	29%	400,000	-	0.00%
5400	Other Expenses	-	-	-	-	N/A	-	-	0.00%
5700	Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		\$ 384,601	\$ 429,129	\$ 401,000	\$ 117,629	29%	\$ 401,000	\$ -	0.00%
		\$ 706,929	\$ 722,049	\$ 710,045	\$ 178,487	25%	\$ 710,045	\$ -	0.00%
20173 Administration									
5100	Salaries & Benefits	\$ 133,545	\$ 137,408	\$ 149,072	\$ 36,161	24%	\$ 149,072	\$ -	0.00%
5200	Operating Supplies	1,437	1,382	2,000	80	4%	2,000	-	0.00%
5300	Contractual Services	6,012	11,460	16,176	1,469	9%	16,176	-	0.00%
5400	Other Expenses	2,703	207	2,000	-	0%	2,000	-	0.00%
5700	Capital Outlays	2,013	-	500	-	0%	500	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		\$ 145,710	\$ 150,457	\$ 169,748	\$ 37,710	22%	\$ 169,748	\$ -	0.00%

City of Muskegon
2005 First Quarter Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

	Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Actual As % of Revised	Revised Estimate 2005	Change From 2005 Original	% Change From 2005 Original
20228 Affirmative Action								
5100 Salaries & Benefits	\$ 93,074	\$ 67,896	\$ 78,199	\$ 15,941	20%	\$ 78,199	\$ -	0.00%
5200 Operating Supplies	528	449	3,000	76	3%	3,000	-	0.00%
5300 Contractual Services	1,553	2,093	2,999	331	11%	2,999	-	0.00%
5400 Other Expenses	1,572	376	2,000	160	8%	2,000	-	0.00%
5700 Capital Outlays	977	-	-	-	N/A	-	-	0.00%
5900 Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
	\$ 97,704	\$ 70,814	\$ 86,198	\$ 16,508	19%	\$ 86,198	\$ -	0.00%
20744 Julia Hackley Internships								
5100 Salaries & Benefits	\$ 7,837	\$ 8,931	\$ 7,636	\$ -	0%	\$ 7,636	\$ -	0.00%
5200 Operating Supplies	-	-	364	-	0%	364	-	0.00%
5300 Contractual Services	-	-	-	-	N/A	-	-	0.00%
5400 Other Expenses	-	-	-	-	N/A	-	-	0.00%
5700 Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900 Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
	\$ 7,837	\$ 8,931	\$ 8,000	\$ -	0%	\$ 8,000	\$ -	0.00%
20215 City Clerk & Elections								
5100 Salaries & Benefits	\$ 237,090	\$ 253,377	\$ 267,558	\$ 51,951	19%	\$ 267,558	\$ -	0.00%
5200 Operating Supplies	33,167	21,581	46,839	3,554	8%	46,839	-	0.00%
5300 Contractual Services	42,598	28,584	25,800	3,832	15%	25,800	-	0.00%
5400 Other Expenses	5,156	3,437	2,750	664	24%	2,750	-	0.00%
5700 Capital Outlays	1,910	4,610	-	-	N/A	-	-	0.00%
5900 Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
	\$ 319,921	\$ 311,589	\$ 342,947	\$ 60,001	17%	\$ 342,947	\$ -	0.00%
20220 Civil Service								
5100 Salaries & Benefits	\$ 176,851	\$ 136,039	\$ 137,063	\$ 33,867	25%	\$ 137,063	\$ -	0.00%
5200 Operating Supplies	10,642	7,191	6,850	446	7%	6,850	-	0.00%
5300 Contractual Services	19,767	16,303	18,200	1,455	8%	18,200	-	0.00%
5400 Other Expenses	7,534	2,691	5,587	99	2%	5,587	-	0.00%
5700 Capital Outlays	-	650	300	99	33%	300	-	0.00%
5900 Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
	\$ 214,794	\$ 162,874	\$ 168,000	\$ 35,966	21%	\$ 168,000	\$ -	0.00%
	\$ 785,966	\$ 704,665	\$ 774,893	\$ 150,185	19%	\$ 774,893	\$ -	0.00%
30202 Finance Administration								
5100 Salaries & Benefits	\$ 297,906	\$ 316,103	\$ 329,841	\$ 80,050	24%	\$ 329,841	\$ -	0.00%
5200 Operating Supplies	7,010	5,266	5,750	1,251	22%	5,750	-	0.00%
5300 Contractual Services	87,221	75,827	80,200	32,857	41%	80,030	(170)	-0.21%
5400 Other Expenses	156	34	-	6	30%	20	20	0.00%
5700 Capital Outlays	3,784	16	-	110	73%	150	150	0.00%
5900 Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
	\$ 396,077	\$ 397,246	\$ 415,791	\$ 114,274	27%	\$ 415,791	\$ -	0.00%
30209 Assessing Services								
5100 Salaries & Benefits	\$ 6,199	\$ 6,254	\$ 6,361	\$ 494	8%	\$ 6,361	\$ -	0.00%
5200 Operating Supplies	-	-	-	-	N/A	-	-	0.00%
5300 Contractual Services	394,707	400,641	400,000	1,014	0%	400,000	-	0.00%
5400 Other Expenses	80	-	100	-	0%	100	-	0.00%
5700 Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900 Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
	\$ 400,986	\$ 406,895	\$ 406,461	\$ 1,508	0%	\$ 406,461	\$ -	0.00%

City of Muskegon
2005 First Quarter Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Actual As % of Revised	Revised Estimate 2005	Change From 2005 Original	% Change From 2005 Original
30205	Income Tax Administration								
5100	Salaries & Benefits	\$ 229,175	\$ 255,417	\$ 268,851	\$ 58,733	22%	\$ 268,851	\$ -	0.00%
5200	Operating Supplies	20,667	15,964	22,005	7,495	34%	22,005	-	0.00%
5300	Contractual Services	46,251	39,403	49,144	14,343	29%	49,144	-	0.00%
5400	Other Expenses	642	1,020	400	40	10%	400	-	0.00%
5700	Capital Outlays	1,437	1,293	500	348	70%	500	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		\$ 298,172	\$ 313,097	\$ 340,900	\$ 80,959	24%	\$ 340,900	\$ -	0.00%
30253	City Treasurer								
5100	Salaries & Benefits	\$ 290,796	\$ 279,010	\$ 292,201	\$ 61,035	21%	\$ 292,201	\$ -	0.00%
5200	Operating Supplies	33,750	27,759	32,000	5,612	18%	32,000	-	0.00%
5300	Contractual Services	65,831	67,355	60,000	11,629	19%	60,000	-	0.00%
5400	Other Expenses	545	950	1,000	206	21%	1,000	-	0.00%
5700	Capital Outlays	2,652	57	3,000	-	0%	3,000	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		\$ 393,574	\$ 375,131	\$ 388,201	\$ 78,482	20%	\$ 388,201	\$ -	0.00%
30248	Information Systems Administration								
5100	Salaries & Benefits	\$ 260,209	\$ 266,338	\$ 233,611	\$ 54,852	23%	\$ 233,611	\$ -	0.00%
5200	Operating Supplies	1,361	1,375	5,500	-	0%	5,500	-	0.00%
5300	Contractual Services	44,653	45,354	56,300	1,635	3%	56,300	-	0.00%
5400	Other Expenses	7,619	1,018	15,000	-	0%	15,000	-	0.00%
5700	Capital Outlays	43,907	22,822	26,000	7,378	28%	26,000	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		\$ 357,749	\$ 336,907	\$ 336,411	\$ 63,865	19%	\$ 336,411	\$ -	0.00%
		\$ 1,846,558	\$ 1,829,276	\$ 1,887,764	\$ 339,088	18%	\$ 1,887,764	\$ -	0.00%
60265	City Hall Maintenance								
5100	Salaries & Benefits	\$ 67,355	\$ 64,175	\$ 53,339	\$ 14,522	27%	\$ 53,339	\$ -	0.00%
5200	Operating Supplies	12,925	9,354	9,227	2,144	23%	9,227	-	0.00%
5300	Contractual Services	188,186	169,642	179,600	26,475	15%	179,600	-	0.00%
5400	Other Expenses	-	5	-	-	N/A	-	-	0.00%
5700	Capital Outlays	409	1,229	6,500	-	0%	6,500	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		\$ 268,875	\$ 244,405	\$ 248,666	\$ 43,141	17%	\$ 248,666	\$ -	0.00%
		\$ 268,875	\$ 244,405	\$ 248,666	\$ 43,141	17%	\$ 248,666	\$ -	0.00%
80400	Planning, Zoning and Economic Development								
5100	Salaries & Benefits	\$ 424,969	\$ 322,199	\$ 391,623	\$ 75,895	19%	\$ 391,623	\$ -	0.00%
5200	Operating Supplies	14,518	7,953	14,825	2,182	15%	14,825	-	0.00%
5300	Contractual Services	67,030	66,339	43,000	9,137	21%	43,000	-	0.00%
5400	Other Expenses	4,278	2,156	2,000	625	31%	2,000	-	0.00%
5700	Capital Outlays	1,891	1,371	2,000	2,120	85%	2,500	500	25.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		\$ 512,686	\$ 400,018	\$ 453,448	\$ 89,959	20%	\$ 453,948	\$ 500	0.11%
		\$ 512,686	\$ 400,018	\$ 453,448	\$ 89,959	20%	\$ 453,948	\$ 500	0.11%
Total Business Value Added Activities		\$ 4,121,014	\$ 3,900,413	\$ 4,074,816	\$ 800,860	20%	\$ 4,075,316	\$ 500	0.01%
As a Percent of Total General Fund Expenditures		17.4%	16.7%	17.4%	19.4%		17.4%		

City of Muskegon
2005 First Quarter Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

	Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Actual As % of Revised	Revised Estimate 2005	Change From 2005 Original	% Change From 2005 Original
II. Fixed Budget Items								
30999 Transfers To Other Funds								
Major Street Fund	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	0.00%
Local Street Fund	870,000	620,000	480,000	80,000	17%	480,000	-	0.00%
Budget Stabilization Fund	-	-	-	-	N/A	-	-	0.00%
L.C. Walker Arena Fund (Operating Subsidy)	210,000	200,000	260,000	43,333	17%	260,000	-	0.00%
Public Improvement Fund (Fire Equipment Reserve)	150,000	150,000	150,000	25,000	17%	150,000	-	0.00%
State Grants Fund (Grant Matches)	10,856	21,328	-	-	N/A	-	-	0.00%
Marina	-	40,000	-	-	N/A	-	-	0.00%
Sidewalk	-	125,000	-	-	N/A	-	-	0.00%
MOD State Rehab Loan Fund	-	-	-	-	N/A	-	-	0.00%
TIFA Debt Service Fund	-	-	-	-	N/A	-	-	0.00%
Tree Replacement	-	-	-	-	N/A	-	-	0.00%
	\$ 1,240,856	\$ 1,156,328	\$ 890,000	\$ 148,333	17%	\$ 890,000	\$ -	0.00%
30851 General Insurance	\$ 335,805	\$ 322,233	\$ 349,375	\$ -	0%	\$ 349,375	\$ -	0.00%
30906 Debt Retirement	217,397	216,884	3,000	2,796	93%	3,000	-	0.00%
10891 Contingency and Bad Debt Expense	133,760	404,950	450,000	(50,193)	-11%	450,000	-	0.00%
90000 Major Capital Improvements	285,310	11,373	10,000	6,300	63%	10,000	-	0.00%
Total Fixed-Budget Items	\$ 2,213,128	\$ 2,111,768	\$ 1,702,375	\$ 107,236	6%	\$ 1,702,375	\$ -	0.00%
As a Percent of Total General Fund Expenditures								
	9.3%	9.0%	7.3%	2.6%		7.3%		
Total General Fund	\$ 23,705,334	\$ 23,388,019	\$ 23,386,070	\$ 4,132,667	18%	\$ 23,391,418	\$ 5,348	0.02%
Recap: Total General Fund By Expenditure Object								
5100 Salaries & Benefits	\$ 13,805,336	\$ 14,102,556	\$ 14,707,844	\$ 2,944,198	20%	\$ 14,707,789	\$ (55)	0.00%
5200 Operating Supplies	586,173	470,044	532,966	72,491	14%	533,066	100	0.02%
5300 Contractual Services	7,108,531	7,001,472	6,957,090	916,430	13%	6,959,173	2,083	0.03%
5400 Other Expenses	86,383	60,060	96,637	8,730	9%	96,707	70	0.07%
5700 Capital Outlays	660,658	380,675	198,533	39,689	20%	201,683	3,150	1.59%
5900 All Other Financing Uses	1,458,253	1,373,212	893,000	151,129	17%	893,000	-	0.00%
Total General Fund	\$ 23,705,334	\$ 23,388,019	\$ 23,386,070	\$ 4,132,667	18%	\$ 23,391,418	\$ 5,348	0.02%

City of Muskegon
2005 First Quarter Budget Reforecast - Non-General Funds

	Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Actual As % of Revised	Revised Estimate 2005	Change From 2005 Original	% Change From 2005 Original	Comments
202 Major Streets and State Trunklines Fund									
Available Fund Balance - BOY	\$ 1,622,095	\$ 1,413,112	\$ 708,988	\$ 956,165		\$ 966,165	\$ 257,177		
Means of Financing									
Special assessments	\$ 358,660	\$ 296,857	\$ 250,000	\$ -		\$ 250,000	\$ -	0.00%	
Federal grants	1,275,245	779,854	1,462,000	-		1,082,795	(379,205)	-25.94%	STP/TEDF GRANTS (HACKLEY, SHERMAN, WESTERN AVE PROJECTS)
State grants	4,561,233	3,012,583	2,500,000	1,832		2,500,000	-	0.00%	SHORELINE DRIVE GRANTS
State shared revenue	2,499,758	2,760,477	2,848,312	200,904		2,848,312	-	0.00%	
Interest income	169,533	154,196	25,000	25,061		50,000	25,000	100.00%	
Operating transfers in	-	-	-	-		-	-	0.00%	
Other	439,276	301,740	300,000	1,099		300,000	-	0.00%	
	\$ 9,303,695	\$ 7,305,707	\$ 7,385,312	\$ 228,898		\$ 7,031,107	\$ (354,205)	-4.80%	
60900 Operating Expenditures									
5100 Salaries & Benefits	\$ 617,857	\$ 723,868	\$ 1,095,613	\$ 203,066	19%	\$ 1,095,613	\$ -	0.00%	
5200 Operating Supplies	165,364	230,145	209,200	82,341	39%	209,200	-	0.00%	
5300 Contractual Services	963,237	1,097,375	853,406	204,773	23%	877,286	23,880	2.80%	CSX SIGNAL MAINTENANCE RETROACTIVE PAYMENTS
5400 Other Expenses	5,351	5,795	4,000	566	14%	4,000	-	0.00%	
5700 Capital Outlays	-	-	-	-	N/A	-	-	0.00%	
5900 Other Financing Uses	1,172,474	940,600	951,256	-	0%	951,256	-	0.00%	DEBT SERVICE & TRANSFER TO LOCAL STREETS \$300,000 IN 2003/04
	\$ 2,924,283	\$ 2,997,783	\$ 3,113,475	\$ 490,746	16%	\$ 3,137,355	\$ 23,880	0.77%	
90000 Project Expenditures									
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	0.00%	
5300 Contractual Services	6,588,395	4,754,871	4,750,000	43,896	1%	4,350,000	(400,000)	-8.42%	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5700 Capital Outlays	-	-	-	-	N/A	-	-	0.00%	
	\$ 6,588,395	\$ 4,754,871	\$ 4,750,000	\$ 43,896	1%	\$ 4,350,000	\$ (400,000)	-8.42%	
	\$ 9,512,678	\$ 7,752,654	\$ 7,863,475	\$ 534,642	7%	\$ 7,487,355	\$ -	-4.78%	
Available Fund Balance - EOY	\$ 1,413,112	\$ 966,165	\$ 230,825	\$ 680,419		\$ 509,917	\$ 279,092		

City of Muskegon
2005 First Quarter Budget Reforecast - Non-General Funds

	Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Actual As % of Revised	Revised Estimate 2005	Change From 2005 Original	% Change From 2005 Original	Comments
203 Local Streets Fund									
Available Fund Balance - BOY	\$ 9,701	\$ 145,641	\$ 438,799	\$ 265,129		\$ 265,129	\$ (173,670)		
Means of Financing									
Special assessments	\$ 240,781	\$ 85,557	\$ 125,000	\$ -		\$ 125,000	\$ -	0.00%	
Federal grants	246,000	-	-	-		500,000	500,000	0.00%	MALL PROJECT
State grants	1,120,771	138,050	-	-		-	-	0.00%	
Metro ad fees	-	-	140,000	-		140,000	-	0.00%	
State shared revenue	666,649	699,026	689,262	55,631		689,262	-	0.00%	
Interest income	15,133	24,065	15,000	37		15,000	-	0.00%	
Operating transfers in	1,370,000	920,000	780,000	80,000		780,000	-	0.00%	GENERAL FUND TRANSFER; \$300,000 TRANSFER FROM MAJOR ST.
Other	586	135,116	180,000	-		180,000	-	0.00%	
	\$ 3,659,920	\$ 2,001,814	\$ 1,929,262	\$ 135,668		\$ 2,429,262	\$ 500,000	25.92%	
60900 Operating Expenditures									
5100 Salaries & Benefits	\$ 486,434	\$ 651,827	\$ 452,272	\$ 148,806	33%	\$ 452,272	\$ -	0.00%	
5200 Operating Supplies	129,511	120,889	110,000	3,508	3%	110,000	-	0.00%	
5300 Contractual Services	631,566	790,509	650,000	155,990	24%	656,120	6,120	0.94%	CSX SIGNAL MAINTENANCE RETROACTIVE PAYMENTS
5400 Other Expenses	1,566	1,291	1,000	30	3%	1,000	-	0.00%	
5700 Capital Outlays	-	-	-	-	N/A	-	-	0.00%	
5900 Other Financing Uses	64,169	39,446	-	-	N/A	-	-	0.00%	
	\$ 1,313,246	\$ 1,603,962	\$ 1,213,272	\$ -308,334	25%	\$ 1,219,392	\$ 6,120	0.50%	
90000 Project Expenditures									
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	0.00%	
5300 Contractual Services	2,210,734	278,364	945,000	50,541	4%	1,410,000	465,000	49.21%	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
	\$ 2,210,734	\$ 278,364	\$ 945,000	\$ 50,541	4%	\$ 1,410,000	\$ 465,000	49.21%	
	\$ 3,523,980	\$ 1,882,326	\$ 2,158,272	\$ 358,875	14%	\$ 2,629,392		21.83%	
Available Fund Balance - EOY	\$ 145,641	\$ 265,129	\$ 209,789	\$ 41,922		\$ 64,999	\$ (144,790)		

City of Muskegon
2005 First Quarter Budget Reforecast - Non-General Funds

	Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Actual As % of Revised	Revised Estimate 2005	Change From 2005 Original	% Change From 2005 Original	Comments
254 L.C. Walker Arena Fund									
Available Fund Balance - BOY	\$ 34,476	\$ 37,588	\$ (189,158)	\$ 38,314		\$ 38,314	\$ 227,472		
Means of Financing									
Special assessments	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	0.00%	
State grants	-	-	-	-		-	-	0.00%	
State shared revenue	-	-	-	-		-	-	0.00%	
Charges for services	597,287	711,064	737,600	214,190		737,600	-	0.00%	
Interest income	1,331	1,493	500	-		500	-	0.00%	
Operating transfers in - General Fund	270,000	200,000	260,000	43,333		260,000	-	0.00%	
Operating transfers in - TIFA Fund	60,000	56,000	60,000	-		60,000	-	0.00%	
Operating transfers in - Insurance Fund	-	251,663	-	-		-	-	0.00%	
Other	3,066	8,103	1,000	1,201		1,000	-	0.00%	
	\$ 931,684	\$ 1,226,323	\$ 1,059,100	\$ 258,724		\$ 1,059,100	\$ -	0.00%	
70805 Operating Expenditures									
5100 Salaries & Benefits	\$ 12,394	\$ 11,892	\$ 13,784	\$ -	N/A	\$ -	\$ (13,784)	-100.00%	
5200 Operating Supplies	-	-	-	-	N/A	-	-	0.00%	
5300 Contractual Services	916,178	965,410	1,010,000	298,905	30%	1,010,000	-	0.00%	
5400 Other Expenses	-	-	-	-	N/A	-	-	0.00%	
5700 Capital Outlays	-	-	-	-	N/A	-	-	0.00%	
5800 Other Financing Uses	-	-	-	-	N/A	-	-	0.00%	
	\$ 928,572	\$ 977,302	\$ 1,023,784	\$ 298,905	30%	\$ 1,010,000	\$ (13,784)	-1.34%	
90000 Project Expenditures									
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	0.00%	
5300 Contractual Services	-	248,295	-	-	N/A	-	-	0.00%	
	\$ -	\$ 248,295	\$ -	\$ -	N/A	\$ -	\$ -	0.00%	
	\$ 928,572	\$ 1,225,597	\$ 1,023,784	\$ 298,905	30%	\$ 1,010,000	\$ -	-1.34%	
Available Fund Balance - EOY	\$ 37,588	\$ 38,314	\$ (153,822)	\$ (1,867)		\$ 87,414	\$ 241,236		

City of Muskegon
2005 First Quarter Budget Reforecast - Non-General Funds

	Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Actual As % of Revised	Revised Estimate 2005	Change From 2005 Original	% Change From 2005 Original	Comments
403 Sidewalk Improvement Fund									
Available Fund Balance - BOY	\$ (55,002)	\$ 1,032,893	\$ 916,395	\$ 1,024,303		\$ 1,024,303	\$ 107,908		
Means of Financing									
Special assessments	\$ 345,052	\$ 321,050	\$ 400,000	\$ -		\$ 400,000	\$ -	0.00%	
Federal grants	-	-	-	-		-	-	0.00%	
State shared revenue	-	-	-	-		-	-	0.00%	
Charges for services	-	-	-	-		-	-	0.00%	
Interest income	66,211	60,546	50,000	3,287		50,000	-	0.00%	
Operating transfers in	89,218	238,511	30,000	-		30,000	-	0.00%	FROM STREET FUNDS FOR HANDICAP RAMPS
Other	1,578,012	-	-	-		-	-	0.00%	
	\$ 2,078,493	\$ 620,107	\$ 480,000	\$ 3,287		\$ 480,000	\$ -	0.00%	
30906 Operating Expenditures									
5100 Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	0.00%	
5200 Operating Supplies	-	-	-	-	N/A	-	-	0.00%	
5300 Contractual Services	1,013	-	-	-	N/A	-	-	0.00%	
5400 Other Expenses	-	-	-	-	N/A	-	-	0.00%	
5700 Capital Outlays	-	-	-	-	N/A	-	-	0.00%	
5900 Other Financing Uses	291,956	454,578	408,333	274,178	67%	408,333	-	0.00%	DEBT SERVICE ON SIDEWALK ASSESSMENT BONDS
	\$ 292,969	\$ 454,578	\$ 408,333	\$ 274,178	67%	\$ 408,333	\$ -	0.00%	
90000 Project Expenditures									
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	0.00%	
5300 Contractual Services	697,629	174,119	200,000	3,415	2%	200,000	-	0.00%	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5400 Other Expenses	-	-	-	-	N/A	-	-	0.00%	
5900 Other Financing Uses	-	-	-	-	N/A	-	-	0.00%	
	\$ 697,629	\$ 174,119	\$ 200,000	\$ 3,415	2%	\$ 200,000	\$ -	0.00%	
	\$ 990,598	\$ 628,697	\$ 608,333	\$ 277,593	46%	\$ 608,333		0.00%	
Available Fund Balance - EOY									
	\$ 1,032,893	\$ 1,024,303	\$ 788,062	\$ 749,997		\$ 895,970	\$ 107,908		

City of Muskegon

2005 First Quarter Budget Reforecast - Non-General Funds

	Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Actual As % of Revised	Revised Estimate 2005	Change From 2005 Original	% Change From 2005 Original	Comments
404 Public Improvement Fund									
Available Fund Balance - BOY	\$ 985,797	\$ 1,408,432	\$ 553,783	\$ 926,621		\$ 926,621	\$ 372,838		
Means of Financing									
Special assessments	\$ -	\$ -	\$ -	-		\$ -	\$ -	0.00%	
Property taxes	-	-	-	-		-	-	0.00%	
Federal grants	-	-	-	-		-	-	0.00%	
State grants	390,600	-	-	-		-	-	0.00%	
Contributions	-	303,011	-	-		-	-	0.00%	
Sales of Property	47,939	280,442	150,000	15,775		150,000	-	0.00%	SEAWAY INDUSTRIAL AND OTHER LAND SALES
Interest income	16,347	10,499	6,000	3,744		6,000	-	0.00%	
Operating transfers in	150,000	1,080,000	150,000	25,000		250,000	100,000	66.67%	GENERAL FUND TRANSFER - FIRE EQUIPMENT RESERVE (\$150,000); FROM DDA FOR ULA REPAYMENT (\$100,000)
Other	75,454	44,012	-	-		200,000	200,000	0.00%	POSSIBLE LEASE PORTION OF FIRETRUCKS
	\$ 680,340	\$ 1,697,964	\$ 306,000	\$ 44,519		\$ 606,000	\$ 300,000	98.04%	
30936 Operating Expenditures									
5100 Salaries & Benefits	\$ -	\$ -	\$ -	-	N/A	\$ -	\$ -	0.00%	
5200 Operating Supplies	-	-	-	-	N/A	-	-	0.00%	
5300 Contractual Services	-	-	5,000	-	0%	5,000	-	0.00%	
5400 Other Expenses	-	-	-	-	N/A	-	-	0.00%	
5700 Capital Outlays	-	-	-	-	N/A	-	-	0.00%	
5900 Other Financing Uses	150,000	289,240	50,000	-	0%	150,000	100,000	200.00%	URBAN LAND ASSEMBLY (ULA) LOAN PAYMENT
	\$ 150,000	\$ 289,240	\$ 55,000	\$ -	0%	\$ 155,000	\$ 100,000	181.82%	
90000 Project Expenditures									
5200 Operating Supplies	\$ -	\$ -	\$ -	-	N/A	\$ -	\$ -	0.00%	
5300 Contractual Services	9,437	1,890,535	-	1,117	N/A	-	-	0.00%	
5400 Other Expenses	-	-	-	-	N/A	-	-	0.00%	
5700 Capital Outlays	98,268	-	-	-	0%	975,000	975,000	0.00%	FIRETRUCKS \$800,000, FISHERMAN'S LANDING
	\$ 107,705	\$ 1,890,535	\$ -	\$ 1,117	0%	\$ 975,000	\$ 975,000	0.00%	
	\$ 257,705	\$ 2,179,775	\$ 55,000	\$ 1,117	0%	\$ 1,130,000		1954.55%	
Available Fund Balance - EOY	\$ 1,408,432	\$ 926,621	\$ 804,783	\$ 970,023		\$ 402,621	\$ (402,162)		

City of Muskegon
2005 First Quarter Budget Reforecast - Non-General Funds

	Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Actual As % of Revised	Revised Estimate 2005	Change From 2005 Original	% Change From 2005 Original	Comments
482 State Grants Fund									
Available Fund Balance - BOY	\$ -	\$ 1,519	\$ 1,519	\$ 1,607		\$ 1,607	\$ 88		
Means of Financing									
Special assessments	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	0.00%	
State grants	882,403	1,015,519	2,975,000	42,531		2,975,000	-	0.00%	
Federal grants	-	262,848	-	-		-	-	0.00%	
Sales of Property	-	-	-	-		-	-	0.00%	
Interest income	-	-	-	-		-	-	0.00%	
Operating transfers in	235,242	351,229	-	-		-	-	0.00%	
Other	25,000	29,980	425,000	-		425,000	-	0.00%	POSSIBLE BOND FOR LOCAL MATCH
	\$ 1,142,645	\$ 1,659,576	\$ 3,400,000	\$ 42,531		\$ 3,400,000	\$ -	0.00%	
30936 Operating Expenditures									
5100 Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	0.00%	
5200 Operating Supplies	-	-	-	-	N/A	-	-	0.00%	
5300 Contractual Services	-	-	-	-	N/A	-	-	0.00%	
5400 Other Expenses	-	-	-	-	N/A	-	-	0.00%	
5700 Capital Outlays	-	-	-	-	N/A	-	-	0.00%	
5900 Other Financing Uses	-	2,802	-	-	N/A	-	-	0.00%	TRANSFER TO LOCAL STREET FOR SMARTZONE INFRASTRUCTURE
	\$ -	\$ 2,802	\$ -	\$ -	N/A	\$ -	\$ -	0.00%	
90000 Project Expenditures									
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	0.00%	
5300 Contractual Services	1,141,126	1,656,686	-	111,160	N/A	-	-	0.00%	
5700 Capital Outlays	-	-	3,400,000	-	0%	3,400,000	-	0.00%	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
	\$ 1,141,126	\$ 1,656,686	\$ 3,400,000	\$ 111,160	3%	\$ 3,400,000	\$ -	0.00%	
	\$ 1,141,126	\$ 1,659,488	\$ 3,400,000	\$ 111,160	3%	\$ 3,400,000		0.00%	
Available Fund Balance - EOY	\$ 1,519	\$ 1,607	\$ 1,519	\$ (67,022)		\$ 1,607	\$ 88		

City of Muskegon
2005 First Quarter Budget Reforecast - Non-General Funds

	Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Actual As % of Revised	Revised Estimate 2005	Change From 2005 Original	% Change From 2005 Original	Comments
594 Marina & Launch Ramp Fund									
Available Cash Balance - BOY	\$ (183,560)	\$ (20,982)	\$ 16,171	\$ (24,263)		\$ (24,263)	\$ (40,434)		
Means of Financing									
Special assessments	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	0.00%	
State grants	258,612	11,388	1,000,000	-		1,000,000	-	0.00%	
State shared revenue	-	-	-	-		-	-	0.00%	
Charges for services	263,880	256,297	285,000	80,916		300,000	15,000	5.26%	
Interest income	-	-	-	-		-	-	0.00%	
Operating transfers in	-	40,000	-	-		-	-	0.00%	
Other	10,378	10,684	1,000,000	-		1,000,000	-	0.00%	POSSIBLE BOND FOR LOCAL MATCH
	\$ 530,870	\$ 318,369	\$ 2,285,000	\$ 80,916		\$ 2,300,000	\$ 15,000	0.66%	
70756 Operating Expenditures									
5100 Salaries & Benefits	\$ 113,876	\$ 120,467	\$ 119,852	\$ 8,860	7%	\$ 125,417	\$ 5,565	4.64%	P/T Clerical position extended due to maternity leave
5200 Operating Supplies	20,491	15,196	12,625	138	1%	12,625	-	0.00%	
5300 Contractual Services	130,577	148,288	129,200	17,411	13%	129,200	-	0.00%	
5400 Other Expenses	-	360	-	31	N/A	-	-	0.00%	
5700 Capital Outlays	841	1,611	-	-	N/A	-	-	0.00%	
5900 Other Financing Uses	-	-	-	-	N/A	-	-	0.00%	
Other Cash Uses (e.g. Debt Principal)	(21,576)	8,011	-	-	N/A	-	-	0.00%	
	\$ 244,209	\$ 293,933	\$ 261,677	\$ 26,440	10%	\$ 267,242	\$ 5,565	2.13%	
90000 Project Expenditures									
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	0.00%	
5300 Contractual Services	124,083	27,717	-	-	N/A	-	-	0.00%	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5700 Capital Outlays	-	-	2,000,000	-	0%	2,000,000	-	0.00%	
	\$ 124,083	\$ 27,717	\$ 2,000,000	\$ -	0%	\$ 2,000,000	\$ -	0.00%	
	\$ 368,292	\$ 321,650	\$ 2,261,677	\$ 26,440	1%	\$ 2,267,242		0.25%	
Available Cash Balance - EOY	\$ (20,982)	\$ (24,263)	\$ 39,494	\$ 30,213		\$ 8,495	\$ (30,999)		

City of Muskegon
2005 First Quarter Budget Reforecast - Non-General Funds

	Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Actual As % of Revised	Revised Estimate 2005	Change From 2005 Original	% Change From 2005 Original	Comments
642 Public Service Building Fund									
Available Cash Balance - BOY	\$ (75,628)	\$ 124,264	\$ 32,554	\$ 80,971		\$ 80,971	\$ 48,417		
Means of Financing									
Special assessments	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	0.00%	
State grants	-	-	-	-		-	-	0.00%	
State shared revenue	-	-	-	-		-	-	0.00%	
Charges for services	612,766	569,872	569,872	94,878		569,872	-	0.00%	INTERDEPARTMENTAL RENTAL CHARGES
Interest income	315	991	-	394		-	-	0.00%	
Operating transfers in	-	-	-	-		-	-	0.00%	
Other	14	177	-	-		-	-	0.00%	
	\$ 613,095	\$ 571,040	\$ 569,872	\$ 95,372		\$ 569,872	\$ -	0.00%	
60442 Operating Expenditures									
5100 Salaries & Benefits	\$ 186,589	\$ 230,462	\$ 214,644	\$ 42,865	20%	\$ 214,644	\$ -	0.00%	
5200 Operating Supplies	21,924	20,467	25,056	4,201	17%	25,056	-	0.00%	
5300 Contractual Services	259,163	240,712	264,901	36,771	14%	264,901	-	0.00%	
5400 Other Expenses	(18,515)	5,222	500	-	0%	500	-	0.00%	
5700 Capital Outlays	32,813	124,476	70,000	110	0%	70,000	-	0.00%	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5900 Other Financing Uses	-	-	-	-	N/A	-	-	0.00%	
Other Cash Uses and Adjustments (e.g. Debt Principal)	(68,771)	(7,006)	-	-	N/A	-	-	0.00%	
	\$ 413,203	\$ 614,333	\$ 575,101	\$ 83,947	15%	\$ 575,101	\$ -	0.00%	
90000 Project Expenditures									
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	0.00%	
5300 Contractual Services	-	-	-	-	N/A	-	-	0.00%	
5700 Capital Outlays	-	-	-	-	N/A	-	-	0.00%	
	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	0.00%	
	\$ 413,203	\$ 614,333	\$ 575,101	\$ 83,947	15%	\$ 575,101		0.00%	
Available Cash Balance - EOY									
	\$ 124,264	\$ 80,971	\$ 27,325	\$ 92,396		\$ 75,742	\$ 48,417		

City of Muskegon
2005 First Quarter Budget Reforecast - Non-General Funds

	Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Actual As % of Revised	Revised Estimate 2005	Change From 2005 Original	% Change From 2005 Original	Comments
643 Engineering Services Fund									
Available Cash Balance - BOY	\$ 101,200	\$ 86,869	\$ 16,826	\$ 74,410		\$ 74,410	\$ 57,584		
Means of Financing									
Special assessments	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	0.00%	
State grants	-	-	-	-		-	-	0.00%	
State shared revenue	-	-	-	-		-	-	0.00%	
Charges for services	516,169	487,233	565,000	115,040		565,000	-	0.00%	INTERDEPARTMENTAL CHARGES
Interest income	1,788	1,018	1,500	311		1,500	-	0.00%	
Operating transfers in	-	-	-	-		-	-	0.00%	
Other	6,308	25,332	50,000	-		50,000	-	0.00%	
	\$ 524,265	\$ 513,583	\$ 616,500	\$ 115,351		\$ 616,500	\$ -	0.00%	
60447 Operating Expenditures									
5100 Salaries & Benefits	\$ 362,839	\$ 361,330	\$ 459,364	\$ 81,886	18%	\$ 459,364	\$ -	0.00%	
5200 Operating Supplies	18,514	16,758	22,095	7,123	32%	22,095	-	0.00%	
5300 Contractual Services	149,159	133,938	138,244	19,499	14%	139,244	-	0.00%	
5400 Other Expenses	2,896	1,900	2,800	-	0%	2,800	-	0.00%	
5700 Capital Outlays	15,265	6,574	9,700	8,004	83%	9,700	-	0.00%	
5900 Other Financing Uses	-	-	-	-	N/A	-	-	0.00%	
Other Cash Uses and Adjustments (e.g. Debt Principal)	(10,077)	5,542	-	-	N/A	-	-	0.00%	
	\$ 538,596	\$ 526,042	\$ 633,203	\$ 116,512	18%	\$ 633,203	\$ -	0.00%	
90000 Project Expenditures									
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	0.00%	
5300 Contractual Services	-	-	-	-	N/A	-	-	0.00%	
5700 Capital Outlays	-	-	-	-	N/A	-	-	0.00%	
	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	0.00%	
	\$ 538,596	\$ 526,042	\$ 633,203	\$ 116,512	18%	\$ 633,203	\$ -	0.00%	
Available Cash Balance - EOY									
	\$ 86,869	\$ 74,410	\$ 123	\$ 73,249		\$ 57,707	\$ 57,584		

City of Muskegon
2005 First Quarter Budget Reforecast - Non-General Funds

	Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Actual As % of Revised	Revised Estimate 2005	Change From 2005 Original	% Change From 2005 Original	Comments
677 General Insurance Fund									
Available Cash Balance - BOY	\$ 884,953	\$ 902,877	\$ 1,050,093	\$ 654,597		\$ 654,597	\$ (395,496)		
Means of Financing									
Special assessments	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	0.00%	
State grants	-	-	-	-		-	-	0.00%	
State shared revenue	-	-	-	-		-	-	0.00%	
Charges for services	2,449,390	2,565,881	2,792,318	636,591		2,792,318	-	0.00%	INTERDEPARTMENTAL CHARGES
Interest income	11,580	9,240	12,000	2,647		12,000	-	0.00%	
Repayment of DDA Advance	-	-	41,933	-		41,933	-		
Operating transfers in	1,179,938	1,240,959	1,300,000	-		1,350,000	50,000	3119.42%	TRANSFER FROM PENSION FUNDS FOR RETIREE HEALTH COSTS
Other	127,635	137,914	25,000	-		75,000	50,000	-94.23%	
	\$ 3,768,523	\$ 3,953,994	\$ 4,171,251	\$ 639,238		\$ 4,271,251	\$ 4,248,251	16985.00%	
30851 Operating Expenditures									
5100 Salaries & Benefits	\$ 178,181	\$ 30,330	32,484	\$ 6,190	19%	32,484	\$ -	0.00%	
5200 Operating Supplies	143	-	-	-	N/A	-	-	-100.00%	
5300 Contractual Services	3,354,562	3,576,019	4,062,318	990,374	24%	4,142,318	50,000	0.00%	
5400 Other Expenses	383	-	500	-	0%	500	-	-99.99%	
5700 Capital Outlays	1,148	-	500	-	0%	500	-	0.00%	
5800 Other Financing Uses	-	251,663	-	(4,675)	N/A	-	-	-100.00%	
Other Cash Uses and Adjustments (e.g. Debt Principal)	216,202	344,262	-	-	N/A	-	-	0.00%	
	\$ 3,750,589	\$ 4,202,274	\$ 4,125,802	\$ 991,889	24%	\$ 4,175,802	\$ 4,175,802	0.00%	
90000 Project Expenditures									
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	0.00%	
5300 Contractual Services	-	-	-	-	N/A	-	-	0.00%	
5700 Capital Outlays	-	-	-	-	N/A	-	-	0.00%	
	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	0.00%	
	\$ 3,750,589	\$ 4,202,274	\$ 4,125,802	\$ 991,889	24%	\$ 4,175,802		0.00%	
Available Cash Balance - EOY									
	\$ 902,877	\$ 654,597	\$ 1,095,542	\$ 301,946		\$ 750,046			

City of Muskegon
2005 First Quarter Budget Reforecast - Non-General Funds

	Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Actual As % of Revised	Revised Estimate 2005	Change From 2005 Original	% Change From 2005 Original	Comments
591 Water Fund									
Available Cash Balance - BOY	\$ 4,189,460	\$ 3,422,264	\$ 4,428,812	\$ 4,468,122		\$ 4,468,122	\$ 39,310		
Means of Financing									
Special assessments	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	0.00%	
Federal grants	-	-	300,000	-		300,000	-	0.00%	
State grants	-	-	-	-		-	-	-100.00%	SHORELINE DRIVE
State shared revenue	-	-	-	-		-	-	0.00%	
Charges for services - City	2,936,777	2,989,444	4,633,678	-		4,633,678	-	0.00%	
Charges for services - Wholesale	827,519	1,454,728	900,000	-		900,000	-	-80.58%	
Maintenance services - Township	112,036	195,262	200,000	-		200,000	-	-77.78%	
Billing services - Township	-	-	30,000	-		60,000	30,000	-70.00%	
Interest income	51,889	38,947	25,000	-		25,000	-	-87.50%	
			26,977	-		26,977	-	-	
Operating transfers in	-	54,624	-	-		-	-	-100.00%	
Other	165,925	9,669,860	-	-		-	-	-100.00%	NEW DEBT ISSUANCE
	\$ 4,094,246	\$ 14,402,865	\$ 6,115,655	\$ -		\$ 6,145,655	\$ 30,000	22681.09%	
30548 Operating Expenditures Administration									
5100 Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	-100.00%	
5200 Operating Supplies	20	20	-	-	N/A	-	-	0.00%	
5300 Contractual Services	524,932	492,655	543,554	61,538	11%	543,554	-	0.00%	INSURANCE/INDIRECT COSTS/ADMINISTRATION FEE
5400 Other Expenses	5,681	10,383	-	-	N/A	-	-	0.00%	
5700 Capital Outlays	-	-	-	-	N/A	-	-	0.00%	
5800 Other Financing Uses	436,560	420,000	680,579	-	0%	680,579	-	25.21%	INTEREST ON WATER BONDS
Other Cash Uses and Adjustments (e.g. Debt Principal)	(117,325)	424,560	435,000	-	0%	435,000	-	0.00%	PRINCIPAL ON WATER BONDS
	\$ 849,868	\$ 1,347,618	\$ 1,659,133	\$ 61,638	4%	\$ 1,659,133	\$ -	0.00%	
60559 Operating Expenditures Maintenance - City									
5100 Salaries & Benefits	\$ 993,724	\$ 875,621	\$ 889,296	\$ 153,576	17%	\$ 889,296	\$ -	-46.40%	
5200 Operating Supplies	246,145	159,140	121,360	21,980	18%	121,360	-	0.00%	
5300 Contractual Services	436,252	349,616	448,637	55,646	12%	448,637	-	0.00%	
5400 Other Expenses	9,788	(5,450)	33,280	926	3%	33,280	-	-98.26%	
5700 Capital Outlays	8,628	654	9,900	655	7%	9,900	-	-91.84%	
5800 Other Financing Uses	-	-	-	-	N/A	-	-	-100.00%	
	\$ 1,694,537	\$ 1,379,581	\$ 1,500,473	\$ 232,783	16%	\$ 1,500,473	\$ -	-4408.63%	
60660 Operating Expenditures Maintenance - Township									
5100 Salaries & Benefits	\$ 117,799	\$ 62,056	\$ -	\$ 18,290	N/A	\$ -	\$ -	-100.00%	
5200 Operating Supplies	5,494	1,035	-	3,778	N/A	-	-	0.00%	
5300 Contractual Services	111,495	51,791	-	-	N/A	-	-	0.00%	
5400 Other Expenses	805	-	-	-	N/A	-	-	0.00%	
5700 Capital Outlays	-	-	-	-	N/A	-	-	0.00%	
5800 Other Financing Uses	-	-	-	-	N/A	-	-	0.00%	
	\$ 235,593	\$ 114,882	\$ -	\$ 22,068	N/A	\$ -	\$ -	0.00%	
60558 Operating Expenditures Filtration									
5100 Salaries & Benefits	\$ 520,119	\$ 585,202	\$ 612,705	\$ 112,229	18%	\$ 612,705	\$ -	0.00%	
5200 Operating Supplies	149,128	148,908	124,200	36,139	24%	124,200	-	0.00%	
5300 Contractual Services	396,949	399,077	425,750	51,793	12%	425,750	-	0.00%	
5400 Other Expenses	2,333	2,549	2,960	665	23%	2,950	-	-99.52%	
5700 Capital Outlays	17,928	52,831	45,500	3,221	7%	45,500	-	-63.37%	
5800 Other Financing Uses	-	-	-	-	N/A	-	-	-100.00%	
Replacement Reserve - DWRP	-	-	290,000	-	0%	290,000	-	9730.51%	
	\$ 1,086,457	\$ 1,188,567	\$ 1,501,105	\$ 198,048	13%	\$ 1,501,105	\$ -	3199.13%	
90000 Project Expenditures									
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	-100.00%	
5300 Contractual Services	994,987	9,326,359	5,380,000	3,621,543	67%	5,410,000	30,000	0.00%	
5700 Capital Outlays	-	-	-	-	N/A	-	-	0.00%	
	\$ 994,987	\$ 9,326,359	\$ 5,380,000	\$ 3,621,543	67%	\$ 5,410,000	\$ 30,000	0.00%	
	\$ 4,861,442	\$ 13,357,007	\$ 10,040,711	\$ 4,136,080	41%	\$ 10,070,711		87.19%	
Available Cash Balance - EOY	\$ 3,422,264	\$ 4,468,122	\$ 503,756	\$ 332,042		\$ 543,066	\$ 39,310		

City of Muskegon
2005 First Quarter Budget Reforecast - Non-General Funds

	Actual 2003	Actual 2004	Original Budget Estimate 2005	Actual Through March 2005	Actual As % of Revised	Revised Estimate 2005	Change From 2005 Original	% Change From 2005 Original	Comments
590 Sewer Fund									
Available Cash Balance - EOY	\$ 1,231,951	\$ 1,046,328	\$ -	\$ 1,397,154		\$ 1,397,154	\$ 1,397,154		
Means of Financing									
Special assessments	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	0.00%	
Federal grants	-	-	450,000	-		450,000	-	0.00%	
State grants	-	-	100,000	-		100,000	-	0.00%	SHORELINE DRIVE
State shared revenue	-	-	-	-		-	-	0.00%	
Charges for services	4,008,773	4,032,673	4,594,500	-		4,594,500	-	921.00%	
Interest income	19,739	12,821	20,000	-		20,000	-	-80.00%	
			41,933			41,933	-		
Operating transfers in	-	47,796	-	-		-	-	0.00%	
Other	48,671	198,450	80,000	-		80,000	-	-98.26%	
	\$ 4,077,483	\$ 4,291,740	\$ 5,286,433	\$ -		\$ 5,286,433	\$ -	-26332.17%	
30548 Operating Expenditures Administration									
5100 Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	-100.00%	
5200 Operating Supplies	-	-	-	-	N/A	-	-	-100.00%	
5300 Contractual Services	388,912	402,634	295,925	22,600	8%	295,925	-	0.00%	INSURANCE/INDIRECT COSTS/ADMINISTRATION FEE
5400 Other Expenses	6,885	37,025	-	-	N/A	-	-	0.00%	
5700 Capital Outlays	-	-	-	-	N/A	-	-	0.00%	
5600 Other Financing Uses	-	110,520	88,424	-	0%	88,424	-	0.00%	INTEREST ON SEWER BONDS
Other Cash Uses and Adjustments (e.g. Debt Principal)	507,081	279,519	444,497	-	0%	444,497	-	50.21%	PRINCIPAL ON SEWER BONDS
	\$ 902,858	\$ 829,698	\$ 828,846	\$ 22,600	3%	\$ 828,846	\$ -	0.00%	
60559 Operating Expenditures Maintenance									
5100 Salaries & Benefits	\$ 609,560	\$ 689,690	\$ 889,296	\$ 152,885	19%	\$ 789,286	\$ (100,010)	77.57%	
5200 Operating Supplies	44,036	42,978	60,798	4,421	7%	60,798	-	-92.86%	
5300 Contractual Services	1,588,736	1,660,046	2,000,000	276,246	14%	1,958,840	(41,160)	0.00%	
5400 Other Expenses	2,248	1,569	2,500	4	0%	2,500	-	0.00%	
5700 Capital Outlays	9,096	4,995	7,000	150	2%	7,000	-	-99.21%	
5600 Other Financing Uses	-	-	-	-	N/A	-	-	-100.00%	
	\$ 2,253,676	\$ 2,599,278	\$ 2,959,594	\$ 433,706	15%	\$ 2,818,424	\$ (141,170)	40.92%	
90000 Project Expenditures									
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	0.00%	
5300 Contractual Services	1,106,572	511,938	970,000	13,137	1%	1,120,000	150,000	-62.16%	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5700 Capital Outlays	-	-	-	-	N/A	-	-	0.00%	
	\$ 1,106,572	\$ 511,938	\$ 970,000	\$ 13,137	1%	\$ 1,120,000	\$ 150,000	0.00%	
	\$ 4,263,106	\$ 3,940,914	\$ 4,758,440	\$ 489,443	10%	\$ 4,767,270		0.00%	
Available Cash Balance - EOY									
	\$ 1,046,328	\$ 1,397,154	\$ 527,693	\$ 927,711		\$ 1,916,317			

City of Muskegon
2005 First Quarter Budget Reforecast - Major Capital Projects

	Responsibility	Original Budget	1st Quarter Budget Reforecast	2nd Quarter Budget Reforecast	3rd Quarter Budget Reforecast	Comments
2005 PROJECTS						
101 General Fund						
99012 GIS Update and Maintenance	Brubaker-Clarke	\$ 10,000	\$ 10,000			
202 Major Streets						
94001 Clay, Terrace to Spring (1000)	Al-Shatel	175,000	240,000			Reconstruct and Service Replacements
93038 Mail Development (Western, Second, First, Jefferson & Market)	Al-Shatel	500,000	-			Moved to Local Street Fund
93030 Lakeshore Drive, McCracken to Lincoln	Al-Shatel	250,000	-			Grant Not Approved
94002 Park, Young to Laketon (1400)	Al-Shatel	210,000	200,000			Reconstruct, \$155,000 STP
91635 Shoreline Drive from Terrace to Southern	Al-Shatel	2,500,000	2,500,000			\$11.85 million grant from MDOT
93026 Southern Avenue, Sixth to Seaway	Al-Shatel	350,000	525,000			Reconstruct; \$350,795 STP Funds
State Jobs (Seaway Drive Over South Branch of the Muskegon River)	Al-Shatel	30,000	30,000			Local Participation - 11.25%
94011 Western Avenue Enhancement	Brubaker-Clarke	720,000	720,000			Street and Streetscape Improvements; \$577,000 Grants
LED Traffic Signal Retrofit	Al-Shatel	-	120,000			
96059 2005 Sidewalk Ramps/Alleys	Al-Shatel	15,000	15,000			
		4,750,000	4,350,000			
203 Local Streets						
94012 Dale, McGrath to Ruddiman, Gravel (400')	Al-Shatel	50,000	50,000			New Construction (Gravel Road)
94015 Evert, Allen to Anny, Gravel (330')	Al-Shatel	50,000	50,000			New Construction (Gravel Road)
94009 Fair, Torment to Addison, Milling & Resurfacing (1380')	Al-Shatel	90,000	90,000			Milling & Resurfacing
94004 Fifth Street, Campus to Merrill (1100')	Al-Shatel	150,000	225,000			Reconstruction
94005 Ireland, Franklin to Davis (1200')	Al-Shatel	160,000	160,000			Reconstruction
94006 Pine Street, Laketon to Dale, Milling & Resurfacing (1000')	Al-Shatel	100,000	50,000			Milling & Resurfacing
96059 2005 Sidewalk Ramps/Alleys	Al-Shatel	15,000	15,000			
93038 Mail Development (Western, Second, First, Jefferson & Market)	Al-Shatel	-	500,000			Phase I (Western Ave)
94017 Franklin, Laketon to Ireland (1100')	Al-Shatel	150,000	150,000			Reconstruction
94008 Walton, Emerald to Murphy with HOME (1600')	Al-Shatel	180,000	120,000			New Construction (Gravel Road) - Funded by HOME
		945,000	1,410,000			
403 Sidewalks						
96059 2005 Sidewalk Replacement Program	Al-Shatel	200,000	200,000			Financed With Special Assessment Bonds
404 Public Improvement						
Firetrucks	Kincaid	-	800,000			Portion to be Financed Via Lease-Purchase
Fisherman's Landing Facility	Mazade	-	175,000			To be Repaid by Fisherman's Landing
		-	975,000			
482 State Grants Fund						
91008 Core Communities Initiative (Teledyne-Boardwalk)	Brubaker-Clarke	100,000	100,000			No Match
94013 CMI Site Assessment Projects	Brubaker-Clarke	500,000	500,000			No Match
91050 CMI Brownfield	Brubaker-Clarke	500,000	500,000			No Match
93035 Neighborhoods of Choice (5th Street - Western to Houston)	Brubaker-Clarke	500,000	500,000			No Match
94014 Lakeshore Trail Phase I	Scott	1,800,000	1,900,000			\$1,375,000 Grant; \$425,000 Local Match
		3,400,000	3,400,000			
590 Sewer						
94004 Fifth Street, Campus to Merrill (1100')	Al-Shatel	95,000	95,000			New Main & Services
94010 Hudson, Southern to Forest	Al-Shatel	60,000	60,000			New Main & Services
94005 Ireland, Franklin to Davis (1200')	Al-Shatel	10,000	10,000			New Services & Repairs
94001 Clay, Terrace to Spring (1000')	Al-Shatel	70,000	60,000			New Services & Repairs
93033 Mail Development (Western, Second, First, Jefferson & Market)	Al-Shatel	450,000	450,000			New Main & Services
93026 Southern Avenue, Sixth to Seaway	Al-Shatel	75,000	75,000			New Services & Repairs
94007 Franklin, Laketon to Ireland (1100')	Al-Shatel	10,000	10,000			
Walton, Emerald to Murphy	Al-Shatel	-	50,000			
Forest Lift Station	Al-Shatel	-	110,000			Funded by HOME
94018 Clay Hill Area Sewer Study & Possible Lift Station	Al-Shatel	50,000	50,000			Carover from 2004
92025 Sewer Rehabilitation Project	Al-Shatel	150,000	150,000			Unspecified Location/Projects
		970,000	1,120,000			

City of Muskegon
2005 First Quarter Budget Reforecast - Major Capital Projects

	Responsibility	Original Budget	1st Quarter Budget Reforecast	2nd Quarter Budget Reforecast	3rd Quarter Budget Reforecast	Comments
2005 PROJECTS						
591 Water						
94004 Fifth Street, Campus to Merrill (1100)	Al-Shatal	95,000	95,000			New Main & Services
94010 Hudson, Southern to Forest	Al-Shatal	60,000	60,000			New Main & Services
94015 Ireland, Franklin to Davis (1200)	Al-Shatal	130,000	130,000			New Main & Services
94008 Walton, Emerald to Murphy with HOME (1600)	Al-Shatal	10,000	15,000			Services for New Homes
94001 Clay, Terrace to Spring (1000)	Al-Shatal	100,000	125,000			Services
93033 Mall Development (Western, Second, First, Jefferson & Market)	Al-Shatal	300,000	300,000			Mains & Services
91635 Shoreline Drive from Terrace to Southern	Al-Shatal	10,000	10,000			Repairs
93026 Southern Avenue, Sixth to Seaway	Al-Shatal	75,000	75,000			Services
94007 Franklin, Laketon to Ireland (1100)	Al-Shatal	100,000	100,000			New Main & Services
91012 Filtration Plant Improvement (DWRP)	Kuhn	4,500,000	4,500,000			
Water Distribution Model & VM Repeasant various locations	Al-Shatal	-	-			Unspecified Location/Projects
		5,380,000	5,410,000			
594 Hartshorn Marina						
Hartshorn Marina Improvements	Scott	2,000,000	2,000,000			\$1,000,000 Grant; \$1,000,000 Local Match
661 Equipment Fund						
Police Patrol Cars (5)	Kuhn	110,000	120,000			Six New Cruisers, Budget was for Five
One-Ton Dump (3)	Kuhn	75,000	75,000			Replacement
Plow Truck (2)	Kuhn	150,000	150,000			Replacement
3/4-Ton Pickup (3)	Kuhn	75,000	75,000			Replacement
Pickups (4)	Kuhn	-	72,000			Carryover from 2004
Sedans (3)	Kuhn	100,000	100,000			Replacement
One-Ton Flat Bed (1)	Kuhn	35,000	35,000			Replacement
Portable Radios Police /Fire	Kuhn	7,000	7,000			Replacement - Grant Funded
Radios DPW Portable	Kuhn	7,000	7,000			Replacement
Radios DPW Equipment	Kuhn	1,400	1,400			Replacement
Light Bars (6)	Kuhn	12,000	12,000			Replacement
Satellite Receivers (3)	Kuhn	9,000	9,000			New
Loader	Kuhn	65,000	65,000			Replacement
72" Mower	Kuhn	16,000	16,000			New
Backhoe	Kuhn	65,000	65,000			Replacement
Air Compressor	Kuhn	20,000	20,000			Replacement
GPS Receivers	Kuhn	32,000	32,000			New
		799,400	861,400			
		\$ 18,454,400	\$ 19,756,400			

Commission Meeting Date: May 10, 2005

Date: April 28, 2005
To: Honorable Mayor & City Commission
From: Planning & Economic Development Department *BC*
RE: Sale of 625 Ottawa Street excluding the ROW.

SUMMARY OF REQUEST:

To approve the sale of the vacant property at 625 Ottawa Street (parcel # 24-205-170-0004-00) excluding the ROW for Shoreline Drive to MIJU Corporation, 2597 Memorial Drive, Muskegon, MI. The lot is currently 174 x 181 ft. with the ROW included and is being offered to MIJU Corporation for \$3.22 per square foot. A survey of the property has been ordered. The amount of the square footage will be known at that time. This should be prior to the commission meeting. Mr. Frazier, owner of MIJU Corporation, will be utilizing this property for the adjacent business. Mr. Frazier has also signed a purchase agreement.

FINANCIAL IMPACT:

\$52,334⁶⁶

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

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

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

COMMITTEE RECOMMENDATION:

None

Resolution No. 2005-45(a)

MUSKEGON CITY COMMISSION

RESOLUTION APPROVING THE SALE OF A VACANT LOT AT 625 OTTAWA STREET IN JACKSON HILL NEIGHBORHOOD FOR \$52,334.66.

WHEREAS, MIJU Corporation has signed a Purchase Agreement for the parcel designated as parcel number 24-205-170-0004-00, located at 625 Ottawa Street; and

WHEREAS, the price for parcel number 24-205-170-0004-00 agreed to be \$52,334.66, which is \$3.22 per square foot excluding the ROW; and

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

WHEREAS, the sale is consistent with City Commercial Property policy.

NOW THEREFORE BE IT RESOLVED, that parcel number 24-205-170-01004-00, located at 625 Ottawa Street be sold to MIJU Corporation for \$52,334.66.

SEE ATTACHED EXHIBIT A

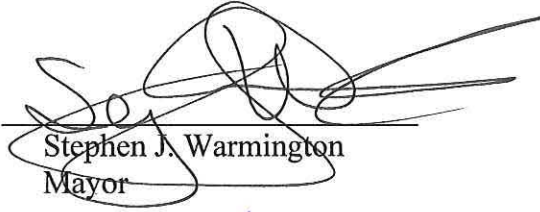
Adopted this 10th day of May 2005

Ayes: Gawron, Larson, Shepherd, Spataro, Warmington, Carter, and Davis

Nays: None

Absent: None

By: _____


Stephen J. Warmington
Mayor

Attest: _____


Gail Kunding, MMC
City Clerk

EXHIBIT A
LEGAL DESCRIPTION

LOTS 4 AND 5 OF BLOCK 170 OF THE REVISED PLAT OF 1903, CITY OF MUSKEGON, MUSKEGON COUNTY, MICHIGAN, AND PART OF LOT 3, BLOCK 170 OF THE REVISED PLAT OF 1903, CITY OF MUSKEGON, MUSKEGON COUNTY, MICHIGAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE MOST SOUTHERLY CORNER OF LOT 3, THENCE NORTHEASTERLY ALONG THE WESTERLY LINE OF OTTAWA STREET 44 FEET, THENCE NORTHWESTERLY TO A POINT ON THE EASTERLY LINE OF WESTERN AVENUE 38 FEET NORTHERLY OF THE NORTHERLY OF THE MOST WESTERLY CORNER OF LOT 3, THENCE SOUTHWESTERLY 38 FEET TO THE MOST WESTERLY CORNER OF LOT 3, THENCE SOUTHEASTERLY TO BEGINNING, EXCEPT ANY PART OF THE REALIGNED OTTAWA STREET AND SHORELINE DRIVE.

CERTIFICATION

2005-45(a)

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, Michigan at a regular meeting held on May 10, 2005.

By:


Gail Kunding, MMC
City Clerk

REAL ESTATE PURCHASE AGREEMENT

THIS AGREEMENT is made May 10, 2005, by and between **CITY OF MUSKEGON**, a municipal corporation, with offices at 933 Terrace, Muskegon, Michigan 49440 ("Seller") and **MIJU CORPORATION** of 2597 Memorial Drive, Muskegon, Michigan 49445 ("Buyer").

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

SEE ATTACHED EXHIBIT A

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

2. **Purchase Price and Manner of Payment.** The purchase price for the Premises shall be Fifty Two Thousand Three Hundred Thirty-Four and 66/100 dollars. (\$52,334.66).

3. **Taxes and Assessments.** All taxes and assessments that are due and payable at the time of Closing shall be paid by Seller prior to or at Closing, including the December 2004 taxes. All taxes and special assessments that become due and payable after Closing shall be the responsibility of Buyer.

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

5. **Survey.** Seller at its own expense will obtain a survey of the Premises and bear the costs of same, and Seller or its surveyor or other agents may enter the Premises for that purpose prior to Closing. If no survey is obtained, Buyer agrees that Buyer is relying solely upon Buyer's own judgment as to the location, boundaries and area of the Premises and improvements thereon without regard to any representations that may have been made by Seller

or any other person. In the event that a survey by a registered land surveyor made prior to closing discloses an encroachment or substantial variation from the presumed land boundaries or area, Seller shall have the option of effecting a remedy within thirty (30) days after disclosure, or tendering Buyer's deposit in full termination of this Purchase Agreement, and paying the cost of such survey. Buyer may elect to purchase the Premises subject to said encroachment or variation.

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

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

8. **Closing.** The City's obligation to close on this matter is contingent upon an acceptable appraisal. The closing date of this sale shall be on or before _____, ("Closing"). The Closing shall be conducted at Land America Transnation Title Insurance Company, 570 Seminole Road, Ste. 102, Muskegon, MI 49444. If necessary, the parties shall execute an IRS closing report at the Closing.

9. **Delivery of Deed.** Seller shall execute and deliver a Quit Claim Deed to Buyer at Closing for the Premises.

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

11. **Date of Possession.** Possession of Premises is to be delivered to Buyer by Seller on _____.

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

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

13. **General Provisions.**

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

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

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

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

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

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

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

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

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

WITNESSES:

Linda Potter
Linda Potter

Jo Ann Krukowski
Jo Ann Krukowski

SELLER: CITY OF MUSKEGON

By [Signature]
Stephen J. Warmington, Mayor

Gail A. Kunderger
Gail A. Kunderger, MMC, Clerk

BUYER: MIJU CORPORATION

[Signature]

By: [Signature] (President)
Its: Donald Frazier President

EIN: _____

PREPARED BY:

John C. Schrier (P36702)
PARMENTER O'TOOLE
175 W. Apple Avenue
Muskegon, Michigan 49440
Phone: (231) 722-1621

EXHIBIT A
LEGAL DESCRIPTION

LOTS 4 AND 5 OF BLOCK 170 OF THE REVISED PLAT OF 1903, CITY OF MUSKEGON, MUSKEGON COUNTY, MICHIGAN, AND PART OF LOT 3, BLOCK 170 OF THE REVISED PLAT OF 1903, CITY OF MUSKEGON, MUSKEGON COUNTY, MICHIGAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE MOST SOUTHERLY CORNER OF LOT 3, THENCE NORTHEASTERLY ALONG THE WESTERLY LINE OF OTTAWA STREET 44 FEET, THENCE NORTHWESTERLY TO A POINT ON THE EASTERLY LINE OF WESTERN AVENUE 38 FEET NORTHERLY OF THE NORTHERLY OF THE MOST WESTERLY CORNER OF LOT 3, THENCE SOUTHWESTERLY 38 FEET TO THE MOST WESTERLY CORNER OF LOT 3, THENCE SOUTHEASTERLY TO BEGINNING, EXCEPT ANY PART OF THE REALIGNED OTTAWA STREET AND SHORELINE DRIVE.

Clerk
2005-45(a)

BUYERS ACCEPT PROPERTY "AS IS"

Date: June 01, 2005

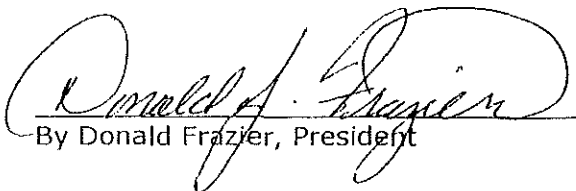
Property: 625 Ottawa St.
Muskegon, MI 49442
Commitment No.: MUS438585

We, the undersigned, being the buyers of the above captioned property, understand and acknowledge that Buyer(s) are buying the property in an "AS IS" condition and that neither the Seller(s) nor Realtor make any warranties as to the structure(s) located upon the land purchased or the condition thereof.

Further, the undersigned agree to indemnify, save and hold harmless and and Transnation Title Insurance Company, from any responsibility and/or liability, loss or damage relative thereto.

The foregoing agreement is hereby accepted and approved on June 01, 2005.

MIJU, Inc.


By Donald Frazier, President

QUIT-CLAIM DEED

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

QUIT CLAIMS to **MIJU CORPORATION** of 2597 Memorial Drive, Muskegon, Michigan 49445

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

SEE ATTACHED EXHIBIT A

for the sum of: Fifty Two Thousand Three Hundred Thirty-Four and 66/100 dollars (\$52,334.66)

PROVIDED, HOWEVER, If the Grantee or adjoining property owner loses the adjoining property due to foreclosure or non-payment of taxes, the non-buildable lot shall revert to the Grantor. At that point in time when any lien covers both parcels or there are not liens on either parcel, the property owner may request and the Grantor shall agree to waive and terminate the reverter clause.

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

Dated this 20 day of May, 2005.

Signed in the presence of:

Linda Potter
Linda Potter
Jo Ann Krukowski
Jo Ann Krukowski

CITY OF MUSKEGON

By Stephen J. Warmington
Stephen J. Warmington, Its Mayor

and Gail A. Kunder
Gail A. Kunder, MMC, Its Clerk

STATE OF MICHIGAN
COUNTY OF MUSKEGON

Signed and sworn to before me in Muskegon County, Michigan, on May 20, 2005 by STEPHEN J. WARMINGTON and GAIL A. KUNDER, MMC, the Mayor and Clerk, respectively, of the CITY OF MUSKEGON, a municipal corporation, on behalf of the City.

Linda S. Potter
Linda S. Potter, Notary Public
Acting in the County of Muskegon
Muskegon County, Michigan
My Comm. Expires: 9-25-06

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

WHEN RECORDED RETURN TO: Grantee

SEND SUBSEQUENT TAX BILLS TO: Grantee

EXHIBIT A
LEGAL DESCRIPTION

LOTS 4 AND 5 OF BLOCK 170 OF THE REVISED PLAT OF 1903, CITY OF MUSKEGON, MUSKEGON COUNTY, MICHIGAN, AND PART OF LOT 3, BLOCK 170 OF THE REVISED PLAT OF 1903, CITY OF MUSKEGON, MUSKEGON COUNTY, MICHIGAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE MOST SOUTHERLY CORNER OF LOT 3, THENCE NORTHEASTERLY ALONG THE WESTERLY LINE OF OTTAWA STREET 44 FEET, THENCE NORTHWESTERLY TO A POINT ON THE EASTERLY LINE OF WESTERN AVENUE 38 FEET NORTHERLY OF THE NORTHERLY OF THE MOST WESTERLY CORNER OF LOT 3, THENCE SOUTHWESTERLY 38 FEET TO THE MOST WESTERLY CORNER OF LOT 3, THENCE SOUTHEASTERLY TO BEGINNING, EXCEPT ANY PART OF THE REALIGNED OTTAWA STREET AND SHORELINE DRIVE.

SURVEY WAIVER

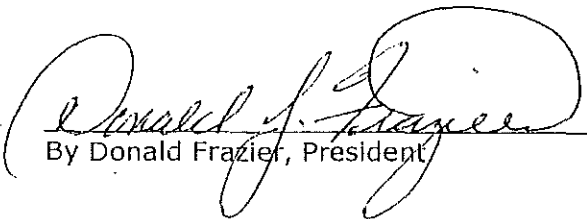
Date: June 01, 2005

Property: 625 Ottawa St.
Muskegon, MI 49442
Commitment No.: MUS438585

We, the undersigned, herein acknowledge that we have been strongly advised to obtain a land survey showing the dimensions of the property and the location of all buildings situated thereon. We have agreed, completely of our own volition, not to obtain a survey and wish to complete the transaction without the recommended survey.

Further, the undersigned agree to indemnify, save and hold harmless and and Transnation Title Insurance Company, from any responsibility and/or liability, loss or damage concerning or pertaining to survey matters, including but not limited to size of lot or land, location of boundary lines, locations of buildings and encroachments of any kind.

MIJU, Inc.



By Donald Frazier, President

Transnation Title Insurance Company
570 Seminole Rd Ste 102
Muskegon, MI 49444

Escrow Officer: Amy Fett

Title No.: MUS438585
Date: 06/01/2005

SELLER'S SETTLEMENT STATEMENT

Seller(s): City of Muskegon, a municipal
corporation

Buyer(s): MIJU, Inc., a Michigan Corporation

Property: 625 Ottawa St.
Muskegon, MI 49442
Revised, Blk 170, Lots 3-5

	DEBIT	CREDIT
Contract Sales Price		\$52,334.66
Commission Paid at Settlement	\$0.00	
to		
to		
Settlement or closing fee to LandAmerica Transnation	\$125.00	
Title insurance to LandAmerica Transnation	\$316.00	
***** Sub Total	\$441.00	\$52,334.66
Balance Due To Seller	\$51,893.66	
Total	\$52,334.66	\$52,334.66

The above figures do not include sales or use taxes on personal property.
APPROVED AND ACCEPTED

City of Muskegon, a Municipal Corporation

BY: Rope Mitchell

Broker:

By: _____

Transnation Title Insurance Company
570 Seminole Rd Ste 102
Muskegon, MI 49444

Escrow Officer: Amy Fett

Title No.: MUS438585
Date: 06/01/2005

PURCHASER'S SETTLEMENT STATEMENT

Buyer(s): MIJU, Inc., a Michigan Corporation Seller(s): City of Muskegon, a municipal corporation
Property: 625 Ottawa St.
Muskegon, MI 49442
Revised, Blk 170, Lots 3-5

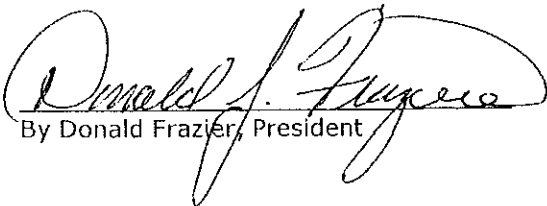
	DEBIT	CREDIT
Contract Sales Price	\$52,334.66	
Settlement or closing fee to LandAmerica	\$125.00	
Transnation		
Recording Fees	\$17.00	
Deed: \$17.00		
Mortgage:		
Releases:	\$17.00	
***** Sub Total	\$52,476.66	\$0.00
Balance Due From Borrower		\$52,476.66
Total	\$52,476.66	\$52,476.66

The above figures do not include sales or use taxes on personal property.
ACCEPTED AND APPROVED

Broker:

MIJU, Inc.

By: _____


By Donald Frazier, President

CONTINGENCY REMOVAL

Date: June 01, 2005

Property: 625 Ottawa St.
Muskegon, MI 49442

Seller(s): City of Muskegon, a municipal corporation

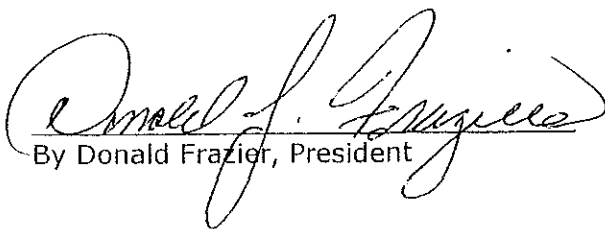
Buyer(s): MIJU, Inc., a Michigan Corporation

Commitment No.: MUS438585

In reference to the sales agreement dated 5/10/2005 between the Buyer(s) and Seller(s) herein identified, and all subsequent addendums to that agreement for the property stated above, it is agreed by the Buyer(s) and Seller(s) that all contingencies pursuant to said agreement, have been met, resolved or removed to the satisfaction of all parties concerned.

Further, the undersigned agree to indemnify, save and hold harmless and and Transnation Title Insurance Company, from any responsibility and/or liability, loss or damage relative thereto.

MIJU, Inc.



By Donald Frazier, President

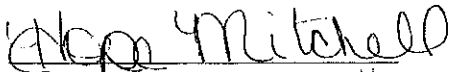
AFFIDAVIT BY OWNER/SELLER/BORROWER

The undersigned is the owner/seller/borrower or is an authorized representative of the owner/seller/borrower who personally knows the facts relative to the matters attested herein. The undersigned, if an authorized representative of the owner/seller/borrower, attests that he/she is empowered by the owner/seller/borrower to bind the owner/seller/borrower to the representations and undertakings made herein. The undersigned being first duly sworn on oath, deposes, states and warrants as follows:

1. That Affiant is the owner of the real estate referred to in Transnation Title Insurance Company Commitment No. MUS438585 above-referenced.
2. The Affiant is/are 18 years of age or older and is/are: ☐ married ☐ single ☐ divorced ☐ widowed. There has been no change in marital status since the Affiant first obtained title to the Land.
3. The Affiant is in sole possession of said property, and there are no unrecorded deeds, mortgages, leases, easements, land contracts for sale, purchase agreements or options except:
None
4. The Affiant has not negotiated to convey or assign any water, mineral or oil rights relative to said property.
5. The Affiant's has no knowledge of any covenants, conditions or restrictions of record affecting the Property, other than what is recorded, or unrecorded easements or claims of easements affecting said property.
6. That the Affiant is not aware of any boundary line disputes with any abutting property owners as to the location of property lines, nor is the owner/seller/borrower aware of any encroachments of their improvements onto the lands of any adjoining property owners or onto any easements. Likewise, the owner/seller/borrower is not aware of any improvements of adjoining owners encroaching onto said land.
7. That no work has been performed or materials delivered to said property for a period of (120) days prior to the date of this affidavit, and if any work has been performed or materials delivered during said 120 day period, proper sworn statements and waiver of liens showing payment or release of lien rights have been obtained and submitted to Transnation Title Insurance Company for its approval.
8. That the Affiant is not aware of any improvements made, or to be made, to said land, including, but not limited to, sidewalk, curb or street repairs or replacements, weed cutting, debris removal etc., that would result in an assessment or bill to the premises, except as addressed in the purchase agreement.
9. There are no other mortgages, equity loans, revolving credit loans, bridge loans, remodeling loans, judgment liens or tax liens affecting said property, except as set forth in the above-referenced title commitment.
10. There are no proceedings in bankruptcy or receivership by or against the owner/seller/borrower, which are now pending, nor have the owners made any assignment for the benefit of creditors.

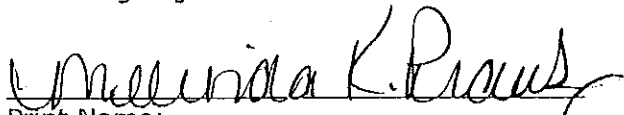
In the event that any of the representations made herein prove to be incorrect, for any reason, and a claim is made by third party with respect to these matters, Affiant agrees to indemnify and hold harmless Transnation Title Insurance Company from all claims and damages, including litigation costs and attorney fees arising as the result of such claim.

AFFIANT:
City of Muskegon


By Hope ~~Griffith~~ Mitchell

STATE OF MICHIGAN
COUNTY OF Muskegon

The foregoing was sworn to and subscribed in my presence on June 01, 2005.


Print Name:
Notary Public Muskegon County, Michigan
Acting in _____ County
My commission expires: _____

MELINDA K. PRAUSE
Notary Public, Muskegon County, Michigan
Acting in Muskegon County
My Commission Expires 05/08/07

Date: June 01 2005

Commitment No.: MUS438585

Property Address: 625 Ottawa St., Muskegon, Michigan 49442

The undersigned hereby acknowledge receipt of a Request to Rescind Homeowner's Principle Residence Exemption Affidavit form (Michigan Department of Treasury Form No. 26092) as same is required by Public Act 237 of 1994.

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

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

Sellers:

Hope Mitchell

WMS0983

**COMMITMENT FOR TITLE INSURANCE
Schedule A****Ref:** 635 Ottawa Street**1. Effective Date:** May 02, 2006 at 8:00 am**Commitment No.:** WMS0983**2. Policy or Policies to be issued:**

ALTA Owner's Policy - 10/17/92

Proposed Insured: Muskegon County Board of Public Works**Amount:** \$63,000.00**3. The estate or interest in the land described or referred to in this Commitment and covered herein is Fee Simple and is, at the effective date hereof, vested in:**

MIJU Corporation

4. The land referred to in this Commitment is located in the City of Muskegon, County of Muskegon, State of Michigan, and is described as follows:

SEE ATTACHED EXHIBIT "A"

WMS0983

Exhibit "A"

All that part of the following described parcel lying Southerly of re-aligned Ottawa Street;

Lots 4 and 5 of Block 170 of the Revised Plat of 1903, City of Muskegon, Muskegon County, Michigan, and part of Lot 3, Block 170 of the Revised Plat of 1903, City of Muskegon, Muskegon County, Michigan, described as follows: Commencing at the most Southerly corner of Lot 3; thence Northeasterly along the Westerly line of Ottawa Street 44 feet; thence Northwesterly to a point on the Easterly line of Western Avenue 38 feet Northerly of the Northerly of the most Westerly corner of Lot 3; thence Southwesterly 38 feet to the most Westerly corner of Lot 3; thence Southeasterly to beginning, except any part of the re-aligned Ottawa Street and Shoreline Drive.

WMS0983

COMMITMENT FOR TITLE INSURANCE
SCHEDULE B - SECTION I
REQUIREMENTS

The following are the requirements to be complied with:

1. Standard requirements set forth in jacket.
2. Instruments necessary to create the estate or interest to be insured must be properly executed, delivered and duly filed for record.
3. Submit evidence, satisfactory to the Company, that MIJU Corporation is a legal entity.
4. Submit a copy of the Resolution of the Board of Directors of MIJU Corporation authorizing the sale of the subject property to Muskegon County Board of Public Works and directing the proper officers to execute the proposed conveyance on behalf of the corporation.
5. Warranty Deed from MIJU Corporation to Muskegon County Board of Public Works.
6. Termination or subordination to the satisfaction of the Company of the interest of City of Muskegon who appears to have an interest in said property by reason of Quit Claim Deed recorded in Liber 3654, Page 154 which contains a right of reverter.

NOTE: 2005 Summer taxes are exempt.

NOTE: 2005 Winter taxes are exempt.

2005 Taxable Value \$0.00.

2005 State Equalized Value \$0.00.

Permanent Property No. 61-24-205-170-0004-00.

Homestead Status 0%.

NOTE: Check with the City of Muskegon at 724-6720 for current and/or delinquent water usage prior to close for payoff amounts.

NOTE: In the event that the Commitment Jacket is not attached hereto, all of the terms, conditions and provisions contained in said Jacket are incorporated herein. The Commitment Jacket is available for inspection at any Company office.

WMS0983

**COMMITMENT FOR TITLE INSURANCE
SCHEDULE B - SECTION II
EXCEPTIONS**

Schedule B of the policy or policies to be issued will contain exception to the following unless the same are disposed of to the satisfaction of the Company.

1. Standard exceptions set forth in jacket.
2. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this commitment.
3. Taxes and assessments that become a lien against the property after date of closing. The Company assumes no liability for tax increases occasioned by retroactive revaluation, changes in the land usage or loss of any homestead exemption status for the insured premises.
4. Easement to General Telephone Company recorded in Liber 778, Page 838.
5. Terms, conditions and provisions which are recited in Affidavit recorded in Liber 3227, Page 529.

BR/ew1



Mark Fairchild, Muskegon Co ROD D02

5154543

L-3654 P-154

06/06/2005 11:37A

Page: 1 of 2

QUIT-CLAIM DEED

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

QUIT CLAIMS to **MIJU CORPORATION** of 2597 Memorial Drive, Muskegon, Michigan 49445

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

SEE ATTACHED EXHIBIT A

for the sum of: Fifty Two Thousand Three Hundred Thirty-Four and 66/100 dollars (\$52,334.66)

PROVIDED, HOWEVER, If the Grantee or adjoining property owner loses the adjoining property due to foreclosure or non-payment of taxes, the non-buildable lot shall revert to the Grantor. At that point in time when any lien covers both parcels or there are not liens on either parcel, the property owner may request and the Grantor shall agree to waive and terminate the reverter clause.

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

Dated this 20 day of May, 2005.

Signed in the presence of:

Linda Potter
Linda Potter
Jo Ann Krukowski
Jo Ann Krukowski

CITY OF MUSKEGON

By [Signature]
Stephen J. Warmington, Its Mayor

and [Signature]
Gail A. Kunding, MMC, Its Clerk

STATE OF MICHIGAN
COUNTY OF MUSKEGON

Signed and sworn to before me in Muskegon County, Michigan, on May 20, 2005 by STEPHEN J. WARMINGTON and GAIL A. KUNDINGER, MMC, the Mayor and Clerk, respectively, of the CITY OF MUSKEGON, a municipal corporation, on behalf of the City.

Linda S. Potter
Linda S. Potter, Notary Public
Acting in the County of Muskegon
Muskegon County, Michigan
My Comm. Expires: 9-25-06

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

WHEN RECORDED RETURN TO: Grantee

SEND SUBSEQUENT TAX BILLS TO: Grantee

**EXHIBIT A
LEGAL DESCRIPTION**

LOTS 4 AND 5 OF BLOCK 170 OF THE REVISED PLAT OF 1903, CITY OF MUSKEGON, MUSKEGON COUNTY, MICHIGAN, AND PART OF LOT 3, BLOCK 170 OF THE REVISED PLAT OF 1903, CITY OF MUSKEGON, MUSKEGON COUNTY, MICHIGAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE MOST SOUTHERLY CORNER OF LOT 3, THENCE NORTHEASTERLY ALONG THE WESTERLY LINE OF OTTAWA STREET 44 FEET, THENCE NORTHWESTERLY TO A POINT ON THE EASTERLY LINE OF WESTERN AVENUE 38 FEET NORTHERLY OF THE NORTHERLY OF THE MOST WESTERLY CORNER OF LOT 3, THENCE SOUTHWESTERLY 38 FEET TO THE MOST WESTERLY CORNER OF LOT 3, THENCE SOUTHEASTERLY TO BEGINNING, EXCEPT ANY PART OF THE REALIGNED OTTAWA STREET AND SHORELINE DRIVE.



Mark Fairchild, Muskegon Co ROD D02

5154543
L-3654 P-154

06/06/2005 11:37A
Page: 2 of 2

Date: May 10, 2005

To: Honorable Mayor and City Commissioners

From: Finance Director

RE: Amendment to Non-Union Rx Benefit

SUMMARY OF REQUEST: Most active city employees elect healthcare coverage through the Priority Health HMO program. However, a small number (7) still have coverage through the city's "self-insured" plan. With rising healthcare costs, staff has periodically recommended changes in the Rx co-pay for the HMO plan. Due to an oversight, the Rx co-pay for non-union members of the self-insured plan was not adjusted at the start of the year when other benefit changes were made. At this time, it is recommended that the Rx co-pay be increased from \$2 generic/\$5 brand-name to \$20 generic/\$40 brand-name. This change will directly impact one non-union employee currently enrolled in the self-insured plan and will indirectly impact a second clerical-union employee whose contract ties their co-pay to the non-union level. The \$20/\$40 co-pay is consistent with co-pays in place or being negotiated with other employee groups. Making this change now gives affected employees the chance to consider options during the city's open enrollment period.

FINANCIAL IMPACT: Greater sharing of Rx costs between city and affected employees.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the proposed amendment to the City's Non-Union Salary Rx co-pay.

COMMITTEE RECOMMENDATION: None.

Commission Meeting Date: May 10, 2005

Date: May 3, 2005
To: Honorable Mayor & City Commission
From: Community and Neighborhood Services
Department
RE: Extension 2004 – 2005 Bethany Housing
Community Housing Development Organization
(CHDO) Agreement

SUMMARY OF REQUEST: To direct the Mayor and City Clerk to sign the 2004-2005-extension agreement for the CHDO Bethany Housing for Fifty Five Thousand Dollars. The funding will be used to rehabilitate the Bethany owned transitional house at 380-382 Houston.

After the Mayor and Clerk sign the extension contract the CNS office will retain one copy for our files and a copy will be supplied to the Clerks office and one to Bethany Housing.

If the project is not completed by December 31, 2005 the City of Muskegon will recapture the funding.

FINANCIAL IMPACT: Funding will be allocated from the 2004-2005 HOME programs.

BUDGET ACTION REQUIRED: The Commission previously approved the funding

STAFF RECOMMENDATION: To direct Mayor and Clerk to sign the extension agreements.

CHDO AGREEMENT – 2003 - 2004
Extension

This CHDO AGREEMENT, made this 10th day of May, 2005, by and between the City of Muskegon, Michigan, A Municipal Corporation, (hereinafter “Recipient”) and Muskegon Bethany Housing Ministries whose offices are located at 1105 Terrace Street, (hereinafter “CHDO”),

WITNESSETH:

WHEREAS, CHDO will receive Community Development Block Grant (CDBG/HOME) funds from the Recipient, in the amount of \$55,000, to be used for the following:

Rehabilitation of Transitional Housing owned by BHM

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

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

I. GENERAL CONDITIONS

1. Services to be delivered are eligible activities as defined in Section 92.205 and 92.206 of HOME Administrative Regulations (CFR 92)
2. The CHDO certifies that the service is either:
 - a. a new service or
 - b. a quantifiable increase in the level of a service above the level which has been provided by or in behalf of the applicant from local revenue sources or State funds received by the applicant in the twelve (12) calendar months prior to submission of the proposal, or
 - c. **a continuation of a service that would otherwise be decreased due to events beyond the control of the CHDO.**
3. The CHDO is incorporated as a non-profit organization in good standing under Michigan Law.
4. The CHDO warrants that a current copy of its charter (if applicable), Articles of Incorporation and By-Laws are on file with the department of Community and Neighborhood Services. The CHDO shall also keep a current list of its board members, its officers and their addresses on file with the Community and Neighborhood Services department.

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

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

John Jack, Executive Director

II. PERSONNEL

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

III. SCOPE OF SERVICES

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

IV. COMPENSATION AND METHOD OF PAYMENT

1. The maximum amount which the CHDO may receive pursuant to this Agreement is \$ 55,000.
2. The CHDO warrants that its Board of Directors has approved a budget request to provide services detailed in this Agreement (attachment "B"). The budget total of \$ 55,000, shall remain unchanged during the year unless amended as permitted in this Agreement. The CHDO may not, without City Commission approval, make transfer between categories not exceeding 10% of the overall budget total, or \$2,000.00, or whichever is greater.
3. Upon approval of CHDO's request for payment, the CHDO shall be reimbursed for expenses within a maximum of twenty (20 days.)
4. To receive payments, the CHDO must complete and submit the following:
 - a. Request for Payment
 - b. Detailed Invoice for Actual Expenditures
 - c. Quarterly Performance Reports
5. All program income, received by the CHDO, (if any) shall be disbursed by the CHDO prior to request for payments from the Recipient. Program income resulting from the project will be handled in accordance with the requirements of 24 CFR 570.503 applicable to CDBG Recipients and 24 CFR 92.503 for HOME CHDO's. All program income derived from the HOME activities by CHDO must be reinvested to the recipient (City) to the HOME Investment Trust Fund.
6. If at the end of the term of this Agreement there are unexpended portions of the contract amount set forth in this Agreement, the City may recapture said amount for reallocation to other purposes.
7. If CHDO fails to comply with terms specified in this Agreement or refused to accept and meet conditions imposed by the Department of Housing and Urban Development (HUD), the Recipient may immediately terminate payments to the CHDO and recover any funds it has advanced. In the event of the inability of CHDO to perform or complete the project, or termination of the Agreement by the City Commission, Recipient will pay only invoices for work performed or satisfactorily completed.
8. The Recipient shall not be held liable for expenditures or obligations incurred in excess of the authorized total budget, nor shall the City be held liable for expenditures or obligations for ineligible cost pursuant to Section 570.200 and

570.201 of the Housing and Community Development Act. And 92.206, 92.207 and 92.208 of National Affordable Housing Act of 1990.

IV. FINANCING AUDITS AND INSPECTIONS

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

V. INSURANCE COVERAGE

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

VI. REPORTS, MONITORING AND EVALUATION

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

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

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

The information is to be collected on a "Client Card" or tabulation sheets provided by the City. The form will state that the client/participant information being collected is required in order for the CHDO to receive HOME funds from the City of Muskegon. Client information will be submitted quarterly with the Performance Reports.

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

VII. CONTRACT AMENDMENT

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

VIII. ASSIGNABILITY

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

IX. POLITICAL ACTIVITIES

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

X. CONFLICT OF INTEREST

No employee, officer or agent of the Recipient shall participate in the award or administration of this Agreement if a conflict of interest real or apparent, would be involved.

XI. CITY'S RIGHT TO ENFORCE

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

XII. PURSUIT OF ADDITIONAL RESOURCES

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

XIII. TIME PERFORMANCE AGREEMENT TERM

All services rendered hereunder shall be completed by May 31, 2006. This Agreement automatically terminates at that time unless specifically extended by the City

Commission. All funds allocated which are unspent or encumbered for services under this Agreement shall be repaid to the City within fifteen (15) days of this date.

XIV. OTHER

1. That it will comply with all requirements applicable to HUD Block Grant Subrecipients set forth in the HOME Program Requirements contained in 24 Code of Federal Regulation Part 570. Such requirements pertain to, but are not limited to, compliance with OMB Circular A-102, reports and information, audits and inspection, unearned payment, non-discrimination, disposition of real property, and miscellaneous grant administration requirements.
2. That should the CHDO utilize any portion of HOME funds for acquisition of property or relocation of individuals, families, or businesses as a result of a project involving federal financial assistance from HUD, as defined in regulations at 24CFR Part 42.79, all acquisition and/or relocation shall conform to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91.646), and the regulations which implement the Act (24 CFR Part 42).
3. That except with respect to the rehabilitation of residential use for less than eight families, all contractors engaged under contracts in excess of \$2000 for the construction prosecution, completion or repair of any building or work financed in whole or in part with assistance provided under this agreement, shall comply with HUD requirements pertaining to such Contracts and the applicable requirements of the regulations of the Department of Labor under 29 CFR Parts 2, 5, and 5a, governing the payment of wages and the ratio of apprentices and trainees to journeymen; provided, that if wage rates higher than those required under such regulations are imposed by State or local law, nothing hereunder is intended to relieve the CHDO of its obligations, if any, to require payment of the higher rates. The CHDO shall require to be inserted in full in all such contracts subject to such regulations, provisions meeting the requirements of 29 CFR 5.5 and for such contracts in excess of \$10,000, 29n CFR 5a.3.
4. The CHDO agrees to abide by all other Federal requirements not highlighted in this Agreement, but included in the regulations HOME Regulation available at the Community and Neighborhood Services Department, or other regulations subsequently supplied to the Subrecipeint.
5. That should the CHDO funding involve construction work, the CHDO contractors(s) agree to allow access to the City or its representative for inspection purposes.

6. Should the CHDO acquire any real or personal property with funds provided under this Agreement, it will not dispose of such property through sale or otherwise without written permission of Recipient. If property is disposed of without written permission, the proceeds shall be returned to the Recipient, and CHDO may be required to reimburse the Recipient for the Federal portion of participation in the project, subject to requirements in the Office of Management and Budget Circular A-102, Attachment N, Property Management Stands.

XV. CONTRACT CLOSEOUT

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

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

Signed In the Presence Of:

Witness Linda Potter
Linda Potter

Witness JoAnn Krukowski
JoAnn Krukowski

CITY OF MUSKEGON, MICHIGAN
A Municipal Corporation

By: Stephen J. Warmington
Stephen J. Warmington, Mayor

By: Gail Kunding
Gail Kunding, MMC City Clerk

Bethany Housing Ministries

Agency Name

Witness _____

By: _____
It's President

Witness _____

By: _____
It's Secretary

ATTACHMENT "A"

SCOPE OF SERVICES

CHDO's Name _____

SCOPE OF SERVICES

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

I. Location and Hours

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

II. Eligible Clients

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

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

ATTACHMENT "A"

SCOPE OF SERVICES

III. Description and Quantity of Services to be provided

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

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

ATTACHEMENT "B"

BUDGET

REVENUES

HOME FUNDS \$ _____

*Other (Specify Below) _____

Program Income _____

TOTAL REVENUES \$ _____

Total
Budgeted

Portion to be
Funded by HOME

EXPENDITURES

Salaries & Fringes \$ _____ \$ _____

Consultant & Contract Services \$ _____ \$ _____

Office Supplies \$ _____ \$ _____

Telephone \$ _____ \$ _____

Rent & Related Expenses \$ _____ \$ _____

Equipment \$ _____ \$ _____

Office Furniture \$ _____ \$ _____

Travel \$ _____ \$ _____

Specific Assistance to Individuals \$ _____ \$ _____

Miscellaneous (Specify)

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

TOTAL EXPENDITURES \$ _____ \$ _____

*LIST OTHER REVENUE SOURCES:

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

Commission Meeting Date: May 10, 2005

Date: May 3, 2005

To: Honorable Mayor & City Commission

**From: Community and Neighborhood Services
Department**

**RE: Reallocation of 1997 C H D O Funds to Habitat for
Humanity for Jimmy Carter Built project.**

SUMMARY OF REQUEST: To direct staff to reallocate unused 1997 HOME CHDO funding of Thirty Thousand Seven Hundred and Seven Dollars (\$30,707) to Habitat for Humanity to assist them with their housing blitz project this summer formally known as the Jimmy Carter Built project.

The original funding was allocated to another CHDO in 1997 and the funding was never spent. Therefore it is the request of the CNS to have the funding allocated to Habitat for Humanity.

FINANCIAL IMPACT: Funding will be allocated from the 1997 HOME funds allocation.

BUDGET ACTION REQUIRED: None

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

COMMITTEE RECOMMENDATION: The Previous allocation was approved by the Commission and the Citizen District Council

CHDO AGREEMENT – 1997
Re-allocation Reserve

This CHDO AGREEMENT, made this 10th day of May, 2005, by and between the City of Muskegon, Michigan, A Municipal Corporation, (hereinafter “Recipient”) and **Muskegon County Habitat for Humanity**, whose offices are located at 280 Ottawa St., Muskegon, MI 49442, (hereinafter “CHDO”),

WITNESSETH:

WHEREAS, CHDO will receive Community Development Block Grant (CDBG/HOME) funds from the Recipient, in the amount of **\$30,707**, to be used for the following:

Infrastructure costs associated with 5 newly constructed homes- Jimmy Carter Builds, 2005

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

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

I. GENERAL CONDITIONS

1. Services to be delivered are eligible activities as defined in Section 92.205 and 92.206 of HOME Administrative Regulations (CFR 92)
2. The CHDO certifies that the service is either:
 - a. a new service or
 - b. a quantifiable increase in the level of a service above the level which has been provided by or in behalf of the applicant from local revenue sources or State funds received by the applicant in the twelve (12) calendar months prior to submission of the proposal, or
 - c. **a continuation of a service that would otherwise be decreased due to events beyond the control of the CHDO.**
3. The CHDO is incorporated as a non-profit organization in good standing under Michigan Law.
4. The CHDO warrants that a current copy of its charter (if applicable), Articles of Incorporation and By-Laws are on file with the department of Community and Neighborhood Services. The CHDO shall also keep a

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

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

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

Diana Miller, Executive Director

II. PERSONNEL

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

III. SCOPE OF SERVICES

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

IV. COMPENSATION AND METHOD OF PAYMENT

1. The maximum amount which the CHDO may receive pursuant to this Agreement is \$30,707.
2. The CHDO warrants that its Board of Directors has approved a budget request to provide services detailed in this Agreement (attachment "B"). The budget total of \$ 30,707, shall remain unchanged during the year unless amended as permitted in this Agreement. The CHDO may not, without City Commission approval, make transfer between categories not exceeding 10% of the overall budget total, or \$2,000.00, or whichever is greater.
3. Upon approval of CHDO's request for payment, the CHDO shall be reimbursed for expenses within a maximum of twenty (20 days.)
4. To receive payments, the CHDO must complete and submit the following:
 - a. Request for Payment
 - b. Detailed Invoice for Actual Expenditures
 - c. Quarterly Performance Reports
5. All program income, received by the CHDO, (if any) shall be disbursed by the CHDO prior to request for payments from the Recipient. Program income resulting from the project will be handled in accordance with the requirements of 24 CFR 570.503 applicable to CDBG Recipients and 24 CFR 92.503 for HOME CHDO's. All program income derived from the HOME activities by CHDO must be reinvested to the recipient (City) to the HOME Investment Trust Fund.
6. If at the end of the term of this Agreement there are unexpended portions of the contract amount set forth in this Agreement, the City may recapture said amount for reallocation to other purposes.
7. If CHDO fails to comply with terms specified in this Agreement or refused to accept and meet conditions imposed by the Department of Housing and Urban Development (HUD), the Recipient may immediately terminate payments to the CHDO and recover any funds it has advanced. In the event of the inability of CHDO to perform or complete the project, or termination of the Agreement by the City Commission, Recipient will pay only invoices for work performed or satisfactorily completed.
8. The Recipient shall not be held liable for expenditures or obligations incurred in excess of the authorized total budget, nor shall the City be held liable for expenditures or obligations for ineligible cost pursuant to Section 570.200 and 570.201 of the Housing and Community Development Act. And 92.206, 92.207 and 92.208 of National Affordable Housing Act of 1990.

V. FINANCING AUDITS AND INSPECTIONS

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

VI. INSURANCE COVERAGE

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

VII. REPORTS, MONITORING AND EVALUATION

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

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

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

The information is to be collected on a "Client Card" or tabulation sheets provided by the City. The form will state that the client/participant information being collected is required in order for the CHDO to receive HOME funds from the City of Muskegon. Client information will be submitted quarterly with the Performance Reports.

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

VIII. CONTRACT AMENDMENT

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

IX. ASSIGNABILITY

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

X. POLITICAL ACTIVITIES

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

XI. CONFLICT OF INTEREST

No employee, officer or agent of the Recipient shall participate in the award or administration of this Agreement if a conflict of interest real or apparent, would be involved.

XII. CITY'S RIGHT TO ENFORCE

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

XIII. PURSUIT OF ADDITIONAL RESOURCES

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

XIV. TIME PERFORMANCE AGREEMENT TERM

All services rendered hereunder shall be completed by May 31, 2004. This Agreement automatically terminates at that time unless specifically extended by the City Commission. All funds allocated which are unspent or encumbered for services under this Agreement shall be repaid to the City within fifteen (15) days of this date.

XV. OTHER

1. That it will comply with all requirements applicable to HUD Block Grant Subrecipients set forth in the HOME Program Requirements contained in 24 Code of Federal Regulation Part 570. Such requirements pertain to, but are not limited to, compliance with OMB Circular A-102, reports and information, audits and inspection, unearned payment, non-discrimination, disposition of real property, and miscellaneous grant administration requirements.
2. That should the CHDO utilize any portion of HOME funds for acquisition of property or relocation of individuals, families, or businesses as a result of a project involving federal financial assistance from HUD, as defined in regulations at 24CFR Part 42.79, all acquisition and/or relocation shall conform to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91.646), and the regulations which implement the Act (24 CFR Part 42).
3. That except with respect to the rehabilitation of residential use for less than eight families, all contractors engaged under contracts in excess of \$2000 for the construction prosecution, completion or repair of any building or work financed in whole or in part with assistance provided under this agreement, shall comply with HUD requirements pertaining to such Contracts and the applicable requirements of the regulations of the Department of Labor under 29 CFR Parts 2, 5, and 5a, governing the payment of wages and the ratio of apprentices and trainees to journeymen; provided, that if wage rates higher than those required under such regulations are imposed by State or local law, nothing hereunder is intended to relieve the CHDO of its obligations, if any, to require payment of the higher rates. The CHDO shall require to be inserted in full in all such contracts subject to such regulations, provisions meeting the requirements of 29 CFR 5.5 and for such contracts in excess of \$10,000, 29n CFR 5a.3.
4. The CHDO agrees to abide by all other Federal requirements not highlighted in this Agreement, but included in the regulations HOME Regulation available at the Community and Neighborhood Services Department, or other regulations subsequently supplied to the Subrecipeint.
5. That should the CHDO funding involve construction work, the CHDO contractors(s) agree to allow access to the City or its representative for inspection purposes.
6. Should the CHDO acquire any real or personal property with funds provided under this Agreement, it will not dispose of such property through sale or otherwise without written permission of Recipient. If property is disposed of without written permission, the proceeds shall be returned to the Recipient, and CHDO may be required to reimburse the Recipient for the Federal portion of

participation in the project, subject to requirements in the Office of Management and Budget Circular A-102, Attachment N, Property Management Stands.

XVI. CONTRACT CLOSEOUT

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

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

Signed In the Presence Of:

Witness Linda Potter
Linda Potter

Witness JoAnn Krukowski
JoAnn Krukowski

CITY OF MUSKEGON, MICHIGAN
A Municipal Corporation

By: [Signature]
Stephen J. Warmington, Mayor

By: Gail Kunderger
Gail Kunderger, MMC City Clerk

Muskegon County Habitat for Humanity

Agency Name _____

Witness _____

By: _____
It's President

Witness _____

By: _____
It's Secretary

ATTACHMENT "A"

SCOPE OF SERVICES

CHDO's Name _____

SCOPE OF SERVICES

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

I. Location and Hours

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

II. Eligible Clients

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

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

Commission Meeting Date: May 10, 2005

Date: May 3, 2005

To: Honorable Mayor & City Commission

**From: Community and Neighborhood Services
Department**

RE: Lead Based Paint abatement at 1983 Hoyt

SUMMARY OF REQUEST: To approve the bid with Success Builders 2722 E. Broadway Muskegon, Michigan for the lead base paint abatement of the city-owned home at 1983 Hoyt for \$18,900. The other bid received was from A-1 Professional Construction 15 North Park Grand Rapids, Michigan for \$20,400.

After the lead base paint abatement is complete the structure will be totally rehabilitated and then sold to a qualified low to moderate-income homebuyer.

FINANCIAL IMPACT: Cost of the abatement will be allocated from the 2003 HOME budget.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the bid and authorize staff to contract the work with Success Builders of Muskegon.

COMMITTEE RECOMMENDATION: None



24-675-026-0011-00

1983 HOYT ST

10/00-STREET VIEW

Commission Meeting Date: May 10, 2005

Date: May 3, 2005
To: Honorable Mayor & City Commission
**From: Community and Neighborhood Services
Department**
**RE: Approval of contractor for completion of
Rehabilitation of structure at 1983 Hoyt**

SUMMARY OF REQUEST: To approve the contract with Lewis Johnson Construction 1607 Bonita Court of Grand Haven for the completion of the rehabilitation of 1983 ~~Jamen~~ for **Fifty Six Thousand Nine Hundred (\$56,900)**. The structure was obtained by the City of Muskegon through the "Good Neighbor Program" from the U.S. Department of Housing and Urban Development for the total cost of one dollar. (\$1.00) After the final rehabilitation is completed the property will be sold to a qualified family in accord with the City's neighborhood revitalization efforts, continuing the City's aggressive neighborhood revitalization efforts.

The CNS office received four proposals for this project Top Notch Design 4740 Jenson Fruitport, (\$66,535) Wasco/Briggs 210 E. Broadway Muskegon Heights, (\$73,613) R&R Smith 2251 W. Giles Road, North Muskegon (\$80,874)

FINANCIAL IMPACT: The funding for this project will be taken from the City's HOME funds from fiscal year 2003 and program income.

BUDGET ACTION REQUIRED: None required

STAFF RECOMMENDATION: To approve the Community and Neighborhood Services request.

COMMITTEE RECOMMENDATION: The commission approved for the CNS office to obtain this home through the "Good Neighbor Program"



24-675-026-0011-00

1983 HOYT ST

10/00-STREET VIEW

Date: May 10, 2005
To: Honorable Mayor and City Commissioners
From: Gail A. Kunding, City Clerk
**RE: Amend the City Code of Ordinances to Repeal
Chapter 102, Vehicles for Hire**

SUMMARY OF REQUEST: To repeal and reserve Chapter 102, Vehicles for Hire, of the City of Muskegon Code of Ordinances.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To adopt ordinance.

COMMITTEE RECOMMENDATION: This was discussed at the April 27th Legislative Policy Committee Meeting.

CITY OF MUSKEGON

MUSKEGON COUNTY, MICHIGAN

ORDINANCE NO. _____

An ordinance to repeal and reserve Chapter 102 (Vehicles for Hire) of the City of Muskegon Code of Ordinances.

THE CITY COMMISSION OF THE CITY OF MUSKEGON HEREBY ORDAINS:

Chapter 102 (Vehicles for Hire) of the City of Muskegon Code of Ordinances is hereby repealed and reserved.

This Ordinance adopted:

Ayes: _____

Nayes: _____

Adoption Date: _____

Effective Date: _____

First Reading: _____

Second Reading: _____

CITY OF MUSKEGON

By: _____

Gail A. Kunderinger, MMC
City Clerk

CERTIFICATE

The undersigned, being 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 10th day of May, 2005, 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 Clerk's Office. I further certify that the meeting was conducted and public notice was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan of 1976, as amended, and that minutes were kept and will be or have been made available as required thereby.

DATED: _____, 2005

Gail A. Kunderinger, MMC
Clerk, City of Muskegon

Chapter 102 VEHICLES FOR HIRE*

***Cross reference(s)**--Failure to pay for taxicabs or horse-drawn taxicab service, § 54-36; streets, sidewalks and other public property, ch. 74; traffic and vehicles, ch. 92.

ARTICLE I. IN GENERAL

Sec. 102-1. Penalty for violation of chapter.

Any person who violates or fails to comply with any provisions of this chapter shall be responsible for a civil infraction.

(Code 1975, § 23-1)

Secs. 102-2--102-30. Reserved.

ARTICLE II. TAXICABS

DIVISION 1. GENERALLY

Sec. 102-31. Definitions.

The following words, terms and phrases when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Driver means any person who drives a taxicab.

Driver's permit means a permit issued by the city clerk permitting the holder thereof to drive a taxicab.

For hire means for remuneration or reward of any kind, paid or promised, either directly or indirectly.

License means a license issued by the city commission authorizing the operation of taxicabs.

Owner means any person to whom a taxicab license has been issued.

Rate card means the card issued by the city to a licensee for display within each taxicab, stating the schedule for fares charged.

Taxicab means any motor vehicle designed to carry six passengers, or less, excluding the driver, operating on the public streets, alleys and quasi-public places of the city, and accepting passengers for transportation for hire on call or demand, between such points as may be directed by the passenger or as may be determined by the operator. The term "taxicab" shall include nonmotor vehicles operated under such conditions, including those propelled by horses or other animals.

(Code 1975, § 23-16)

Cross reference(s)--Definitions generally, § 1-2.

Sec. 102-32. Numbering.

Each taxicab shall be numbered and the number shall be of such size as to be readily seen, and shall be inscribed on both the inside and outside of the cab.

(Code 1975, § 23-17)

Sec. 102-33. Inspection and maintenance by owner.

The owner of each taxicab shall examine and inspect such taxicab as to its mechanical condition, the brakes, power and lights, in such manner and with such frequency as to ensure safety and dependability to patrons and the public, and each taxicab shall be maintained at all times in a dependable, workable and safe condition. Records of such inspections, the defects found and repairs made shall be kept on file by the owner for each taxicab and such records shall, during ordinary business hours, be open for inspection by any member of the police department.

(Code 1975, § 23-18)

Sec. 102-34. Periodic inspection by police.

Any police officer designated by the chief of police may, at any time, inspect any taxicab licensed under this article, and its equipment, and report the result of such inspection to the chief of police. If such a taxicab is found to be lacking in any of the requirements set out in sections 102-33 and 102-58, the chief of police may recommend to the city commission, through the city manager, that the license for such taxicab be suspended or revoked.

(Code 1975, § 23-19)

Sec. 102-35. General operating standards.

Each taxicab shall be operated in accordance with the laws of the state and the ordinances of the city, with due regard for the safety, comfort and convenience of passengers and for the safety of the general public. No taxicab shall be operated at a rate of speed greater than that established by state law or by the ordinances of the city.

(Code 1975, § 23-24)

Sec. 102-36. Regulations pertaining to passengers.

No driver or licensee of a taxicab shall refuse or neglect to convey any orderly person upon request by signal or telephone call, unless the taxicab is previously engaged. When a taxicab has been engaged by a passenger, no additional passenger shall be conveyed except with the express consent of the first passenger. No driver shall convey any person except farepaying passengers. No passenger shall occupy the front seat when space remains available in the rear of the taxicab.

(Code 1975, § 23-25)

Sec. 102-37. Articles left in vehicle by passengers.

Every driver of a taxicab shall search the interior of his taxicab at the termination of each trip for any article of value which may be left in his taxicab by a passenger. Any article found therein shall be immediately returned to the passenger owning it, if he is known; otherwise it shall be deposited with the licensee of the taxicab not later than at the conclusion of the driver's tour of duty that day. A report of the finding and deposit of such article shall be made by the licensee within 24 hours thereafter to the police department.

(Code 1975, § 23-26)

Secs. 102-38--102-55. Reserved.

DIVISION 2. VEHICLE LICENSE*

*Cross reference(s)--Licenses, ch. 50.

Sec. 102-56. Required.

No person shall operate, or cause to be operated, any taxicab in the city without having first obtained a license to operate such taxicab.

(Code 1975, § 23-38)

Sec. 102-57. Application generally.

Any person desiring a license to operate a taxicab on the streets of the city shall file with the city clerk a sworn application, on forms to be furnished by the city, which application shall contain the following:

- (1) The name, age, residence and present occupation of the person applying for such license. If the applicant is a partnership, the names, addresses and occupations of all partners shall be stated; and if the applicant is a corporation, the names, addresses and occupations of all the officers and directors thereof shall be stated.
- (2) The make, body style, year, serial and engine numbers, state license plate number, seating capacity and weight of the taxicab for which such license is sought.
- (3) Whether there are any unpaid judgments of record against the applicant, and if so, the title of all actions, the amount of all judgments unpaid and the court in which the judgments were rendered.
- (4) The experience of the applicant, both in the city and elsewhere, in the operation of taxicabs or other common carriers.
- (5) Whether or not the applicant for such license, or if a partnership or corporation, any of the partners, officers or directors thereof, has ever been charged with, convicted of or pleaded guilty to any felony or misdemeanor, and if so, the date, nature of the offense and the court in

which such charge was made, conviction was obtained or a plea of guilty was entered.

- (6) The place within the city, or elsewhere, where the person applying for such license proposes to establish his office and from which he proposes to operate such taxicabs.
- (7) The number of taxicabs operated or intended to be operated by the applicant pursuant to the provisions of this article.
- (8) Whether the applicant is the owner of the taxicab proposed to be operated under the license, and if not, the name of the owner thereof.
- (9) Whether there are any liens, mortgages or other encumbrances, including conditional sales contracts, on such taxicabs and if so, the amount and character thereof and the name of the holder thereof.
- (10) Such other information as the city commission may, in its discretion, require.
- (11) The applicant's annual financial and profit and loss statements covering his operations during the last preceding fiscal year shall be attached to and made a part of such application.

(Code 1975, § 23-39)

Sec. 102-58. Investigation of applicant and inspection of vehicle; recommendations of chief of police.

The city clerk shall transmit each application for a license under this division to the chief of police, who shall cause an investigation to be made of the character, fitness and qualifications of the applicant and the fitness of the proposed taxicab for use as such. No taxicab shall be licensed until it has been inspected by a police officer designated by the chief of police for that purpose and found to be in safe condition for the transportation of passengers, clean, of good appearance and well painted or lacquered and until the taximeter attached to such vehicle has been tested and found to be accurate. The chief of police may recommend to the city commission that it refuse a license for any vehicle which does not conform with these requirements. The chief of police shall thereupon transmit such application, together with his recommendation thereon, to the city commission through the city manager.

(Code 1975, § 23-40)

Sec. 102-59. Commission action on application.

If the city commission determines that the applicant for a license under this division is a suitable person, and that the taxicab proposed to be licensed is a suitable vehicle for such purpose, it may authorize the issuance of the license. The city commission may refuse to grant such authorization when, in its judgment, the owners already licensed are adequately serving the needs of the public, or when, in its judgment, there are existing transportation facilities reasonably sufficient to serve the public demand, or when, in its judgment, the use of the streets of the city by additional taxicabs would interfere with the public use of such streets or congest traffic, or when, in its judgment, no sufficient showing is made of public convenience and necessity.

(Code 1975, § 23-41)

Sec. 102-60. Applicant's insurance.

- (a) No license shall be issued under this division until the applicant obtains and files with the city clerk a policy of liability insurance, issued by an insurance company authorized to do business in the state, for each taxicab to be licensed.
- (b) Such policy of insurance shall insure the applicant against liability for personal injury to any passenger or to any member of the general public, or any damage to property, resulting from an accident in which such taxicab may be involved through the recklessness or negligence of its driver, operator or owner.
- (c) Such policy shall provide minimum insurance protection for each taxicab in the amount of \$100,000.00 for injury to, or death of, one person, and \$300,000.00 for injury to, or death of, more than one person resulting from a single accident, and \$100,000.00 for damage to property, including personal belongings or baggage of passengers, as a result of one accident.
- (d) Such policy of insurance shall provide for continuing liability thereunder to the full amount thereof, notwithstanding any recovery thereon, and that the insolvency or bankruptcy of the insured shall not release the insurance company.
- (e) Such policy shall further provide that it shall not be cancelled, surrendered or revoked by either party except after ten days' written notice to the city furnished by the insurance company issuing such policy. The cancellation, surrender or other termination of any insurance policy issued and filed in compliance with this section shall automatically terminate the license of any licensee covered by such insurance policy, unless another policy complying with this section shall be in effect and deposited with the city at the time of such cancellation or termination.
- (f) No license shall be issued, until the policy of insurance has been found, by the city attorney, to comply with the terms of this section and has been approved by the city commission.

(Code 1975, § 23-42; Ord. No. 2103, 5-27-03)

Sec. 102-61. Issuance.

If the city commission authorizes the issuance of a license under this division, the city clerk shall issue the license, upon the filing of the policy of insurance required by section 102-60 and the payment of the fee in an amount established by resolution.

(Code 1975, § 23-43)

Sec. 102-62. Procedure for operation of more taxicabs than specified in license.

If the holder of a license issued under this division desires to operate taxicabs in addition to the number specified in the license, he shall make application on forms obtained from the city, which forms shall contain the information required under subsections 102-57(2), (8), (9) and (10), file the insurance policy required by section 102-60 and pay the fee in the amount established by resolution of the city commission.

(Code 1975, § 23-44)

Sec. 102-63. Transfer from person to person prohibited; change of ownership of licensed taxicab.

- (a) Licenses issued under this division shall not be transferable from person to person. A transfer or attempted transfer thereof to any other person shall automatically revoke the license.
- (b) Loss or surrender of the absolute right to possession of any taxicab shall automatically revoke any license previously granted for the operation of such taxicab, and the purchaser thereof shall not operate such taxicab until he has applied for and been granted a license under the terms of this division and he has complied with all the terms of this article.

(Code 1975, § 23-45)

Sec. 102-64. Transfer to another taxicab.

The owner of any licensed taxicab may have the license transferred to another vehicle by filing with the city clerk a request therefor, stating the make, year, body style, engine number, serial number, state license plate number, seating capacity and weight of the vehicle to which he proposes to have such license transferred. No transfer of a license shall be made until the chief of police has notified the city clerk that the new vehicle is a proper vehicle for taxicab purposes, and no transfer of a license shall be made unless the original taxicab upon which such license was issued shall be retired from taxicab service.

(Code 1975, § 23-46)

Sec. 102-65. Expiration.

All licenses issued under this division shall expire on May 1 following the issuance thereof.

(Code 1975, § 23-47)

Charter reference(s)--Mandatory expiration of licenses, ch. XVII, § 1.

Sec. 102-66. Suspension or revocation.

Licenses issued under this division may be suspended or revoked by the city commission at any time if the:

- (1) Commission finds that the information contained in the application for such taxicab license was false or misleading;
- (2) Commission finds that the owner or any driver in his employ repeatedly has failed to operate the taxicab so licensed in accordance with the provisions of this article;
- (3) Owner shall cease to operate any taxicab for a period of 30 consecutive days without obtaining permission for cessation of such operation from the city manager;
- (4) Commission finds that the licensed taxicab is or has been operated at a rate of fare higher than that established and stated on the rate card

issued under this article;

- (5) Commission finds that the licensee or any driver in his employ has repeatedly violated any of the provisions of the traffic ordinances of the city, laws of the state, or regulations of any commission or bureau of competent jurisdiction, while operating a taxicab licensed under this article.

(Code 1975, § 23-48)

Secs. 102-67--102-85. Reserved.

DIVISION 3. DRIVERS

Subdivision I. In General

Sec. 102-86. Driver cleanliness.

Drivers of taxicabs shall be clean in dress and in person, at all times while operating a taxicab.

(Code 1975, § 23-27)

Sec. 102-87. Driver's conduct generally.

No taxicab driver, while waiting for or trying to obtain employment, shall sound any horn or similar device, or call loudly for passengers or patrons, or in any wise deceive any customer or person seeking information; nor shall he convey any person or the baggage of any person, except on request of that person; nor shall he commit any disorderly, boisterous, improper or uncivil act; nor shall he use any indecent, immoral or insulting language to or in the presence of any person.

(Code 1975, § 23-28)

Sec. 102-88. Use of alcohol or drugs by drivers.

No taxicab driver shall drink beer, wine, spirits or other alcoholic beverages or liquors while on duty, nor shall he operate any taxicab while under the influence of narcotics or alcoholic liquors.

(Code 1975, § 23-29)

Sec. 102-89. Use of vehicle for immoral or illegal purposes.

No owner or driver of a taxicab shall use, or permit the use of, any taxicab for immoral or illegal purposes.

(Code 1975, § 23-30)

Secs. 102-90--102-105. Reserved.

Subdivision II. Permit

Sec. 102-106. Required.

No person shall drive a taxicab on the streets of the city without first having obtained a driver's permit from the city clerk.

(Code 1975, § 23-55)

Sec. 102-107. Application.

Any person desiring to drive a taxicab shall file with the city clerk, on forms to be furnished by the city, a sworn application for a permit, stating the following:

- (1) The name, age, date of birth, residence and present occupation of the applicant, and his places of residence for five years immediately preceding the date of application.
- (2) The applicant's social security number and the number appearing on his chauffeur's license.
- (3) The experience the applicant has had in operating automobiles, taxicabs or other vehicles used in carrying passengers for hire.
- (4) Whether or not such applicant has ever been convicted of any felony or misdemeanor; and, if so, the date, nature of the offense, the court location, municipality and state or county in which such conviction occurred.
- (5) A statement by the applicant informing the city whether he has ever been convicted of a drinking and driving related offense.
- (6) Whether any chauffeur's or operator's license issued to the applicant has ever been suspended or revoked, and if so, for what cause.
- (7) A photograph measuring at least two inches by three inches, showing a full face and shoulder likeness of the applicant, together with written evidence proving that the photograph was taken during the period of three years or less prior to the date of application. Such photograph must be suitable for mounting on the license to be issued to the taxicab driver and displayed in the taxicab at all times.
- (8) Such other information as the city commission may, in its discretion, require by resolution.

(Code 1975, § 23-56)

Sec. 102-108. Investigation of applicant and action by the chief of police.

The city clerk shall forward a filed application to the chief of police, who shall cause an investigation to be made of the character and fitness of the applicant using the application and such information as is available to the chief of police, relevant to the standards for issuance of permits under this subdivision. After review of the application and the information resulting from the investigation, the chief of police shall determine in accordance with the standards of this subdivision whether or not a driver's permit shall

be approved. If approved, the permit shall be issued upon the payment of the fee thereof.

(Code 1975, § 23-57)

Sec. 102-109. Disapproval by chief of police, review hearing; appeal.

If the chief of police disapproves the issuance of a permit, he shall issue in written form his disapproval together with a statement of the reasons therefor, informing the applicant of the basis of such disapproval. The applicant may within ten days of the mailing or personal delivery of the notice of disapproval, request in writing a review hearing to be held. Such hearing shall be held before a hearing officer, appointed by the city manager, who shall consider all information and evidence reasonably made available by the chief of police and by the applicant, and reviewing such information and evidence based upon the standards set forth in this subdivision shall make a determination whether to issue or deny the permit. The chief' s written reasons for denial shall be considered as well as any other evidence brought before the hearing officer by either side. The applicant shall be given notice by mail to the address on the application, of the time and place of the hearing, such notice to be mailed at least ten days before the hearing. The applicant may have counsel appear with him.

(Code 1975, § 23-58)

Sec. 102-110. Denial by hearing officer; court action.

If after holding the hearing, the hearing officer determines to deny the issuance of a permit, an aggrieved applicant shall have the right to file a complaint in circuit court to review the denial of the permit.

(Code 1975, § 23-59)

Sec. 102-111. Fee.

The fee for each original taxicab driver' s permit shall be as established by resolution.

(Code 1975, § 23-60)

Sec. 102-112. Issuance; size; contents.

Upon approval of a taxicab driver' s permit, the application shall be returned to the city clerk with the approval marked thereon by the appropriate officer, and the city clerk shall issue a driver' s permit to the applicant. Such permit shall be on a card not more than four inches by six inches in size and shall have thereon a frontview photograph of the applicant, approximately 2¹/₄ X 2¹/₄ inches in size, to be furnished by the applicant, his signature, and name printed thereon, with the number and date of issuance of his permit together with the city seal and signature of the city clerk.

(Code 1975, § 23-61)

Sec. 102-113. Expiration.

All taxicab driver' s permits issued under this subdivision shall expire on May 1

following the issuance thereof.

(Code 1975, § 23-63)

Sec. 102-114. Renewal.

Taxicab driver' s permits may be renewed from year to year. A driver must apply for a renewal of his permit using a form furnished by the city and filing such form with the city clerk. The city clerk shall transmit the form to the chief of police who shall make an investigation and review the permit applying the standards of this subdivision. If the chief of police thereby determines that renewal is appropriate, he shall endorse his approval upon the renewal form and return it to the city clerk, who shall issue the renewal upon payment of a fee in the amount established by resolution. In the event the chief determines to refuse renewal, a written refusal stating the reasons therefor shall be mailed or delivered to the driver and he shall have the same rights of review, using the same procedure and time limit as set forth in this subdivision concerning issuance of driver' s permits.

(Code 1975, § 23-64)

Sec. 102-115. Display.

A permit issued under this subdivision shall at all times be plainly displayed in view of any passenger in the taxicab when the driver is driving such cab.

(Code 1975, § 23-62)

Sec. 102-116. Revocation.

A taxicab driver' s permit may be revoked for any of the following causes:

- (1) If it is determined at any time that the application or information supplied with a renewal form contains false, fraudulent or misleading information, or it is reasonably demonstrated that information was intentionally omitted from the application or renewal form;
- (2) If the holder of the permit shall be convicted of a felony, a high court misdemeanor, or a misdemeanor involving moral turpitude or assaultive conduct, or shall be convicted of any moving violation under the traffic ordinance of the city or any section of the Michigan Vehicle Code (MCL 251.1 et seq.);
- (3) If the permit holder shall be involved in any accident causing injury to or death of any person, or injury to or destruction of any property, provided that this provision may be waived in the event the holder was in a vehicle legally parked at the time of the accident;
- (4) If the holder engages in any conduct or performs any act which would reasonably demonstrate that he does not meet the standards for issuance of a permit set forth in this subdivision;
- (5) If the holder engages in conduct or performs any act which endangers the public health, safety and welfare of the inhabitants of the city, or engages in immoral and disreputable conduct which would tend to endanger,

embarrass or humiliate any person riding in a taxicab;

- (6) If the holder engages in any public fight or breach of the peace, or is found in an intoxicated condition or under the influence of any narcotic while operating or attempting to operate a taxicab;
- (7) If the driver attempts to transfer the driver permit. It shall be unlawful for any person holding a permit to transfer or attempt to transfer such permit or any card issued under this subdivision to any person; and it shall be unlawful for any person holding such a permit to knowingly permit any other person to have such permit in his possession. It shall be unlawful for any person to exhibit, wear or have in his possession while operating a taxicab a permit or card issued to any other person.

(Code 1975, § 23-65)

Sec. 102-117. Standards.

The following standards shall apply in determining whether to issue, renew or revoke a taxicab driver' s permit. The standards shall be in addition to all other standards defined or implied in this subdivision:

- (1) No taxicab driver' s permit shall be issued to any person who has not attained the age of 18 years;
- (2) No permit shall be issued to a person who does not hold a valid chauffeur' s license from the state
- (3) No person shall hold a permit who has been convicted of a felony, unless such person has demonstrated, for a period of five years after the release from parole or commitment from the applicable corrections department, no convictions of any felony or misdemeanor;
- (4) No person shall hold a permit who has been convicted of a drinking or narcotics and driving related traffic offense within a period of five years before the issuance of the permit;
- (5) In the event of revocation of a permit or refusal to renew such permit based on standards set forth in this subdivision, such person shall not be issued a permit for a period of five years from the date of such revocation or nonrenewal;
- (6) No permit shall be issued to any person who has habitually, or at any time during the five years prior to application, engaged in conduct which would be cause for revocation of a permit under this subdivision;
- (7) The requirement of a valid chauffeur' s license shall not apply to a horse-drawn taxicab driver' s permit.

(Code 1975, § 23-66)

Secs. 102-118--102-135. Reserved.

DIVISION 4. RATES AND CHARGES

Sec. 102-136. Determination of rates of fare.

All fares and charges for the use of taxicabs shall be determined by resolution of the city commission following a hearing held by the commission at a regular meeting. All taxicab licensees shall be notified of any such hearing by mail.

(Code 1975, § 23-20)

Sec. 102-137. Taximeters.

Every taxicab operated under the provisions of this article shall have affixed thereto a taximeter of a size and design approved by the city commission. No licensee or driver shall operate any such taxicab for hire unless the taximeter affixed thereto shall be in workable condition, placed in operation while engaged for hire, and be no more than five percent incorrect to the prejudice of any passenger.

(Code 1975, § 23-21)

Sec. 102-138. Rate card.

The city clerk shall, at the time of issuing each taxicab license, deliver to the licensee a rate card stating the rates of fare prescribed under section 102-136. Such rate card shall at all times be plainly displayed in view of any passenger seated within the taxicab so licensed.

(Code 1975, § 23-22)

Sec. 102-139. Charging excess fare.

The charges determined pursuant to section 102-136 shall be the maximum charges for taxicab service and no taxicab owner or driver shall charge, demand or receive any charges in excess of such maximum charges.

(Code 1975, § 23-23)

Secs. 102-140--102-160. Reserved.

ARTICLE III. HORSE-DRAWN VEHICLES FOR HIRE*

*Cross reference(s)--Licenses, ch. 50.

DIVISION 1. GENERALLY

Sec. 102-161. Definitions.

The following words, terms and phrases when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Holder means the licensee or holder of a license under this article, and any agent or employee thereof.

Horse-drawn vehicle means a vehicle drawn by horses which carries any persons for hire in the city.

Operator means the driver in control of and the actual operation of a horse-drawn vehicle, including any assistant to the driver. The words "driver" and "assistant" shall mean "operator," and shall be used interchangeably in this article.

Owner means a person having the ownership or control (except for driving) of any horse-drawn vehicle, equipment, or horse utilized with the horse-drawn vehicle.

Person means an individual, partnership, corporation, limited liability company or any other entity functioning as the owner or operator of a horse-drawn vehicle.

(Code 1975, § 23-68)

Cross reference(s)--Definitions generally, § 1-2.

Sec. 102-162. Maintenance of equipment.

- (a) *Equipment required.* Each horse-drawn vehicle shall include all lighting required by the Uniform Traffic Code for Michigan Cities, Townships and Villages, as adopted and amended by the city or the Michigan Vehicle Code (MCL 257.1 et seq.) and in addition shall include turn signals visible from the front and rear of the vehicle, brake lights, hydraulic brakes, a device to prevent movement of the vehicles without the presence or control of the driver, brake lock, running lights, a slow moving vehicle sign, and a device determined by the city to be adequate to catch all droppings.
- (b) *Equipment-safety inspections.* Before the initial licensing all equipment, including the horse-drawn vehicle and equipment involved with the horses and the vehicle shall be inspected by the city. No license shall be issued unless the inspection determines that the horse-drawn vehicle has all the equipment required by this article, is in good repair, and is of such a design as to provide the maximum safety to passengers and the public. The city shall further determine if the equipment meets the standards of horse-drawn vehicles which are acceptable in the industry, and shall further determine whether the equipment results in the effective and humane treatment of the horses to be utilized. Any horse-drawn vehicle or equipment which does not comply with the standards of this section shall be immediately withdrawn from service and not again used for carrying passengers for hire until it has been repaired and inspected and approved by the city.

(Code 1975, § 23-71)

Sec. 102-163. Insurance.

No horse-drawn vehicle may be operated in the city unless it has issued, applicable to it, a liability insurance policy, issued by an insurance company approved by the city, naming the city as an additional insured. In the event of cancellation of such policy or reduction in coverage, the owner's license shall be automatically canceled. The insurance shall carry liability limits of at least \$100,000.00 for bodily injury or death of one person, and \$300,000.00 for bodily injury or death of more than one person resulting from a single accident, and \$100,000.00 for destruction of property of others in any one accident. Such policy of insurance may be in the form of a separate policy for each

horse-drawn vehicle or in the form of a fleet policy covering all horse-drawn vehicles owned or controlled by the same owner, provided that such limits shall apply separately to each horse-drawn vehicle. No policy may be canceled or coverage or liability limits reduced or altered until the expiration of 30 days after notice of intent to cancel has been served in writing to the city clerk by mail or by personal delivery, from the insurer.

(Code 1975, § 23-72; Ord. No. 2103, 5-27-03)

Sec. 102-164. Operation of horse-drawn vehicles for hire.

- (a) *Standards.* The following standards apply to the operation of horse-drawn vehicles:
 - (1) The operator of each horse-drawn vehicle shall be responsible for the care of the horses. No operator shall mistreat a horse or use horses which are in ill health.
 - (2) Droppings or excretions from horses must be immediately cleaned, swept and removed.
 - (3) When persons are in the vicinity of or occupy a horse-drawn vehicle, it shall be attended at all times by the operator or an assistant who shall control the horses and attend to the safety of all such persons.
 - (4) All traffic laws shall be obeyed.
- (b) *Operating on designated streets.* Horse-drawn vehicles shall not be operated on limited access streets, limited access highways, restricted access streets or highways, or any street where a horse-drawn vehicle is likely to cause traffic congestion. The city commission may prescribe by resolution that a horse-drawn vehicle shall be operated only in certain streets, alleys or other public places, or may prohibit operation in such locations. In making such determination the city commission shall use information from the city police, the city engineer or such other source as it may deem appropriate.
- (c) *Hours of operation.* Horse-drawn vehicles shall be allowed to operate on the street, alleys, highways, roads and public places of the city, except where limited or prohibited by the city commission, during daylight hours and no later than 2:30 a.m.

(Code 1975, § 23-75)

Secs. 102-165--102-180. Reserved.

DIVISION 2. LICENSES

Sec. 102-181. Required; fees.

No owner shall permit or cause a horse-drawn vehicle to be driven on any street, alley, highway, road or public place within the city without a license having been obtained for the horse-drawn vehicle. Licenses shall be issued for horse-drawn vehicles upon the completion of an inspection, and shall expire annually on May 1 following the issuance thereof. Fees for the horse-drawn vehicle license shall be determined by the

city commission in its fee resolution. The city commission shall provide fees for part-year licenses.

(Code 1975, § 23-69)

Sec. 102-182. Vehicle driver's license required.

No person shall operate or drive a horse-drawn vehicle without a currently valid vehicle chauffeur's license issued by the state or by another state or territory of the United States, a foreign country, or the District of Columbia.

(Code 1975, § 23-70)

Sec. 102-183. Revocation; effective date.

- (a) In the event a license for a horse-drawn vehicle or a driver's license has been revoked, the revocation shall be effective immediately upon expiration of the time for appeal if none is filed, and otherwise at the time of the final decision by the city manager if the revocation is upheld after hearing. Any owner or operator who is aggrieved by such revocation may, within ten days of the revocation file a written appeal to the city manager, who shall review the revocation utilizing the standards set forth in this article. In the event the city manager concurs in the revocation, the owner or operator may appeal to the circuit court, such appeal to be taken within 21 days from the date of the written decision of the city manager.
- (b) In determining the appeal the city manager shall afford the owner or operator a full hearing with right to counsel, presentation and cross examination of witnesses and the submitting of any exhibits for the record. The city manager's decision shall be made upon the record which shall be preserved. The city manager may utilize a referee to hold a hearing.

(Code 1975, § 23-74)

Sec. 102-184. Horse-drawn vehicle license; issuance and revocation.

- (a) *Standards for issuance of license.* The following standards shall apply in determining whether to issue or renew a horse-drawn vehicle license. All other standards defined or implied in this article for revocation are included:
 - (1) No license shall be issued to any person who has not attained the age of 18 years, or to any entity which is not controlled by a person who is 18 years of age.
 - (2) No license shall be issued or renewed to a person, or an entity controlled by such person, who has been convicted of a felony, unless such person has demonstrated, for a period of five years after the release from parole or commitment from the applicable corrections department, no convictions of any felony or misdemeanor.
 - (3) No license shall be issued to or renewed by a person, or entity controlled by such person, who has been convicted of a drinking or narcotics and driving related traffic offense within a period of five years before the issuance of the license.

- (4) In the event of revocation of a license or refusal to renew such license based on standards set forth in this division, such person or entity shall not be issued a license for a period of five years from the date of such revocation or nonrenewal.
 - (5) No license shall be issued to any person or entity controlled by such person, who has habitually, or at any time during the five years prior to application, engaged in conduct which would be cause for revocation of a license under this article.
- (b) *Standards for denial or revocation of license.* A license may be refused or revoked if:
- (1) It is determined at any time that the application or information supplied with a renewal form contains false, fraudulent or misleading information, or it is reasonably demonstrated that information was intentionally omitted from the application or renewal form.
 - (2) The holder of the license, during the license term, is convicted of a felony, a high court misdemeanor, or a misdemeanor involving moral turpitude or assaultive conduct.
 - (3) The holder shall cause any accident causing injury to or death of any person, or injury to or destruction of any property, provided that this provision may be waived if the vehicle involved was legally parked at the time of the accident. This subsection shall apply whether or not the vehicle involved in the accident is the horse-drawn vehicle licensed under this division.
 - (4) The holder engages in any conduct or performs any act which would reasonably demonstrate that he does not meet the standards for issuance of a license set forth in this article, or if the holder violates any restriction or requirement of this article or any rule determined by the city commission under this article.
 - (5) The holder engages in conduct or performs any act which endangers the public health, safety and welfare of the inhabitants of the city, or engages in immoral and disreputable conduct which would tend to endanger, embarrass or humiliate any person riding in a horse-vehicle.
 - (6) The holder engages in any public fight or breach of the peace, or is found in an intoxicated condition or under the influence of any narcotic while operating or attempting to operate a horse-drawn vehicle.
 - (7) The holder attempts to transfer the license. It shall be unlawful for any person holding a license to transfer or attempt to transfer such license or any card issued under this article to any person; and it shall be unlawful for any person holding such a license to knowingly permit any other person to have such license in his possession. It shall be unlawful for any person to exhibit, wear or have in his possession while operating a horse-drawn vehicle a license or card issued to any other person.

(Code 1975, § 23-73)

Date: May 10, 2005
To: Honorable Mayor and City Commissioners
From: Gail A. Kunding, City Clerk
RE: Liquor License Request
D & L of Michigan, LLC
441 W. Western

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from D & L of Michigan, LLC, to transfer ownership of the 2004 Class C-SDM licensed business with dance permit and outdoor service (1 area), located in escrow at 3621 Getty, Norton Shores, from North-Saylor, Inc. and transfer location to 441 W. Western, Muskegon.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: The Police Department is recommending denial of the request.

April 20, 2005

To: City Commission through the City Manager

From: 
Anthony L. Kleibecker, Director of Public Safety

Re: Liquor License Request – 441 W. Western Street
Transfer of 2004 Class C-SDM Licensed Business

The Muskegon Police Department has received a request from the Michigan Liquor Control Commission for an investigation of applicant D&L of Michigan LLC, comprised of Darren Jackson of 2059 Richmond NW, Grand Rapids, MI and Lacy Jones of 245 Eastern SE, Grand Rapids MI.

D&L of Michigan, LLC requests to transfer ownership of 2004 Class C-SDM licensed business (in escrow) with Dance Permit and Outdoor Service (1 Area) from North-Saylor, Inc, and transfer location (Governmental Unit) from 3621 Getty, Norton Shores, Michigan and request a new Entertainment Permit. Lacy Jones has minimal management experience of an alcohol serving business; Darren Jackson does not. Both applicants are aware of the Muskegon Police Department's position on enforcing local alcohol laws and ordinances.

As stated under the Liquor Control Commissions rule R436.1105 (Application for license; denial; grounds) Section 2 "*The commission shall consider all of the following factors in determining whether an applicant may be issued a license or permit.*" Sub-section (d) states "*The opinions of the local residences, local legislative body, or local law enforcement agency with regards to the proposed business*", (e) "*The applicant's moral character*". Information learned from a Criminal History report led us to question an applicant's moral character as it relates to operating an alcohol serving business within the City of Muskegon and further led us to question how the proposed business would be operated. Federal law prohibits dissemination or release of non-conviction data, such as arrest-only records, except to authorized criminal justice agencies.

The Muskegon Police Department request that this application for liquor license be denied.

ALK/kd

273771
1-24-05
7144

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

LOCAL APPROVAL NOTICE

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

Req ID: 273771

Date: December 16, 2004

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

Applicant: D & L OF MICHIGAN, LLC

Home Address And Phone No:

DARREN JACKSON, 2059 RICHMOND, NW, GRAND RAPIDS, MI 49504 H(616)453-8507/B(616)791-9220 X121
LACY G. JONES, 245 EASTERN, SE, GRAND RAPIDS, MI 49503 H(616)451-6109/B(616)308-9676

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

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

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

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

sfs

Michigan Department of Labor & Economic Growth
LIQUOR CONTROL COMMISSION
7150 Harris Drive
P.O. Box 30005
Lansing, Michigan 48909-7505

273771
1-24-05
7944

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

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

Date: December 16, 2004
REF#: 273771

Chief Law Enforcement Officer

Applicant:

D & L OF MICHIGAN, LLC REQUESTS TO TRANSFER OWNERSHIP OF 2004 CLASS C-SDM LICENSED BUSINESS WITH DANCE PERMIT AND OUTDOOR SERVICE (1 AREA), LOCATED IN ESCROW AT 3621 GETTY, NORTON SHORES, MI 49444, PO: MUSKEGON, MUSKEGON COUNTY, FROM NORTH-SAYLOR, INC.; AND TRANSFER LOCATION (GOVERNMENTAL UNIT) (MCL 436.1531(1) TO 441 W. WESTERN, MUSKEGON, MI 49440, MUSKEGON COUNTY; AND REQUESTS A NEW ENTERTAINMENT PERMIT.

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

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

Please include fingerprint cards and \$30.00 for each card, and mail to the Michigan Liquor Control Commission.

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

LC-1972 Rev. 9/17
4880-1658

sfs

LIQUOR LICENSE REVIEW FORM

Business Name: D + L of Michigan, LLC

AKA Business Name (if applicable): _____

Operator/Manager's Name: _____

Business Address: 441 W. Western

Muskegon, MI

Reason for Review:

New License ☐

Transfer of Ownership ☒

Dance Permit ☐

Drop/Add Name on License ☐

Transfer Location ☒
from Norton Shores

Drop/Add Stockholder Name ☐

New Entertainment Permit ☒

Other _____

Deadline for receipt of all information: _____

Public Safety

Approved ☐

Denied ☒

No Action Needed ☐

Income Tax

Approved ☐

Owing ☐

Amount: _____

Treasurer

Approved ☐

Owing ☐

Amount: _____

Zoning

Approved ☐

Denied ☐

Pending ZBA ☐

Clerk's

Approved ☐

Owing ☐

Amount: _____

Fire/Inspections

Approved ☐

Denied ☐

Remaining Defects ☐

Department Signature *G. A. Kunder*

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

LIQUOR LICENSE REVIEW FORM

Business Name: D + L of Michigan, LLC

AKA Business Name (if applicable): _____

Operator/Manager's Name: _____

Business Address: 441 W. Western

Muskegon, MI

Reason for Review:

New License ☐

Transfer of Ownership ☒

Dance Permit ☐

Drop/Add Name on License ☐

Transfer Location ☒
from Norton Shores

Drop/Add Stockholder Name ☐

New Entertainment Permit ☒

Other _____

Deadline for receipt of all information: _____

Public Safety Approved ☐ Denied ☐ No Action Needed ☐

Income Tax Approved ☐ Owing ☐ Amount: _____

Treasurer Approved ☐ Owing ☐ Amount: _____

Zoning Approved ☒ Denied ☐ Pending ZBA ☐

Clerk's Approved ☐ Owing ☐ Amount: _____

Fire/Inspections Approved ☐ Denied ☐ Remaining Defects ☐

Department Signature Phil T. Carson

Please return to the City Clerk's Office

Gail A. Kunderer,

Liquor License Coordinator

LIQUOR LICENSE REVIEW FORM

Business Name: D + L of Michigan, LLC

AKA Business Name (if applicable): _____

Operator/Manager's Name: _____

Business Address: 441 W. Western

Muskegon, MI

Reason for Review:

New License ☐

Transfer of Ownership ☒

Dance Permit ☐

Drop/Add Name on License ☐

Transfer Location ☒
from Norton Shores

Drop/Add Stockholder Name ☐

New Entertainment Permit ☒

Other _____

Deadline for receipt of all information: _____

Public Safety

Approved ☐

Denied ☐

No Action Needed ☐

Income Tax

Approved ☐

Owing ☐

Amount: _____

Treasurer

Approved ☐

Owing ☐

Amount: _____

Zoning

Approved ☐

Denied ☐

Pending ZBA ☐

Clerk's

Approved ☐

Owing ☐

Amount: _____

Fire/Inspections

Approved ☒

Denied ☐

Remaining Defects ☐

Department Signature

Mari M. M. M.

Please return to the City Clerk's Office

Gail A. Kunding,

Liquor License Coordinator

LIQUOR LICENSE REVIEW FORM

Business Name: D + L of Michigan, LLC

AKA Business Name (if applicable): _____

Operator/Manager's Name: _____

Business Address: 441 W. Western

Muskegon, MI

Reason for Review:

New License ☐

Transfer of Ownership ☒

Dance Permit ☐

Drop/Add Name on License ☐

Transfer Location ☒
from Norton Shores

Drop/Add Stockholder Name ☐

New Entertainment Permit ☒

Other _____

Deadline for receipt of all information: _____

Public Safety Approved ☐ Denied ☐ No Action Needed ☐

Income Tax Approved ☐ Owing ☐ Amount: _____

Treasurer Approved ☐ Owing ☐ Amount: _____

Zoning Approved ☐ Denied ☐ Pending ZBA ☐

Clerk's Approved ☐ Owing ☐ Amount: _____

Fire/Inspections Approved ☒ Denied ☒ Remaining Defects ☐

Department Signature *G. A. Kunder*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

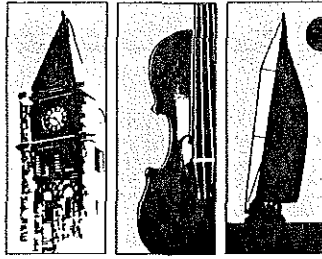
Public Works Dept.
(231)724-4100
FAX: (231)722-4188

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

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

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

MUSKEGON



West Michigan's Shoreline City

May 5, 2005

Mr. Darren Jackson
2059 Richmond, NW
Grand Rapids, MI 49504

And

Ms. Lacy G. Jones
245 Eastern, SE
Grand Rapids, MI 49503

Dear Mr. Jackson and Ms. Jones:

This letter is to inform you that your request to transfer ownership of the 2004 Class C-SDM licensed business (in escrow) with dance permit and outdoor service (1 area), from North-Saylor Inc. and transfer location from 3621 Getty, Norton Shores, to 441 W. Western is being recommended for denial by the Police Department. Your request will be presented to the City Commission on May 10, 2005. This meeting begins at 5:30 p.m. and is located in the City Commission Chambers, 933 Terrace, Muskegon, MI.

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

Sincerely,

Linda Potter

Linda Potter
Deputy Clerk

May 17, 2005

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

REF: #273771
D & L of Michigan, LLC
441 W. Western
Muskegon, MI 49440

To Whom It May Concern:

Enclosed is the Resolution, form LC-1800, the Local Law Enforcement Agency Report, print cards and check for D & L of Michigan, LLC that was recommended for approval at the May 10, 2005, City Commission Meeting.

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

Sincerely,

Linda Potter
Deputy Clerk

Enc.

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature X ☐ Agent ☐ Addressee	
1. Article Addressed to:		B. Received by (Printed Name) JEREMY HALL	C. Date of Delivery MAY 20 2005
2. Article Number 7000 0520 0014 3747 4455 (Transfer from service label)		D. Is delivery address different from item 1? ☐ Yes ☒ No YES, enter delivery address below: POST OFFICE BOX 30005 LANSING, MICHIGAN 48909 MAIL & DELIVERY SERVICES, AGENT FOR STATE OF MICHIGAN	
3. Service Type ☐ Registered Mail ☐ Insured Mail		☐ Express Mail ☐ Return Receipt for Merchandise ☐ C.O.D.	
4. Restricted Delivery? (Extra Fee)		☐ Yes	

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
LIQUOR CONTROL COMMISSION

RESOLUTION

At a Regular 2005-45(h) City Commission
(Regular or Special) meeting of the (Township Board, City or Village Council)

called to order by Mayor Warmington on May 10, 2005 at 5:30 P.M.

The following resolution was offered:

Moved by Vice Mayor Larson and supported by Commissioner Shepherd

That the request from D & L OF MICHIGAN, LLC TO TRANSFER OWNERSHIP OF 2004 CLASS C LICENSED BUSINES WITH DANCE PERMIT, LOCATED IN ESCROW AT 3621 GETTY, NORTON SHORES, MI 49444, PO:MUSKEGON, MUSKEGON COUNTY, FROM NORTH-SAYLOR, INC.; AND TRANSFER LOCATION (GOVERNMENTAL UNIT) (MCL 436.1531(1) TO 441 W. WESTERN, MUSKEGON, MI 49440, MUSKEGON COUNTY; AND REQUEST A NEW ENTERTAINMENT PERMIT.

be considered for Approval

(Approval or Disapproval)

APPROVAL**DISAPPROVAL**

Yeas: 8

Yeas: _____

Nays: 0

Nays: _____

Absent: 0

Absent: _____

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

Recommended

(Recommended or not Recommended)

for issuance

State of Michigan _____)

County of Muskegon _____)

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

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

meeting held on May 10, 2005.
(Date)

SEAL

(Signed) Gail A. Kundinger

Gail A. Kundinger, MMC
City Clerk

933 Terrace, Muskegon, MI 49440
(Mailing address of Township, City or Village)

POLICE INSPECTION REPORT ON LICENSE OR LICENSE REQUEST

Req ID #273771

(Authorized by MCL 436.1217)

Michigan Department of Labor & Economic Growth

MICHIGAN LIQUOR CONTROL COMMISSION

7150 Harris Drive

P.O. Box 30005

Lansing, Michigan 48909-7505

273771

1-24-05

JMM

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

BUSINESS NAME AND ADDRESS: (include zip code)

D & L OF MICHIGAN, LLC, 441 W. WESTERN, MUSKEGON, MI 49440, MUSKEGON COUNTY

REQUEST FOR:

REQUEST TO TRANSFER OWNERSHIP OF 2004 CLASS C-SDM LICENSED BUSINESS (IN ESCROW) WITH DANCE PERMIT AND OUTDOOR SERVICE (1 AREA), FROM NORTH-SAYLOR, INC.; AND TRANSFER LOCATION (GOVERNMENTAL UNIT) (MCL 436.1531(1) FROM 3621 GETTY, NORTON SHORES, MI 49444, PO:MUSKEGON, MUSKEGON COUNTY; AND REQUEST A NEW ENTERTAINMENT PERMIT.

Section 1.

APPLICANT INFORMATION

APPLICANT #1:

DARREN JACKSON – MEMBER

HOME ADDRESS AND AREA CODE/PHONE NUMBER:

2059 RICHMOND, NW

GRAND RAPIDS, MI 49504

H(616)453-8507/B(616)791-9220 X121

DATE OF BIRTH: 5-26-69

If the applicant is not a U.S. Citizen:

☐ Does the applicant have permanent Resident Alien status?

☐ Yes ☐ No

☐ Does the applicant have a Visa? Enter status:

Date fingerprinted: 3-29-05

APPLICANT #2:

LACY G. JONES – MEMBER

HOME ADDRESS AND AREA CODE/PHONE NUMBER:

245 EASTERN, SE

GRAND RAPIDS, MI 49503

H(616)451-6109/B(616)308-9676

DATE OF BIRTH: 7-3-72

If the applicant is not a U.S. Citizen:

☐ Does the applicant have permanent Resident Alien status?

☐ Yes ☐ No

☐ Does the applicant have a Visa? Enter status:

Date fingerprinted: 3-29-05

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

ARREST RECORD: ☐ Felony ☐ Misdemeanor

Enter record of all arrests & convictions (attach a signed and dated report if more space is needed)

ARREST RECORD: ☐ Felony ☐ Misdemeanor

Enter record of all arrests & convictions (attach a signed and dated report if more space is needed)

Section 2.

Investigation of Business and Address to be Licensed

Does applicant intend to have dancing or entertainment?

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

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

Section 3.

Local and State Codes and Ordinances, and General Recommendations

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

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

Section 4.

Recommendation

From your investigation:

1. Is this applicant qualified to conduct this business if licensed?

☐ Yes

☒ No

2. Is the proposed location satisfactory for this business?

☒ Yes

☐ No

3. Should the Commission grant this request?

☐ Yes

☒ No

4. If any of the above 3 questions were answered no, state your reasons: (Attach a signed and dated report if more space is needed)

Signature (Sheriff or Chief of Police)

Date

MUSKEGON POLICE DEPARTMENT



LOCAL LAW ENFORCEMENT AGENCY REPORT

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

D & L OF MICHIGAN, LLC

APPLICANT/LICENSEE

PHONE NUMBER

441 W. Western MUSKEGON MUSKEGON 49840
STREET ADDRESS CITY TOWNSHIP COUNTY ZIP

X

X

PERMIT(S) REQUESTED: DANCE ENTERTAINMENT TOPLESS ACTIVITY

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

LAW ENFORCEMENT RECOMMENDATION

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

REMARKS:

DATE SUBMITTED

OFFICER'S SIGNATURE

MUSKEGON PD

231-724-6800

PHONE NUMBER

980 JEFFERSON

MUSKEGON 49843

CITY