

CITY OF MUSKEGON

CITY COMMISSION MEETING

MAY 9, 2017 @ 5:30 P.M.

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

AGENDA

- ☐ CALL TO ORDER:
- ☐ PRAYER:
- ☐ PLEDGE OF ALLEGIANCE:
- ☐ ROLL CALL:
- ☐ HONORS AND AWARDS:
 - A. 2016 Outstanding Citizenship Award Presentation
- ☐ INTRODUCTIONS/PRESENTATION:
 - A. Muskegon Catholic Central 2016 Division 8 Football State Champions
- ☐ CITY MANAGER'S REPORT:
- ☐ CONSENT AGENDA:
 - A. Approval of Minutes City Clerk
 - B. Request to Fly the Norwegian Flag City Clerk
 - C. Adopt a Resolution Approving the Liquor License Application for 18th Amendment as a Mixed Spirit Drink Manufacturer at 350 W. Western Avenue City Clerk
 - D. Adopt a Resolution Approving the Liquor License Application for 18th Amendment as a Mixed Spirit Drink Manufacturer at 1150 7th Street City Clerk
 - E. A & E Barbecue Concession Contract for City of Muskegon Parks Department of Public Works
 - F. Nims Neighborhood Boat Safety Program Department of Public Works
 - G. Request to Amend the City Code of Ordinances Planning & Economic Development

H. Water System Asset Management Plan Department of Public Works

I. Roof Repairs at LC Walker Arena DPW/Engineering

J. Assignment of Contract for Housing Exemption Planning & Economic Development

K. Community Relations Committee Recommendations for City Board and Committee Openings City Clerk

L. Community Relations Committee Recommendations for Talent Bank Application Changes City Clerk

☐ **PUBLIC HEARINGS:**

A. Establishment of a Commercial Redevelopment District – 351 W. Western Avenue Planning & Economic Development

B. Issuance of a Commercial Facilities Exemption Certificate – 351 W. Western LLC Planning & Economic Development

☐ **COMMUNICATIONS:**

☐ **UNFINISHED BUSINESS:**

☐ **NEW BUSINESS:**

A. Request to Create a New Neighborhood Enterprise Zone District at 351 W. Western Avenue Planning & Economic Development

B. Purchase Agreement – 1000 West Western Avenue City Manager

☐ **ANY OTHER BUSINESS:**

☐ **PUBLIC PARTICIPATION:**

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

☐ **CLOSED SESSION:**

☐ **ADJOURNMENT:**

ADA POLICY: THE CITY OF MUSKEGON WILL PROVIDE NECESSARY AUXILIARY AIDS AND SERVICES TO INDIVIDUALS WHO WANT TO ATTEND THE MEETING UPON TWENTY-FOUR HOUR NOTICE TO THE CITY OF MUSKEGON. PLEASE CONTACT ANN MARIE MEISCH, CITY CLERK, 933 TERRACE STREET, MUSKEGON, MI 49440 OR BY CALLING (231) 724-6705 OR TTY/TDD DIAL 7-1-1- TO REQUEST A REPRESENTATIVE TO DIAL (231) 724-6705.

Memorandum

To: Mayor and Commissioners

From: Frank Peterson

Re: City Commission Meeting

Date: May 3, 2017

Here is a quick outline of the items on our agenda(s):

WORK SESSION

1. We will discuss the outcome of our SAW Grant findings and the infrastructure needs of the community. This will occupy a significant amount of time.

REGULAR MEETING

1. Under Honors and Awards, we will present our Outstanding Citizenship Award.
2. Under Introductions/Presentations, we will present Muskegon Catholic Central with their 2016 Division 8 Football State Championship signage.
3. Under the consent agenda, we are asking the Commission for approval of the following:
 - a. Last meeting's minutes.
 - b. The annual request from the Sons of Norway to fly the Norwegian Flag.
 - c. A Liquor License for 18th Amendment Spirits Company on Western Avenue.
 - d. A Liquor License for 18th Amendment Spirits Company on Seventh.
 - e. A concession contract for A&E Barbeque to operate at Pere Marquette Park. This same individual operated last season at Pere Marquette Park.
 - f. Approval of the Nims Neighborhood Boat Safety Program which is a partnership between the City (Hartshorn Marina), the neighborhood, and others to provide kayak rental/usage from the marina.
 - g. Approval of an amendment to the code of ordinances to allow for beekeeping in the city under certain circumstances.
 - h. Approval of the City of Muskegon Water System Asset Management Plan. This is a new requirement for all water systems.
 - i. Approval of major roof repairs at the LC. We know we need a new roof, but the \$1 Million + price tag has caused us to think about getting a little more life out of the current roof. These repairs – costing \$25,000 – will likely buy us an additional two years, so we can pursue replacement funding for the 2018-19 budget year.

- j. Assignment of the PILOT Agreement for the Berkshire Development from General Capital to the development corporation/entity that will be undertaking the construction. This is a normal/simple assignment, but it requires city approval. They plan to break ground almost immediately after this assignment is approved.
- 4. Under Public Hearings:
 - a. Establishment of a Commercial Rehabilitation District at 351 West Western Avenue. The owner is planning to construct a 6-story mixed-use building.
 - b. Issue the certificate associated with the district created at 351 West Western.
- 5. Under new business, we will be asking the Commission to approve the following:
 - a. Creation of a Neighborhood Enterprise Zone District at 351 West Western Avenue to accommodate the planned 6-story building. The Public Hearing for this item was held in early April.
 - b. Approval of the purchase agreement for 1000 West Western Avenue. This property, which is a former Shaw Walker parking lot, is adjacent to our marina. The proposed new owners would like the purchase option to allow time to undertake environmental testing as well as create a final development plan for the site. Staff will be working with the potential owner on a development that consists of waterfront residential options as well as appropriate commercial development. Staff believes this development will be a key piece in improving the marina and adding more continuity between the redevelopment of West Western Avenue and the rest of downtown.

Let me know if you have any questions/comments/concerns

Date: May 1, 2017
To: Honorable Mayor and City Commissioners
From: Ann Marie Meisch, City Clerk
RE: Approval of Minutes

SUMMARY OF REQUEST: To approve minutes of the April 25, 2017 Regular City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

CITY OF MUSKEGON

CITY COMMISSION MEETING

APRIL 25, 2017 @ 5:30 P.M.

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

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, MI at 5:30 p.m., Tuesday, April 25, 2017. Pastor Tim Cross, Living Word Church, opened the meeting with prayer, after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen J. Gawron, Vice Mayor Hood, Commissioners Ken Johnson, Debra Warren, Willie German, Jr., and Dan Rinsema-Sybenga, Byron Turnquist, City Manager Franklin Peterson, City Attorney John Schrier, and City Clerk Ann Meisch.

2017-33 CONSENT AGENDA:

A. Approval of Minutes City Clerk

SUMMARY OF REQUEST: To approve minutes of the April 10, 2017 Worksession Meeting and the April 11, 2017 Regular City Commission Meeting.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the minutes.

B. Sale of Unbuildable Vacant Lot at 1251 E. Laketon Avenue Planning & Economic Development

SUMMARY OF REQUEST: To approve the sale of the vacant, unbuildable lot at 1251 E. Laketon Avenue to Emerald City, LLC, owners of the adjacent property at 1249 E. Laketon Avenue. They would like to acquire the property so that they may combine them and put an addition on to the back of the existing building. They have offered \$600 for the parcel.

FINANCIAL IMPACT: The sale of this lot will generate additional tax revenue for the City.

BUDGET ACTION REQUIRED: None

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

C. Telephone System Upgrade Information Technology

SUMMARY OF REQUEST: A mandatory upgrade to our telephone system is required. Currently our telephone system is connected to Central Dispatch's system. Our system is redundant with Central Dispatch. If you recall, this current system is saving the City one million dollars over a ten year period of time. At one time the City's telephone bills were \$10,000 each month, but we have been able to reduce those lines to just \$20,000 a year. This upgrade is mandatory and Cisco will discontinue support in July.

FINANCIAL IMPACT: \$35,537

BUDGET ACTION REQUIRED: A budget adjustment will be needed in the third quarter reforecast.

STAFF RECOMMENDATION: Staff recommends approval of the upgrade to the current Cisco System as requested and authorize staff to sign the agreement.

D. Muskegon Public Schools "Youth Basketball League" and "Growing Goods" Funding Agreement Planning & Economic Development

SUMMARY OF REQUEST: The City of Muskegon ("City") is recommending approval of the Agreement with Muskegon Public School for the management of the Youth Basketball League and Open Gym and "Growing Goods" programs for 2017. It is the mission of Muskegon Public Schools to provide the best for every child every day. With the support of the City of Muskegon programs continue to promote the fundamental core values of respect, health, integrity, and sportsmanship, as well as providing a safe, welcoming and healthy environment for the youth.

FINANCIAL IMPACT: The funding will be disbursed from the 2017-2018 Community Development Block Grant/Leisure Services Fund.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To approve the Muskegon Public Schools Funding Agreement.

E. Fleet Replacement Vehicle DPW/Equipment

SUMMARY OF REQUEST: The Equipment Division is requesting permission to purchase one (1) F-250 Pickup from Gorno Ford, the MI-Deal State contract holder. Cost for this vehicle is \$25,654.00 coming from the Equipment Division fund.

FINANCIAL IMPACT: \$25,654.00

BUDGET ACTION REQUIRED: None. Amount is what was budgeted.

STAFF RECOMMENDATION: Authorize staff to purchase one (1) F-250 Pickup from Gorno Ford, the MI-Deal State contract holder.

F. Leaf Vac DPW/Equipment

SUMMARY OF REQUEST: The Equipment Division is requesting permission to purchase one (1) Leaf Vac coming from Fredrickson Equipment Supply the sole source dealer for this brand of equipment. Cost for this Vac is \$29,000 coming from the Equipment Division Fund.

FINANCIAL IMPACT: \$29,000.00

BUDGET ACTION REQUIRED: None. Amount is what was budgeted.

STAFF RECOMMENDATION: Authorize staff to purchase one (1) Leaf Vac coming from Fredrickson Equipment Supply the sole source dealer for this brand of equipment.

Motion by Commissioner Johnson, second by Commissioner Rinsema-Sybenga, to approve the consent agenda as presented, minus items G and H.

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

Nays: None

MOTION PASSES

2017-34 ITEMS REMOVED FORM CONSENT AGENDA

G. Annex HVAC Replacement City Manager

SUMMARY OF REQUEST: The Commission previously approved the replacement of certain components of the HVAC system in the Annex. The original estimates were set near \$42,000. The project has been completed and did require some scope changes. The updated final cost of the replacement is \$52,635.

FINANCIAL IMPACT: \$52,635 from the Public Improvement Fund.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To authorize staff to award the HVAC replacement project to Northside Heating & Cooling.

Motion by Commissioner German, second by Commissioner Warren, to authorize staff to award the HVAC replacement project to Northside Heating & Cooling.

ROLL VOTE: Ayes: German, Rinsema-Sybenga, Turnquist, Johnson, Gawron, Hood, and Warren.

Nays: None

MOTION PASSES

H. Grant Authority to CNS Director to Purchase HUD Homes for Homebuyer Program Community & Neighborhood Services

SUMMARY OF REQUEST: To grant authority to the Director of Community and Neighborhood Services to bid on and enter into agreements to purchase property, on behalf of the City of Muskegon, for rehabilitation. Properties will be used to sell to eligible buyers through the Homebuyer Program.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To authorize the Director of Community and Neighborhood Services, Oneata Bailey, to bid on and enter into agreements to purchase HUD Homes on behalf of the City of Muskegon.

Motion by Commissioner German, second by Commissioner Johnson, to authorize the Director of Community and Neighborhood Services, Oneata Bailey, to bid on and enter into agreements to purchase HUD Homes on behalf of the City of Muskegon.

ROLL VOTE: Ayes: Rinsema-Sybenga, Turnquist, Johnson, Gawron, Hood, Warren, and German.

Nays: None

MOTION PASSES

2017-35 PUBLIC HEARINGS:

A. Public Hearing for the 2017 Action Plan Community & Neighborhood Services Department

SUMMARY OF REQUEST: To conduct a public hearing on April 25, 2017 to receive comments from the public concerning the 2017 Action Plan developed by the Community and Neighborhood Services Department.

FINANCIAL IMPACT: The City is required to submit the Annual Action Plan to receive 2017 allocations of CDBG and HOME Investment Partnership Programs.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To direct staff to gather comments from the public and to submit the 2017 Action Plan to HUD after the public comment period.

PUBLIC HEARING COMMENCED: No comments were received from the public.

Motion by Vice Mayor Hood, second by Commissioner Johnson, to close the public hearing.

ROLL VOTE: Ayes: Rinsema-Sybenga, Turnquist, Johnson, Gawron, Hood, Warren, and German.

Nays: None

MOTION PASSES

2017-36 NEW BUSINESS:

A. Approval of Sale of City-owned Home at 2112 Sampson Community & Neighborhood Services Department

SUMMARY OF REQUEST: To approve the resolution and instruct the Community and Neighborhood Services department to complete the sales transaction with Kelma Smajic-Adams for the newly constructed home at 2112 Sampson Avenue: purchase price \$158,000.

FINANCIAL IMPACT: The proceeds from the sale will be used to continue the rehabilitation of affordable homes through the HOME program and provide funding for our Homebuyer's Assistance Program.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the resolution and direct the CNS staff to complete the sale.

Motion by Commissioner Johnson, second by Commissioner German, to approve the resolution and direct the CNS staff to complete the sale.

ROLL VOTE: Ayes: Johnson, Gawron, Hood, Warren, German, Rinsema-Sybenga, and Turnquist.

Nays: None

MOTION PASSES

B. Approval of a Neighborhood Enterprise Zone Certificate – 285 W. Western Avenue Planning & Economic Development

SUMMARY OF REQUEST: An application for a Neighborhood Enterprise Zone Certificate has been received from Parkland Muskegon, Inc. for the conversion of vacant commercial space to 47 market-rate apartments at 285 W. Western Avenue. The estimated project cost is \$168,900 per unit. The property was approved as a Neighborhood Enterprise Zone District on December 13, 2016. The applicant has met local and state requirements for the issuance of the NEZ certificate. They have requested the maximum 15 years for the exemption.

FINANCIAL IMPACT: The taxes on the apartment portion of the project will be frozen at the pre-rehabilitated rate for 15 years, with a three-year phase out (they will receive 75% of the abatement in year 13, 50% in year 14, and 25% in year 15).

BUDGET ACTION REQUIRED: Approval of the NEZ certificate for 15 years.

STAFF RECOMMENDATION: Approval of the NEZ certificate for 15 years.

Motion by Commissioner German, second by Commissioner Rinsema-Sybenga, to approve to approve the NEZ Certificate for 15 years.

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

Nays: None

MOTION PASSES

C. Approval of a Neighborhood Enterprise Zone Certificate – 275 W. Clay Avenue Planning & Economic Development

SUMMARY OF REQUEST: An application for a Neighborhood Enterprise Zone Certificate has been received from Berkshire Muskegon LDHA, LLC for the 16 market rate units in their proposed mixed-use development at 275 W. Clay Avenue. The estimated project cost is \$183,864 per unit. The property was approved as a Neighborhood Enterprise One District on February 14, 2017. The certificate would only apply to the 16 market rate units and not the 68 subsidized residential units or commercial units.

FINANCIAL IMPACT: One-half of the previous year's state average principal residence millage rate will be applied to the value of the facility for a duration of 15 years, with a three-year phase out (they will receive 75% of the abatement in year 13, 50% in year 14, and 25% in year 15).

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the NEZ certificate for a duration of 15 years.

Motion by Commissioner Rinsema-Sybenga, second by Vice Mayor Hood, to approve the NEZ certificate for a duration of 15 years.

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

Nays: None

MOTION PASSES

D. Amendment to the Zoning Ordinance – Form Based Code, Urban Residential Planning & Economic Development

SUMMARY OF REQUEST: Staff initiated request to amend the Form Based Code, Urban Residential Context Area section of the zoning ordinance to allow small multi-plex buildings for multi-family uses.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the zoning ordinance amendment.

COMMITTEE RECOMMENDATION: The Planning Commission unanimously recommended approval of the ordinance amendment, with two members absent.

Motion by Commissioner Rinsema-Sybenga, second by Commissioner Warren, to approve the zoning ordinance amendment.

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

Nays: None

MOTION PASSES

PUBLIC PARTICIPATION: Public comments were received.

ADJOURNMENT: The City Commission Meeting adjourned at 6:35 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC, City Clerk

Date: May 2, 2017
To: Honorable Mayor and City Commissioners
From: Ann Marie Meisch, City Clerk
RE: Request to Fly the Norwegian Flag

SUMMARY OF REQUEST: Sons of Norway are requesting permission to fly the Norwegian Flag at City Hall on Saturday, May 17th in honor of Norway's Constitution Day (Independence Day).

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the request.



Sons of Norway

Sognefjord Lodge No. 523



420 Harvey Street, Muskegon, Michigan 49442, (231) 777-1451

April 12, 2017

Muskegon City Council,

I am requesting permission to have the Norwegian flag flown at city hall for Norway's Constitution Day (Independence Day) which is Wednesday, May 17th. The flag can be raised early on May 17th. The flag can be taken down the morning of Thursday, May 18th.

The Sons of Norway will provide the flag on Tuesday May 16th. We will pick the flag up on Thursday May 18th.

If there are any questions you can contact me at 744-9101. If for some reason you can't reach me please contact Jan Mjovig at 557-3151. Thank you very much.

Merle Hanson,
Sons of Norway
Sognefjord Lodge President.

Date: May 1, 2017
To: Honorable Mayor and City Commissioners
From: Ann Marie Meisch, City Clerk
**RE: Adopt a Resolution Approving the Liquor License
Application for 18th Amendment as a Mixed Spirit Drink
Manufacturer at 350 W. Western Ave**

SUMMARY OF REQUEST: To adopt a resolution approving a Liquor License for 18th Amendment, LLC for a license as a Mixed Spirit Drink Manufacturer at 350 W. Western Ave.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Adopt a resolution approving the request of 18th Amendment LLC for a liquor license as a Mixed Spirit Drink Manufacturer at 350 W. Western Ave.



Michigan Department of Licensing and Regulatory Affairs
Liquor Control Commission (MLCC)
Toll Free: 866-813-0011 • www.michigan.gov/lcc

Business ID: 241975
Request ID: _____
(For MLCC use only)

Local Government Approval
(Authorized by MCL 436.1501)

Instructions for Applicants:

- You must obtain a recommendation from the local legislative body for a new on-premises license application, certain types of license classification transfers, and/or a new banquet facility permit.

Instructions for Local Legislative Body:

- Complete this resolution or provide a resolution, along with certification from the clerk or adopted minutes from the meeting at which this request was considered.

At a _____ meeting of the _____ City of Muskegon _____ council/board
(regular or special) (township, city, village)
called to order by _____ on _____ at _____
the following resolution was offered: (date) (time)
Moved by _____ and supported by _____
that the application from _____
(name of applicant)
for the following license(s): Mixed Spirit Drink Manufacturer
(list specific licenses requested)

to be located at: 350 W. Western Ave, Muskegon, MI 49440

and the following permit, if applied for:

☐ Banquet Facility Permit Address of Banquet Facility: _____

It is the consensus of this body that it _____ this application be considered for
(recommends/does not recommend)

approval by the Michigan Liquor Control Commission.

If disapproved, the reasons for disapproval are _____

Vote

Yeas: _____

Nays: _____

Absent: _____

I hereby certify that the foregoing is true and is a complete copy of the resolution offered and adopted by the _____
council/board at a _____ meeting held on _____ (township, city, village)
(regular or special) (date)

Print Name of Clerk

Signature of Clerk

Date

Under Article IV, Section 40, of the Constitution of Michigan (1963), the Commission shall exercise complete control of the alcoholic beverage traffic within this state, including the retail sales thereof, subject to statutory limitations. Further, the Commission shall have the sole right, power, and duty to control the alcoholic beverage traffic and traffic in other alcoholic liquor within this state, including the licensure of businesses and individuals.

Please return this completed form along with any corresponding documents to:

Michigan Liquor Control Commission

Mailing address: P.O. Box 30005, Lansing, MI 48909

Hand deliveries or overnight packages: Constitution Hall - 525 W. Allegan, Lansing, MI 48933

Fax to: 517-763-0059



Manufacturer & Wholesaler License & Permit Application

For information on manufacturer and wholesaler licenses and permits, including a checklist of required documents for a completed application, please visit the Liquor Control Commission's frequently asked questions website [by clicking this link](#).

Part 1 - Applicant Information

Individuals, please state your legal name. Corporations or Limited Liability Companies, please state your name as it is filed with the State of Michigan Corporation Division.

Applicant name(s): 18th Amendment, LLC		
Address to be licensed: 350 W. Western Ave		
City: Muskegon	Zip Code: 49440	
City/township/village where license will be issued: City of Muskegon		County: Muskegon
Federal Employer Identification Number (FEIN):		

Leave Blank - MLCC Use Only

1. Are you requesting a new license? ☒ Yes ☐ No
2. Are you applying ONLY for a new permit or permission? ☐ Yes ☒ No
3. Are you buying an existing license? ☐ Yes ☒ No
4. Are you modifying the size of the licensed premises?
If Yes, specify: ☐ Adding Space ☐ Dropping Space ☐ Redefining Licensed Premises
☐ Yes ☒ No
5. Are you transferring the location of an existing license? ☐ Yes ☒ No
6. Is this license being transferred as the result of a default or court action? ☐ Yes ☒ No
7. Do you intend to use this license actively? ☒ Yes ☐ No

Part 2 - License Transfer Information (If Applicable)

If transferring ownership of a license ONLY and not transferring the location of a license, fill out only the name of the current licensee(s)

Current licensee(s):		
Current licensed address:		
City:	Zip Code:	
City/township/village where license is issued:		County:

Part 3 - Licenses, Permits, and Permissions

Applicants for Manufacturer & Wholesaler licenses, permits, and permissions must complete the attached Schedule A and return it with this application. Transfer the fee calculations from the Schedule A to Part 4 below.

Part 4 - Inspection, License, and Permit Fees - Make checks payable to State of Michigan

Inspection Fees - Pursuant to MCL 436.1529(4) a nonrefundable inspection fee of \$70.00 shall be paid to the Commission by an applicant or licensee at the time of filing of a request for a new license or permit, a request to transfer ownership or location of a license, or a request to increase or decrease the size of the licensed premises. Requests for a new permit in conjunction with a request for a new license or transfer of an existing license do not require an additional inspection fee.

License and Permit Fees - Pursuant to MCL 436.1525(1), license and permit fees shall be paid to the Commission for a request for a new license or permit or to transfer ownership or location of an existing license.

Inspection Fees:	License & Permit Fees:	TOTAL FEES:
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Schedule A - Licenses, Permits, & Permissions

Licenses, permits, and permissions selected on this form will be investigated as part of your request. Please verify your information prior to submitting your application, as some licenses, permits, or permissions cannot be added to your request once the application has been sent out for investigation by the Enforcement Division.

License Type:	Base Fee:	Fee Code MLCC Use Only
☐ Brewer	\$50.00	
☐ Micro Brewer (Under 60,000 barrels annually)	\$50.00	
☐ Wine Maker	\$100.00	
☐ Small Wine Maker (Under 50,000 gallons annually)	\$25.00	
☐ Winery Tasting Room	\$100.00	
☐ Spirit Tasting Room	\$100.00	
☐ Brandy Tasting Room	\$100.00	
☐ Manufacturer of Brandy	\$100.00	
☒ Manufacturer of Mixed Spirit Drink	\$100.00	
☐ Manufacturer of Spirits	\$1,000.00	
☐ Small Distiller (Under 60,000 gallons annually)	\$100.00	
☐ Outstate Seller of Beer	\$1,000.00	
☐ Outstate Seller of Wine	\$300.00	
☐ Outstate Seller of Mixed Spirit Drink	\$300.00	
☐ Wholesaler	\$300.00	
For delivery vehicle decal fees please use Report of Delivery Vehicles form (LCC-351) .		
☐ Warehouser	\$50.00	
☐ Industrial Manufacturer	\$10.00	
☐ Seller of Alcohol	\$10.00	
☐ Limited Alcohol Buyer	\$10.00	
☐ Consumer Sampling Event License	\$70.00	

*Sunday Sales Permit (AM) allows the sale of liquor, beer, and wine on Sunday mornings between 7:00am and 12:00 noon, if allowed by the local unit of government.

**Sunday Sales Permit (PM) allows the sale of liquor on Sunday afternoons and evenings between 12:00 noon and 2:00am (Monday morning), if allowed by the local unit of government. No Sunday Sales Permit (PM) is required for the sale of beer and wine on Sunday after 12:00 noon. The Sunday Sales Permit (PM) fee is 15% of the fee for the license that allows the sale of liquor. Additional bar fees and B-Hotel room fees are also calculated as part of the permit fee.

Licenses, permits, and permissions selected on this form will be investigated as part of your request. Please verify your information prior to submitting your application, as some licenses, permits, or permissions cannot be added to your request once the application has been sent out for investigation by the Enforcement Division.

Permits:	Base Fee:	Fee Code MLCC Use Only
☐ Sunday Sales Permit (AM)	\$160.00	
☐ Sunday Sales Permit (PM)	15%**	
☐ Catering Permit	\$100.00	
☐ Beer and Wine Tasting Permit	No Charge	
☐ Outdoor Service	No Charge	
☐ Entertainment Permit	No Charge	
☐ Dance Permit	No Charge	
☐ Topless Activity Permit	No Charge	
☐ Living Quarters	No Charge	
☐ Specific Purpose Permit (list activity below):		
Days/Hours requested: _____		
☐ Extended Hours Permit (check type below):	No Charge	
☐ Dance ☐ Entertainment		
Days/Hours requested: _____		
☐ Off-premise Storage	No charge	
☐ Direct Connection(s)	No charge	

Inspection, License, Permit, & Permission Fee Calculation

Number of Licenses: _____ x \$70.00 Inspection Fee

Total Inspection Fee(s): _____

Total License Fee(s): _____

Total Permit Fee(s): _____

TOTAL FEES DUE: _____

Make checks payable to **State of Michigan**

Part 6 - Contact Information

Provide information on the contact person for this application. Please note that corporations and limited liability companies must provide documentation (e.g. meeting minutes, corporate resolution) authorizing anyone other than the applicant or an attorney of record to be the contact person. If an authorization is not provided, your contact person will not be acknowledged if they are anyone other than the applicant or attorney.

What is your preferred method of contact?			☐ Phone	☐ Mail	☒ Email	☐ Fax
What is your preferred method for receiving a Commission Order?			☐ Mail	☒ Email	☐ Fax	
Contact name: Michael A. Brower		Relationship: Member & Attorney				
Mailing address: 350 W. Western Ave, Muskegon, MI 49440						
Phone: 616.566.6664		Fax number: 231.421.6605		Email: mab@bvvlaw.com		

Part 7 - Attorney Information (If You Have An Attorney Representing You For This Application)

Attorney name: Michael A. Brower		Member Number: P- 75451			
Attorney address: 800 First St #357, Muskegon, MI 49443					
Phone: 616.566.6664		Fax number: 231.421.6605		Email: mab@bvvlaw.com	
Would you prefer that we contact your attorney for all licensing matters related to this application?				☒ Yes ☐ No	
Would you prefer any notices or closing packages be sent directly to your attorney?				☒ Yes ☐ No	

Part 8 - Signature of Applicant

Be advised that the information contained in this application will only be used for this request. This section will need to be completed for each subsequent request you make with this office.

Notice: When purchasing a license, a buyer can be held liable for tax debts incurred by the previous owner. Prior to committing to the purchase of any license or establishment, the buyer should request a tax clearance certificate from the seller that indicates that all taxes have been paid up to the date of issuance. Obtaining sound professional assistance from an attorney or accountant can be helpful to identify and avoid any pitfalls and hidden liabilities when buying even a portion of a business. Sellers can make a request for the tax clearance certificate through the Michigan Department of Treasury.

Under administrative rule R 436.1003, the licensee shall comply with all state and local building, plumbing, zoning, sanitation, and health laws, rules, and ordinances as determined by the state and local law enforcements officials who have jurisdiction over the licensee. Approval of this application by the Michigan Liquor Control Commission does not waive any of these requirements. The licensee must obtain all other required state and local licenses, permits, and approvals for this business before using this license for the sale of alcoholic liquor on the licensed premises.

I certify that the information contained in this form is true and accurate to the best of my knowledge and belief. I agree to comply with all requirements of the Michigan Liquor Control Code and Administrative Rules. I also understand that providing **false** or **fraudulent** information is a violation of the Liquor Control Code pursuant to MCL 436.2003.

The person signing this form has demonstrated that they have authorization to do so and have attached appropriate documentation as proof.

Michael A. Brower, Member		4/28/17
Print Name of Applicant & Title	Signature of Applicant	Date

Please return this completed form along with corresponding documents and fees to:
Michigan Liquor Control Commission
Mailing address: P.O. Box 30005, Lansing, MI 48909
Hand deliveries or overnight packages: Constitution Hall - 525 W. Allegan, Lansing, MI 48933
Fax to: 517-373-4202

Date: May 1, 2017
To: Honorable Mayor and City Commissioners
From: Ann Marie Meisch, City Clerk
**RE: Adopt a Resolution Approving the Liquor License
Application for 18th Amendment as a Mixed Spirit Drink
Manufacturer at 1150 7th St**

SUMMARY OF REQUEST: To adopt a resolution approving a Liquor License for 18th Amendment, LLC for a license as a Mixed Spirit Drink Manufacturer at 1150 7th St.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Adopt a resolution approving the request of 18th Amendment LLC for a liquor license as a Mixed Spirit Drink Manufacturer at 1150 7th St.



Michigan Department of Licensing and Regulatory Affairs
Liquor Control Commission (MLCC)
Toll Free: 866-813-0011 • www.michigan.gov/lcc

Business ID: 241975
Request ID: _____
(For MLCC use only)

Local Government Approval
(Authorized by MCL 436.1501)

Instructions for Applicants:

- You must obtain a recommendation from the local legislative body for a new on-premises license application, certain types of license classification transfers, and/or a new banquet facility permit.

Instructions for Local Legislative Body:

- Complete this resolution or provide a resolution, along with certification from the clerk or adopted minutes from the meeting at which this request was considered.

At a _____ meeting of the _____ City of Muskegon _____ council/board
(regular or special) (township, city, village)
called to order by _____ on _____ at _____
(date) (time)

the following resolution was offered:

Moved by _____ and supported by _____

that the application from _____
(name of applicant)

for the following license(s): Mixed Spirit Drink Manufacturer
(list specific licenses requested)

to be located at: 350 W. Western Ave, Muskegon, MI 49440

and the following permit, if applied for:

☐ Banquet Facility Permit Address of Banquet Facility: _____

It is the consensus of this body that it _____ this application be considered for
(recommends/does not recommend)
approval by the Michigan Liquor Control Commission.

If disapproved, the reasons for disapproval are _____

Vote

Yeas: _____

Nays: _____

Absent: _____

I hereby certify that the foregoing is true and is a complete copy of the resolution offered and adopted by the _____
council/board at a _____ meeting held on _____ (township, city, village)
(regular or special) (date)

Print Name of Clerk

Signature of Clerk

Date

Under Article IV, Section 40, of the Constitution of Michigan (1963), the Commission shall exercise complete control of the alcoholic beverage traffic within this state, including the retail sales thereof, subject to statutory limitations. Further, the Commission shall have the sole right, power, and duty to control the alcoholic beverage traffic and traffic in other alcoholic liquor within this state, including the licensure of businesses and individuals.

Please return this completed form along with any corresponding documents to:

Michigan Liquor Control Commission

Mailing address: P.O. Box 30005, Lansing, MI 48909

Hand deliveries or overnight packages: Constitution Hall - 525 W. Allegan, Lansing, MI 48933

Fax to: 517-763-0059



Manufacturer & Wholesaler License & Permit Application

(For MLCC Use Only)

For information on manufacturer and wholesaler licenses and permits, including a checklist of required documents for a completed application, please visit the Liquor Control Commission's frequently asked questions website [by clicking this link](#).

Part 1 - Applicant Information

Individuals, please state your legal name. Corporations or Limited Liability Companies, please state your name as it is filed with the State of Michigan Corporation Division.

Applicant name(s): 18th Amendment, LLC	
Address to be licensed: 1150 7th Street	
City: Muskegon	Zip Code: 49440
City/township/village where license will be issued: City of Muskegon	County: Muskegon
Federal Employer Identification Number (FEIN):	

Leave Blank - MLCC Use Only

1. Are you requesting a new license? ☒ Yes ☐ No
2. Are you applying ONLY for a new permit or permission? ☐ Yes ☒ No
3. Are you buying an existing license? ☐ Yes ☒ No
4. Are you modifying the size of the licensed premises? ☐ Yes ☒ No
If Yes, specify: ☐ Adding Space ☐ Dropping Space ☐ Redefining Licensed Premises
5. Are you transferring the location of an existing license? ☐ Yes ☒ No
6. Is this license being transferred as the result of a default or court action? ☐ Yes ☒ No
7. Do you intend to use this license actively? ☒ Yes ☐ No

Part 2 - License Transfer Information (If Applicable)

If transferring ownership of a license ONLY and not transferring the location of a license, fill out only the name of the current licensee(s)

Current licensee(s):	
Current licensed address:	
City:	Zip Code:
City/township/village where license is issued:	County:

Part 3 - Licenses, Permits, and Permissions

Applicants for Manufacturer & Wholesaler licenses, permits, and permissions must complete the attached Schedule A and return it with this application. Transfer the fee calculations from the Schedule A to Part 4 below.

Part 4 - Inspection, License, and Permit Fees - Make checks payable to State of Michigan

Inspection Fees - Pursuant to MCL 436.1529(4) a nonrefundable inspection fee of \$70.00 shall be paid to the Commission by an applicant or licensee at the time of filing of a request for a new license or permit, a request to transfer ownership or location of a license, or a request to increase or decrease the size of the licensed premises. Requests for a new permit in conjunction with a request for a new license or transfer of an existing license do not require an additional inspection fee.

License and Permit Fees - Pursuant to MCL 436.1525(1), license and permit fees shall be paid to the Commission for a request for a new license or permit or to transfer ownership or location of an existing license.

Inspection Fees:	License & Permit Fees:	TOTAL FEES:
------------------	------------------------	--------------------

Schedule A - Licenses, Permits, & Permissions

Licenses, permits, and permissions selected on this form will be investigated as part of your request. Please verify your information prior to submitting your application, as some licenses, permits, or permissions cannot be added to your request once the application has been sent out for investigation by the Enforcement Division.

License Type:	Base Fee:	Fee Code MLCC Use Only
☐ Brewer	\$50.00	
☐ Micro Brewer (Under 60,000 barrels annually)	\$50.00	
☐ Wine Maker	\$100.00	
☐ Small Wine Maker (Under 50,000 gallons annually)	\$25.00	
☐ Winery Tasting Room	\$100.00	
☐ Spirit Tasting Room	\$100.00	
☐ Brandy Tasting Room	\$100.00	
☐ Manufacturer of Brandy	\$100.00	
☒ Manufacturer of Mixed Spirit Drink	\$100.00	
☐ Manufacturer of Spirits	\$1,000.00	
☒ Small Distiller (Under 60,000 gallons annually)	\$100.00	
☐ Outstate Seller of Beer	\$1,000.00	
☐ Outstate Seller of Wine	\$300.00	
☐ Outstate Seller of Mixed Spirit Drink	\$300.00	
☐ Wholesaler	\$300.00	
For delivery vehicle decal fees please use <u>Report of Delivery Vehicles form (LCC-351)</u> .		
☐ Warehouser	\$50.00	
☐ Industrial Manufacturer	\$10.00	
☐ Seller of Alcohol	\$10.00	
☐ Limited Alcohol Buyer	\$10.00	
☐ Consumer Sampling Event License	\$70.00	

*Sunday Sales Permit (AM) allows the sale of liquor, beer, and wine on Sunday mornings between 7:00am and 12:00 noon, if allowed by the local unit of government.

**Sunday Sales Permit (PM) allows the sale of liquor on Sunday afternoons and evenings between 12:00 noon and 2:00am (Monday morning), if allowed by the local unit of government. No Sunday Sales Permit (PM) is required for the sale of beer and wine on Sunday after 12:00 noon. The Sunday Sales Permit (PM) fee is 15% of the fee for the license that allows the sale of liquor. Additional bar fees and B-Hotel room fees are also calculated as part of the permit fee.

Licenses, permits, and permissions selected on this form will be investigated as part of your request. Please verify your information prior to submitting your application, as some licenses, permits, or permissions cannot be added to your request once the application has been sent out for investigation by the Enforcement Division.

Permits:	Base Fee:	Fee Code MLCC Use Only
☐ Sunday Sales Permit (AM)	\$160.00	
☒ Sunday Sales Permit (PM)	15%**	
☐ Catering Permit	\$100.00	
☐ Beer and Wine Tasting Permit	No Charge	
☐ Outdoor Service	No Charge	
☐ Entertainment Permit	No Charge	
☐ Dance Permit	No Charge	
☐ Topless Activity Permit	No Charge	
☐ Living Quarters	No Charge	
☐ Specific Purpose Permit (list activity below):		
Days/Hours requested: _____		
☐ Extended Hours Permit (check type below):	No Charge	
☐ Dance ☐ Entertainment		
Days/Hours requested: _____		
☐ Off-premise Storage	No charge	
☐ Direct Connection(s)	No charge	

Inspection, License, Permit, & Permission Fee Calculation

Number of Licenses: _____ x \$70.00 Inspection Fee

Total Inspection Fee(s): _____

Total License Fee(s): _____

Total Permit Fee(s): _____

TOTAL FEES DUE: _____

Make checks payable to **State of Michigan**

Part 6 - Contact Information

Provide information on the contact person for this application. Please note that corporations and limited liability companies must provide documentation (e.g. meeting minutes, corporate resolution) authorizing anyone other than the applicant or an attorney of record to be the contact person. If an authorization is not provided, your contact person will not be acknowledged if they are anyone other than the applicant or attorney.

What is your preferred method of contact?		☐ Phone	☐ Mail	☒ Email	☐ Fax
What is your preferred method for receiving a Commission Order?		☐ Mail	☒ Email	☐ Fax	
Contact name: Michael A. Brower	Relationship: Member & Attorney				
Mailing address: 350 W. Western Ave, Muskegon, MI 49440					
Phone: 616.566.6664	Fax number: 231.421.6605	Email: mab@bvvlaw.com			

Part 7 - Attorney Information (If You Have An Attorney Representing You For This Application)

Attorney name: Michael A. Brower		Member Number: P- 75451	
Attorney address: 800 First St #357, Muskegon, MI 49443			
Phone: 616.566.6664	Fax number: 231.421.6605	Email: mab@bvvlaw.com	
Would you prefer that we contact your attorney for all licensing matters related to this application?		☒ Yes ☐ No	
Would you prefer any notices or closing packages be sent directly to your attorney?		☒ Yes ☐ No	

Part 8 - Signature of Applicant

Be advised that the information contained in this application will only be used for this request. This section will need to be completed for each subsequent request you make with this office.

Notice: When purchasing a license, a buyer can be held liable for tax debts incurred by the previous owner. Prior to committing to the purchase of any license or establishment, the buyer should request a tax clearance certificate from the seller that indicates that all taxes have been paid up to the date of issuance. Obtaining sound professional assistance from an attorney or accountant can be helpful to identify and avoid any pitfalls and hidden liabilities when buying even a portion of a business. Sellers can make a request for the tax clearance certificate through the Michigan Department of Treasury.

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I certify that the information contained in this form is true and accurate to the best of my knowledge and belief. I agree to comply with all requirements of the Michigan Liquor Control Code and Administrative Rules. I also understand that providing **false** or **fraudulent** information is a violation of the Liquor Control Code pursuant to MCL 436.2003.

The person signing this form has demonstrated that they have authorization to do so and have attached appropriate documentation as proof.

Michael A. Brower, Member



4/28/17

Print Name of Applicant & Title

Signature of Applicant

Date

Please return this completed form along with corresponding documents and fees to:

Michigan Liquor Control Commission

Mailing address: P.O. Box 30005, Lansing, MI 48909

Hand deliveries or overnight packages: Constitution Hall - 525 W. Allegan, Lansing, MI 48933

Fax to: 517-373-4202

AGENDA ITEM NO. _____

CITY COMMISSION MEETING _____

TO: Honorable Mayor and City Commission

FROM: Department of Public Works

DATE: May 9, 2017

SUBJECT: A & E Barbecue Concession Contract for City of Muskegon Parks.

SUMMARY OF REQUEST:

Staff is asking permission to enter into a 1-year contractual agreement with Eric Jewel of A & E Barbecue LLC, at Pere Marquette Park, located within the City of Muskegon, to sell various Barbecue/food items from a mobile concession.

FINANCIAL IMPACT:

Concession revenue is 10% of gross receipts.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Authorize DPW staff to enter into concession agreement with Eric Jewel of A & E Barbecue LLC.

COMMITTEE RECOMMENDATION:

Proposal

Introduction

My name is Eric Jewell CEO of A &E Barbecue, LLC. A & E Barbecue is a multifacet company that creates and manufactures and produce severeral flavors of barbecue sauce. We also are a catering company. We cater birthday parties, weddings, pig roast, charities, sporting events, corporate picnics and much more.

A & E Barbecue, LLC propose to serve the City of Muskegon with our Mobile Vending/Concession Business at Pere Marquette Park for the entire summer. A & E Barbecue served the great people of Muskegon last year for half of the summer and would like to do it again for the entire summer of 2017. Our service is professional and approved by the Muskegon Health Department.

A & E Barbecue has agreed to enter into a contract with the City of Muskegon and agreeing to relinquish 10% of the company gross profit at the end of the summer for the use of Pere Marquette Park. Also A & E will be naming the City of Muskegon as additional insurer of a \$1,000,000 liability insurance. Our menu consist of:

Menu:

Beef Birsket 1/2 lb	\$10.00	
Pull Pork Sandwich	\$8.00	
Ribs		\$7.00
Grilled Chicken	\$6.00	
Fried Fish		\$6.00
Chicken Wings	\$6.00	
Hamburgers	\$4.00	
Beef Hot Dogs	\$3.00	

Side Items:

Potato Salad	\$2.00	
Coleslaw		\$1.00
Baked Beans	\$1.00	
Mac & Cheese	\$3.00	
French Fries	\$2.00	
Onion Rings	\$3.00	

Sign: Eric S. Jewell
CEO AFE BBQ
4/17/17

Date: 5/9/2017

To: Honorable Mayor and City Commission

From: Department of Public Works

RE: Nims Neighborhood Boat Safety Program

SUMMARY OF REQUEST: Authorize staff to work with the Nims Neighborhood Association/ Watch Us Go Boating program, and enter into a contract with "Guy's Ultimate Kayak Service" to facilitate a boating safety education program, and access to Muskegon Lake.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the contract between 'Guy's Ultimate Kayak Service' and the city of Muskegon for one year, with an option for staff to renew the contract for an additional two years.

CITY OF MUSKEGON
DEPARTMENT OF PUBLIC WORKS
1350 E. KEATING
MUSKEGON, MI 49442

VENDOR AGREEMENT

AGREEMENT made the 1st day of May, 2017, between the City of Muskegon Department of Public Works, Muskegon, Michigan, hereinafter called the City, and (name) Guy's Ultimate Kayak Service, (phone number) (231) 740-0227, (address) 1241 Anna Rd, Muskegon, MI 49445, hereinafter called Vendor.

IT IS THEREFORE AGREED:

1. Activity: Vendor hereby agrees that it will operate a rental concession at Hartshorn Municipal Marina, which is the property of the City of Muskegon. Vendor shall contract for and carry out and be responsible for all obligations thereunder for the place, suppliers, and advertising for the concession. Vendor shall apply for and pay premiums for insurance to fully protect the public, and the City, from any and all liability that may arise or be incurred as consequence of the concession. Vendor shall have such insurance in the amount of \$1,000,000.00. A copy of the Certificate of Insurance naming the City as additional insured shall be supplied to the City. The certificate shall provide that no cancellation shall be effective without a 30-day notice to the City.

(a.) Language on the insurance certificate shall read specifically:

"The City of Muskegon, all elected and appointed officials, all employees and volunteers, all boards, commissions and/or authorities and board members, including employees and volunteers thereof; it is understood and agreed that by naming the City of Muskegon as additional insured, coverage afforded is considered to be primary and any other insurance the City of Muskegon may have in effect shall be considered secondary and/or excess".

2. The Concession activity shall be limited to the following activity: Non-motorized small boat livery and rental service. Also, the vendor is not allowed to conduct business within any event "footprint" or within 50' of any other vendor as and/or stated in section #6 and #6(a) "Conditions" sections below.
3. Hold Harmless: Vendor shall indemnify, defend and save the City harmless from and against any and all claims, actions, damages, liability, attorney fees, and expense in connection with the loss of life, bodily injury and/or damage to property arising from any occurrence in or about the premises occupied or utilized by Vendor or any part thereof or resulting in whole or part from any intentional/unintentional or negligent act or omission of the Vendor, it's employees, invitees, licenses or contractors.
4. Obligations: The City shall provide the following services for the Vendor: Marina employees shall complete transactions for small boat rentals, including Rental

Agreement and Liability Waiver, take payments, manage equipment, ensure safe marina operations and enforce Rental Agreements.

5. Fees: At the close of each month's business City shall render an accounting of rental activities and at that time pay fees due to the Vendor.

(a). City shall pay the Vendor sixty-seven percent (67%) of gross receipts, for the duration of the Vendor's operation.

6. Conditions: Vendor shall in no way obligate or change City properties, or charge City without its consent in writing, nor shall Vendor assign its rights or obligations hereunder without the written consent of the City. The Vendor understands that the City does not provide exclusivity with concession contracts, and that other concessions could be within the above-named facility.

(a.)The location of the concession may also need to change for special events within the property and shall not operate within any special event and/or designated "footprint" or on said "City" property during a special event without the consent of the "City" and/or event organization. Also, Vendor shall limit its location to within 50 feet of any other Concession/Vendor/Business and/or any other set limits as set forth by the "City". Furthermore, any current or existing Maintenance/Lease Agreements within City Parks/Facilities have the option to negotiate to allow additional Vendors within its' individual Park/Facility/Footprint. The City shall have the final decision to allow such agreements to be put in place.

Both the Vendor and the City shall comply with all the laws of the United States and the State of Michigan, all ordinances of the City of Muskegon, and all rules and regulations of the Police and Fire Departments, or other municipal authorities within the County of Muskegon, and will obtain and pay all necessary permits and licenses applicable to each, and will not suffer to be done anything during the term of this agreement in violation of any such laws, ordinances, rules or requirements.

7. Terms: This agreement shall be and remain in force from May 1, 2017 until and including April 30, 2018, renewable annually thereafter until and including April 30, 2020, except that either party may cancel same by giving to the other thirty (30) days' notice in writing.

IN WITNESS WHEREOF, the parties, by their duly authorized officers have executed this agreement.

DEPARTMENT OF PUBLIC WORKS

WITNESSES:

By: _____

VENDOR

By: _____

Guy's Kayaks
Equipment Rental Agreement

Full Name: _____

Telephone: _____

Email: _____

Drivers' License #: _____

State: _____

Mailing Address: _____

I am renting the following equipment:

_____ # Sit Upon Kayaks

_____ # Stand Up Paddleboards (SUP)

_____ # Paddles

_____ # Personal Flotation Devices (PFD)

I understand that my Driver's License / State Issued ID and/or Major Credit Card will be held as a security deposit during the rental duration and will be returned upon return and payment of all rented equipment. Rentals are due back no later than _____ o'clock on the same rental date. I understand that due to unforeseen inclement weather, I may be required to return the rented equipment IMMEDIATELY as required by Guy's Kayaks.

I am responsible for the return of this equipment in same state in which I received it and to make every reasonable effort to return all equipment to point-of-sale. I agree to pay in full for any repairs or replacement if the equipment is damaged or lost, and / or a retrieval fee if Guy's Kayaks has to retrieve any rented equipment.

Cost of Kayak / SUP Retrieval / Loss	Variable
Cost for Lost Paddle	\$30.00
Cost for Lost PFD	\$20.00

I AM AWARE THAT KAYAKING / SUP IS A DANGEROUS SPORT AND I AM AWARE OF THE DANGERS OF KAYAKING / SUP. I UNDERSTAND THAT GUYS KAYAKS AND HARTSHORN MARINA ARE IN NO WAY RESPONSIBLE FOR MY SAFETY OR THE SAFETY OF THE EQUIPMENT I AM RENTING.

I understand that I will need to complete the Waiver and Release of Liability Form prior to commencing my rental agreement with Guys Kayaks.

_____ (Initials)

I further state that I am of lawful age and legally competent to sign this agreement. I also understand that this is a contract and not a mere recital, and I agree I have signed this contract as my own free act.

I HAVE FULLY INFORMED MYSELF OF THE CONTENTS OF THIS AGREEMENT BY READING IT BEFORE I SIGNED.

Renter's Signature

Printed Name

Date

Watch Us Go Boating!

The Objective of the Watch Us Go Boating! project is to reconnect our neighborhood communities to our shared urban waterfront environment.

This is a partnership of the City of Muskegon, Hartshorn Marina, the Nims & Nelson Neighborhoods to address social and environmental injustices. Renewed environmental connectivity can help us all to grow in ways that protect public health and the environment, expand economic opportunity, and create and enhance our neighborhoods and the City at large.

The Watch Us Go Boating! Committee will partner with the City of Muskegon to build and operate a boating program at the downtown waterfront, with three components to the project:

Boat Racks – The Objective of the Boat Rack portion of the project is to provide desired facilities that improve neighborhood access & enjoyment of our greatest natural resource, Muskegon Lake.

1. The City & Watch Us Go Boating! Committee members will construct storage for small watercraft, including kayaks, standup paddleboards (SUP) and small sailboats.
2. A portion of the racks will be located within the marina boundary to be used to store kayaks & paddleboards to provide boating training & to be available for rentals.
3. Additional racks will be available for rent by residents to store their craft at the downtown waterfront.
4. Marina staff will manage the boat racks as marina property.
5. Marina staff will manage boat rack assignment & collect annual storage fee.

Boat Rental – The Objective of the Boat Rental is to increase resident connection & use of the neighborhoods' greatest natural resource, Muskegon Lake.

1. The Vendor, Guy's Ultimate Kayak Service, will train & work with Marina Staff to manage the rental of the watercraft. The Vendor will provide oversight, liability insurance coverage, rental forms and staff training for the Hartshorn Marina staff, working with employees to manage the rental of the watercraft. This joint venture contract provides for rental revenue to be split among the Marina, the Vendor & the Watch Us Go Boating committee.
2. Marina Staff will ask confirm customers complete & sign appropriate rental & liability release forms.
3. Marina Staff will collect rental fees prior to release of rental equipment to the customer. A list of Rental Fee Waivers will be provided by the Boating Committee & maintained by Marina Staff.
4. Marina Staff will be responsible to confirm the release & return of all rented equipment.
5. Should any equipment not be returned or be damaged, the Vendor shall be notified immediately.

Boating Training – The Objective of the Boating Training portion of the project is to provide safety & operating instruction to residents & visitors to increase the safe use & enjoyment of Muskegon Lake.

1. This program will be coordinated by the Boating Committee with local volunteer instructors.
2. A regular schedule of training sessions will be published & managed by the Committee.
3. The Committee will manage class registration & scheduling, notifying Marina Staff of cancellations for the availability of boats for rental.
4. Instructors will manage the entire Training class organization, equipment use & return.
5. Instructors will conduct classes in the location, manner & duration as agreed between the City, Marina Staff & Committee.
6. Successful completion of the boating program will allow residents to earn Rental Fee Waivers, to be managed by the Committee & Marina Staff.

Commission Meeting Date: May 9, 2017

Date: May 4, 2017
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
RE: Request to Amend the City Code of Ordinances

SUMMARY OF REQUEST:

Staff initiated request to amend the animal section of the City Code of Ordinances to add a section for beekeeping. The ordinance outlines provisions for beekeeping under certain conditions.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Approval of the ordinance amendment.

COMMITTEE RECOMMENDATION:

None

MUSKEGON COUNTY, MICHIGAN

ORDINANCE NO. _____

An ordinance to amend Chapter 6 of the City Code of Ordinances to include a new section on bee keeping.

THE CITY COMMISSION OF THE CITY OF MUSKEGON HEREBY ORDAINS:

New Section to Chapter 6:

Sec. 6-18 Bee Keeping

- (a) Bee keeping is permitted under the following conditions:
- (1) *Location.* Hives are permitted on all properties that have a principal structure and also in approved community gardens and urban farms. Hives must be located in backyards or on rooftops. Community gardens and urban farms that do not have a principal structure to establish a back yard must have the hives setback at least 50 feet from the front property line. Hives must be setback from side and rear property lines as follows:
 - i. 1-4 hives: 10 feet from property lines
 - ii. 5-8 hives: 25 feet from property lines
 - (2) *Size of hives.* A hive may not exceed 20 cubic feet.
 - (3) *Number of hives allowed.* Lots less than 10,890 sf may have no more than two hives. Lots between 10,890 sf and 21,780 sf may have no more than four hives. Lots between 21,781 sf and 43,560 sf may have no more than five hives. Lots larger than 43,560 sf may have no more than eight hives.
 - (4) *Barriers.* A flyway barrier at least six feet in height shall shield any part of a property line that is within 25 feet of a hive. The flyway barrier shall consist of a wall fence, dense vegetation or a combination thereof.
 - (5) *Water.* A constant supply of water shall be provided for all hives to avoid the congregation of bees at other nearby water sources.
 - (6) *Permit.* A development permit is required in order to keep bees.

This ordinance adopted:

Ayes: _____

Nays: _____

Adoption Date: _____

Effective Date: _____

First Reading: _____

Second Reading: _____

CITY OF MUSKEGON

By: _____
Ann Meisch, MMC, City Clerk

CERTIFICATE

The undersigned, being the duly qualified clerk of the City of Muskegon, Muskegon County, Michigan, does hereby certify that the foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Muskegon, at a regular meeting of the City Commission on the 9th day of May, 2017, 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.

DATED: _____, 2017.

Ann Meisch, MMC
Clerk, City of Muskegon

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

AGENDA ITEM NO. _____

CITY COMMISSION MEETING _____

TO: Honorable Mayor and City Commission

FROM: Department of Public Works

DATE: May 9, 2017

SUBJECT: Water System Asset Management Plan

SUMMARY OF REQUEST:

Authorize staff to enter into an agreement with Prein & Newhof to perform a State mandated “Water System Asset Management Plan” per Michigan’s Safe Drinking Water Act of 1976.

City staff would like to capitalize on the work already completed by Prein & Newhof as part of the most recent Reliability Study and Saw Grant, which will be used for the Asset Management Plan.

FINANCIAL IMPACT:

Total Cost \$35,000.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Authorize staff to enter into an agreement with Prein & Newhof.

Date: 5/9/2017

To: Honorable Mayor and City Commissioners

From: DPW/Engineering

RE: Roof Repairs at LC Walker Arena

SUMMARY OF REQUEST:

Authorize staff to enter into a roof repairs agreement at L.C. Walker with Allied Roofing since they submitted the lowest responsible bid of \$19,700.

FINANCIAL IMPACT:

\$19,700

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

Authorize staff to enter into an agreement with Allied Roofing for a cost of \$19,700.

TELEPHONE BID TABULATION

LC Walker 2017 Roof Repair

Requisition

		Name of Bidder		Name of Bidder		Name of Bidder	
		Ostrander Roofing		Allied Roofing		HoeKstra Roofing	
		616-794-0661		616.291-2433		269-998-1463	
Quoted By		Richard Ostrander		Wayne Allen		Dale Roach	
Quantity	Description	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
TOTAL BID			\$ 22,500		\$ 19,700		\$ 26,750
Cash Discount Terms							
F.O.B.							
Delivery Time From Receipt of Purchase Order							

Commission Meeting Date: May 9, 2017

Date: May 4, 2017
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
RE: Assignment of Contract for Housing Exemption

SUMMARY OF REQUEST:

General Capital Acquisitions, LLC and the City entered into a Contract for Housing Exemption on September 22, 2015. Berkshire Muskegon Limited Dividend Housing Association, LLC is an affiliate of General Capital Acquisitions, LLC that has been formed for the purpose of owning the project. This request is to approve the assignment of the contract from General Capital Acquisitions, LLC to Berkshire Muskegon Limited Dividend Housing Association, LLC.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Approval of the request and to authorize the Mayor and Clerk to sign the Assignment of Contract for Housing Exemption.

COMMITTEE RECOMMENDATION:

None

ASSIGNMENT OF CONTRACT FOR HOUSING EXEMPTION

THIS AGREEMENT is dated as of April 24, 2017 between GENERAL CAPITAL ACQUISITIONS, LLC ("Assignor") and BERKSHIRE MUSKEGON LIMITED DIVIDEND HOUSING ASSOCIATION, LLC ("Assignee").

RECITALS

Assignor and Assignee acknowledge the following:

- A. Assignor and the City of Muskegon (the "City") entered into a Contract for Housing Exemption executed by the City Mayor on September 22, 2015, by the City Clerk on September 23, 2015 and by Assignor on September 29, 2015 (the "Exemption Contract").
- B. The Exemption Contract grants an exemption from ad valorem property taxes attributable to the Project (as defined in the Exemption Contract) in accordance with the terms of the Exemption Contract.
- C. Assignee is an affiliate of Assignor that has been formed for purposes of owning the Project.
- D. Assignor desires to assign to Assignee, and Assignee desires to accept the assignment from Assignor of, all of Assignor's right, title and interest in and to the Exemption Contract.

AGREEMENTS

In consideration of the Recitals and mutual agreements which follow, Assignor and Assignee agree as follows:

- 1. Assignor hereby assigns to Assignee, and Assignee hereby accepts the assignment from Assignor of, all of Assignor's right, title and interest in and to the Exemption Contract. A true and correct copy of the Exemption Contract is attached hereto as Exhibit A. Assignor warrants and represents to Assignee that Assignor has not previously assigned its right, title and interest in and to the Exemption Contract.
- 2. Assignee hereby assumes all of Assignor's obligations under the Exemption Contract.
- 3. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall be deemed one and the same instrument. Signatures sent via facsimile or e-mail transmission shall be deemed original signatures for purposes of creating a binding Agreement.

4. This Agreement may be amended only by a writing signed by all of the parties hereto and shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.

[Signatures on next page]

ASSIGNOR:

GENERAL CAPITAL ACQUISITIONS, LLC

BY _____
Its _____

ASSIGNEE:

BERKSHIRE MUSKEGON LIMITED DIVIDEND
HOUSING ASSOCIATION, LLC

BY BERKSHIRE MUSKEGON MM, LLC,
 Managing Member

BY GENERAL CAPITAL MANAGEMENT,
 INC., Manager

BY _____
Its _____

The City of Muskegon hereby consents to the foregoing Assignment, confirms that the Exemption Contract is in full force and effect and confirms that Assignor is not in default under the terms of the Exemption Contract.

CITY OF MUSKEGON

BY _____
Its Mayor

BY _____
Its Clerk

EXHIBIT A

Exhibit A

CITY OF MUSKEGON

CONTRACT FOR HOUSING EXEMPTION

This Agreement between **GENERAL CAPITAL ACQUISITIONS, LLC**, a Wisconsin limited liability company (the "Developer") and **CITY OF MUSKEGON**, 933 Terrace Street, Muskegon, Michigan (the "City") is made pursuant to the following terms:

RECITALS

A. The City has adopted Chapter 82, Article II "Taxation" of the City Code of Ordinances, providing for tax exemption (the "Ordinance").

B. It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for its low-income senior persons and families and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the Act. The City is authorized by this Act to establish or charge the service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under this Act at any amount it chooses, not to exceed the taxes that would be paid but for this Act. It is further acknowledged that such housing for low income persons and families is a public necessity, and as the City will be benefited and improved by such housing, the encouragement of the same by providing real estate tax exemption for such housing is a valid public purpose. It is further acknowledged that the continuance of the provisions of this Ordinance for tax exemption and the service charge in lieu of all *ad valorem* taxes during the period contemplated in this Ordinance are essential to the determination of economic feasibility of the housing projects that is constructed or rehabilitated with financing extended in reliance on such tax exemption.

C. Developer has acquired an option to purchase a site in the City of Muskegon (275 West Clay) for the construction of a proposed low-income housing project (for the elderly) as defined in City Section 82-46 of the Ordinance (the "Project").

D. Developer and an affiliate of Developer, to be formed, have or will enter into an agreement to form a limited dividend housing association limited liability company to function as owner of the proposed low-income housing Project. The owning entity to be formed will be identified as Berkshire Muskegon Limited Dividend Housing Association, LLC.

E. The City encourages construction and financing of the said low-income housing project which is identified by the working name of Berkshire Muskegon Apartments.

F. To further enable and encourage the construction of the housing project, Developer and the City enter into this Agreement.

G. The legal description of the Project is set forth in Exhibit A attached to this Agreement.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Grant of Exemption. As contemplated and pursuant to Act 346 of the Public Acts of 1966, as amended, the State Housing Development Authority (the "Act"), the City hereby grants an exemption from all ad valorem property taxes attributable to the buildings which consist of rental units offered to eligible low income senior persons and families as defined by the Michigan State Housing Development Authority (the "Authority").

2. Term of Exemption. This exemption shall continue for the period of time the housing units remain subject to income and rent restrictions pursuant to Section 42 of Internal Revenue Service Codes of 1986, as amended (IRS Codes), or the Authority Regulatory Agreement not to exceed 25 years. The City agrees to be contractually bound by this Agreement to honor the exemption status of the proposed project as provided herein and in this Agreement for the entire period during which the Project is financed by the Authority or receives low income housing tax credits under Section 42 of the IRS Codes, provided that the said loan or a loan originally financed by the low income housing tax credits continues outstanding and not in default as more particularly set forth in Section 82-50(3) of the Ordinance, not to exceed 25 years.

3. Responsibilities of the Developer. The Developer agrees to perform the following:

3.1 The Developer shall pay the service charge and payment in lieu of taxes on or before July 1, of each year during the time the exemption is in effect. The service charge shall equal four percent (4%) of the rents charged for the total of all units in the exempt housing project, whether the units are occupied or not and whether or not the rents are paid.

3.2 The Developer agrees to file all information required by the Ordinance and further to meet its obligations to the Authority in connection with the Authority's administration of the low income housing tax credit program.

3.3 In lieu of the requirement to submit a statement of contract rents within 30 days after December 31, as required by the Ordinance, Developer shall submit an annual audit by April 1st. If not timely filed, and 30 days after notice to Developer of said delinquency, a penalty of 1.25% of the service charge shall be imposed. This penalty shall be collectible in the same manner provided in Section 82-54 of the Ordinance.

4. Interpretation of Financing. The City agrees that the use of low income housing tax credits constitutes financing of the loan by the Authority in fulfillment of the requirements of Section 82-50(3) of the Ordinance.

5. Third Party Beneficiary. This Agreement shall benefit the parties named, including the limited dividend housing association to be formed, and further shall benefit the Authority, or such other mortgagee as may have financed the housing project, which may enforce this Agreement, both as its interest may appear, and on behalf of the Developer and its successors and assigns. No other party is a beneficiary of this Agreement.

6. Limitation on the Payment of Annual Service Charge. Notwithstanding Section 3, the service charge to be paid each year in lieu of taxes for the part of the housing project that is tax exempt but which is occupied by other than low income persons or families shall be equal to the full amount of the taxes which would be paid on that portion of the housing project if the housing project were not tax exempt.

7. Counterparts. This Agreement may be executed in several counterparts and an executed copy hereof may be relied upon as an original.

8. Binding and Benefit. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, administrators, personal representatives, successors and assigns.

9. Effective Date. The effective date of this Agreement is the date that Developer or its assignee acquires the Property.

10. Severability. The various sections and provisions of this Agreement shall be deemed to be severable, and should any section or provision of this Agreement be declared by any court of competent jurisdiction to be unconstitutional or invalid the same shall not affect the validity of this Agreement as a whole or any section or provision of this Agreement, other than the section or provision so declared to be unconstitutional or invalid.

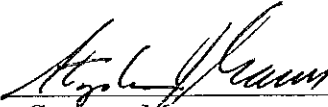
11. Inconsistent Ordinances. All ordinances or parts of ordinances inconsistent or in conflict with the provisions of this Agreement are of no effect to the extent of such inconsistency or conflict.

12. Choice of Law; Venue. This Agreement is executed in accordance with, shall be governed by, and construed and interpreted in accordance with the laws of the State of Michigan. The parties agree that for purposes of any dispute in connection with this Agreement, the Muskegon County Circuit Court shall have exclusive personal and subject matter jurisdiction and venue.

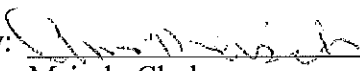
IN WITNESS WHEREOF, the parties have signed this Agreement on the following page, on the dates indicated.

City of Muskegon

Dated: 9-22, 2015

By: 
Steve Gawron, Mayor

Dated: 9-23, 2015

By: 
Ann Meisch, Clerk

General Capital Acquisitions, LLC

Dated: 9/29, 2015

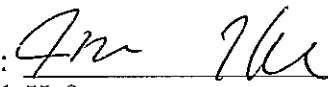
By: 
Josh Hafron

EXHIBIT A

LEGAL DESCRIPTION

Land situated in the City of Muskegon, County of Muskegon, and State of Michigan, described as: Lots 1 through 3, inclusive, and Lots 10 through 12, inclusive, including the Easterly 198 feet of vacated alley, Block 328, REVISED PLAT OF 1903 IN THE CITY OF MUSKEGON, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records. Address: 275 West Clay Avenue Muskegon, MI 49440

Date: May 9, 2017
To: Honorable Mayor and City Commissioners
From: Ann Marie Meisch, City Clerk
**RE: Community Relations Committee Recommendations
for City Board and Committee Openings**

SUMMARY OF REQUEST: To concur with recommendations from the Community Relations Committee regarding appointments to the Business Improvement District and the Community Development Block Grant-Citizen's District Council.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To accept the recommendations made by the Community Relations Committee to appoint Clyde Whitehouse to the Business Improvement District, and Jeremy Lenertz to the CDBG-Citizen's District Council.

COMMITTEE RECOMMENDATION: To appoint Clyde Whitehouse to the Business Improvement District and Jeremy Lenertz to the CDBG-Citizen's District Council as recommended from the May 8th 2017 meeting.

Date: May 9, 2017
To: Honorable Mayor and City Commissioners
From: Ann Marie Meisch, City Clerk
**RE: Community Relations Committee Recommendations
for Talent Bank Application**

SUMMARY OF REQUEST: To concur with recommendations from the Community Relations Committee regarding changes to the Talent Bank Application.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the recommendations made by the Community Relations Committee.

COMMITTEE RECOMMENDATION: Accept recommendations for changes and additions to the Talent Bank Application from the May 8th 2017 meeting.

CITY OF MUSKEGON
TALENT BANK APPLICATION

DATE: _____

Please Type or Print. Applications will be kept on file for one year. All applicants subject to a background check.

NAME: _____ HOME PHONE #: _____

HOME ADDRESS: _____ WORK PHONE #: _____

DATE OF BIRTH: _____ E-MAIL ADDRESS: _____

OCCUPATION: _____ EMPLOYER: _____
(If retired, give former occupation)

EDUCATION: _____

CITY RESIDENT? Yes: _____ No: _____ NUMBER OF YEARS IN THE CITY OF MUSKEGON: _____

PERSONAL REFERENCES: (Please list the name and phone numbers of three personal references)

1. Name: _____ Phone: _____

2. Name: _____ Phone: _____

3. Name: _____ Phone: _____

PERSONAL & COMMUNITY ACTIVITIES: _____

CIVIC ORGANIZATIONS: _____

NEIGHBORHOOD ASSOCIATION MEMBER: Yes: _____ No: _____

MARK BOARDS/COMMISSIONS/COMMITTEES YOU WISH TO SERVE ON – MARK FIRST CHOICE WITH #1

- | | |
|--|---|
| ☐ Board of Canvassers | ☐ Housing Code Board of Appeals |
| ☐ Board of Review | ☐ Housing Commission |
| ☐ Business Improvement District | ☐ Income Tax Board of Review |
| ☐ Citizen's Police Review Board | ☐ Land Reutilization Committee |
| ☐ Civil Service Commission | ☐ Leisure Services Board |
| ☐ CDBG-Citizen's District Council | ☐ Loan Fund Advisory Committee |
| ☐ Construction Board of Appeals | ☐ Local Develop. Finance Authority |
| ☐ District Library Board | ☐ Local Officer's Compensation Committee |
| ☐ Downtown Development Authority/Brownfield Board | ☐ Planning Commission |
| ☐ Election Commission | ☐ Public Relations Committee |
| ☐ Equal Opportunity Committee | ☐ Zoning Board of Appeals |
| ☐ Historic District Commission | |

Why would you be a good member of this committee? What do you bring to the committee? _____

Are you willing to serve on any other boards/committees not marked? Yes: _____ No: _____

Have you served on any other boards? Yes: _____ No: _____ Board: _____

If applying for the Citizen's Police Review Board, are you a member of one of the following minority coalition groups?

- | | | |
|--|--|---|
| ☐ Muskegon Urban League | ☐ NAACP – Muskegon Chapter | ☐ Latinos Working for the Future |
| ☐ Nation of Islam | ☐ Ad Hoc Committee for Equality and Justice | |

OPTIONAL: ☐ Male ☐ Female RACE/ETHNICITY: ☐ Caucasian/White ☐ African American/Black
☐ Asian/Pacific Islander ☐ American Indian/Alaska Native ☐ Hispanic ☐ Other

Attach Additional Sheets or Resume if Desired.

Return this form to: City Clerk's Office, 933 Terrace St., Muskegon, MI 49440

Commission Meeting Date: May 9, 2017

Date: May 4, 2017
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
RE: Public Hearing – Establishment of a Commercial Redevelopment District – 351 W Western Ave

SUMMARY OF REQUEST:

Pursuant to Public Act 255 of 1978, as amended, 351 W Western, LLC has requested the establishment of a Commercial Redevelopment District. The creation of the district will allow the building owner to apply for a Commercial Facilities Exemption Certificate, which will provide a 50% reduction in the number of mills levied as ad valorem taxes, excluding the State Education Tax.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Establishment of the Commercial Redevelopment District.

COMMITTEE RECOMMENDATION:

None

Resolution No. _____

MUSKEGON CITY COMMISSION

**RESOLUTION APPROVING THE CREATION OF A COMMERCIAL REDEVELOPMENT DISTRICT
351 W Western Ave**

WHEREAS, pursuant to PA 255 of 1978, the City of Muskegon has the authority to establish "Commercial Redevelopment Districts" within the City of Muskegon at request of a commercial business enterprise or on its own initiative; and

WHEREAS, 351 W Western, LLC has filed a written request with the clerk of the City of Muskegon requesting the establishment of the Commercial Redevelopment District for an area in the vicinity of 351 W Western Ave located in the City of Muskegon hereinafter described; and

WHEREAS, the City Commission of the City of Muskegon determined that the district meets the requirements set forth in section 5 of PA 255 of 1978; and

WHEREAS, written notice has been given by certified mail to all owners of real property located within the proposed district as required by section 5(3) of PA 255 of 1978; and

WHEREAS, on May 9, 2017 a public hearing was held and all residents and taxpayers of the City of Muskegon were afforded an opportunity to be heard thereon; and

WHEREAS, the City of Muskegon deems it to be in the public interest of the City of Muskegon to establish the Commercial Redevelopment District as proposed;

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Muskegon that the following described parcel(s) of land situated in the City of Muskegon, County of Muskegon, and State of Michigan, to wit:

CITY OF MUSKEGON DOWNTOWN MUSKEGON DEVELOPMENT CENTER NO 1 UNIT 7 SBJT TO
ESMNT FOR OVERHEAD/UNDERGROUND ELECTRIC LNS RECOR'D 3724/701

Adopted this 9th Day of May 2017

Ayes:

Nays:

Absent:

BY: _____
Stephen J. Gawron
Mayor

ATTEST: _____
Ann Meisch
Clerk

CERTIFICATION

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the Muskegon City Commission, County of Muskegon, Michigan, at a regular meeting held on May 9, 2017.

Ann Meisch
Clerk

Commission Meeting Date: May 9, 2017

Date: May 4, 2017
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
RE: Public Hearing – Issuance of a Commercial Facilities Exemption Certificate – 351 W Western LLC

SUMMARY OF REQUEST:

Pursuant to Public Act 255 of 1978, as amended, 351 W Western, LLC has requested the issuance of a Commercial Facilities Exemption Certificate. The certificate provides a 50% reduction in the number of mills levied as ad valorem taxes, excluding the State Education Tax, for the commercial portion of the development. The company will be investing \$2,286,777 in the commercial space, which qualifies them for an abatement of nine (9) years.

FINANCIAL IMPACT:

The certificate provides a 50% reduction in the number of mills levied as ad valorem taxes, excluding the State Education Tax.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Issuance of the Commercial Facilities Exemption Certificate

COMMITTEE RECOMMENDATION:

None

Resolution No. _____

MUSKEGON CITY COMMISSION

**RESOLUTION APPROVING APPLICATION FOR ISSUANCE
OF A COMMERCIAL FACILITIES EXEMPTION CERTIFICATE
*351 W Western, LLC***

WHEREAS, the City of Muskegon legally established the Commercial Redevelopment District, Unit 7 District, after a public hearing held on May 9, 2017; and

WHEREAS, the state equalized value of the property proposed to be exempt plus the aggregate state equalized value of property previously exempt and currently in force under Public Act 255 of 1978 and under Public Act 198 of 1974 (IFT's) does not exceed 5% of the total state equalized value of the City of Muskegon; and

WHEREAS, the application was approved at a public hearing as provided by section 6(2) of Public Act 255 of 1978 on May 9, 2017; and

WHEREAS, 351 W Western, LLC is not delinquent in any taxes related to the facility; and

WHEREAS, the application is for commercial property as defined in section 3(3) of Public Act 255 of 1978; and

WHEREAS, 351 W Western, LLC had provided answers to all required questions under Section 6(1) of PA 255 of 1978 to the City of Muskegon; and

WHEREAS, the City of Muskegon requires that the construction, restoration or replacement of the facility shall be completed by May 9, 2019; and

WHEREAS, the Commercial Facilities Exemption Certificate is granted for a period of nine (9) years and no extensions will be allowed; and

WHEREAS, the commencement of the construction, restoration or replacement of the facility did not occur more than 45 days prior to the filing of the application for exemption; and

WHEREAS, the commencement of the construction, restoration or replacement of the facility did not occur prior to the establishment of the Commercial Redevelopment District; and

WHEREAS, the application relates to a construction, restoration or replacement program which when completed constitutes a new, replacement or restored facility within the meaning of Public Act 255 of 1978 and that is situated within a Commercial Redevelopment District established under Public Act 255 of 1978; and

WHEREAS, completion of the facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to increase commercial activity, create employment, retain employment and prevent a loss of employment in the community in which the facility is situated; and

WHEREAS, the restoration includes improvements aggregating 10% or more of the true cash value of the property at commencement of the restoration as provided by section 4(6) of Public Act 255 of 1978.

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City Commission

Be and hereby is granted a Commercial Facilities Exemption for the real property, excluding land, located in Commercial Redevelopment District, Unit 7 District at 351 W Western Ave for a period of nine (9) years, beginning December 31, 2017, and ending December 30, 2026, pursuant to the provisions of PA 255 of 1978, as amended.

Adopted this 9th Day of May, 2017.

Ayes:

Nays:

Absent:

BY: _____
Stephen J. Gawron
Mayor

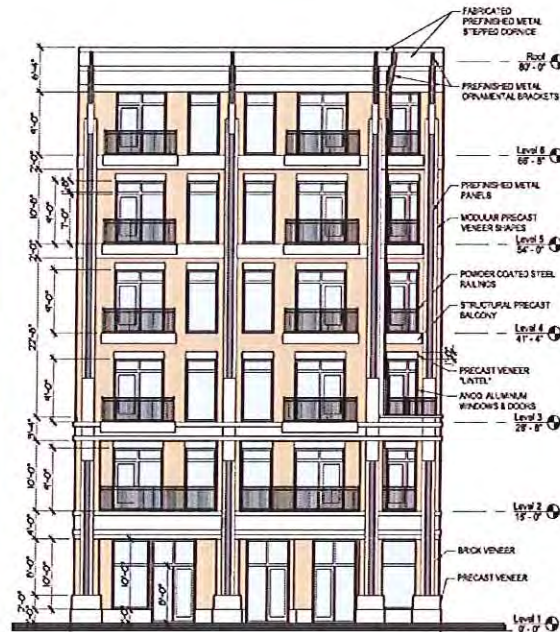
ATTEST: _____
Ann Meisch
Clerk

CERTIFICATION

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the Muskegon City Commission, County of Muskegon, Michigan, at a regular meeting held on May 9, 2017.

Ann Meisch
Clerk

General description of facility, proposed use and nature of construction



The proposed project is a new construction, 6-story mixed-use development at 351 W. Western Ave. in downtown Muskegon. The proposed plan includes approximately 4,500 S.F. of ground floor Retail space, 5,500 S.F. of office space on the 2nd floor, and 4 floors of residential market-rate apartments, totaling 20 units on floors 3-6. The unit mix will consist of eight 2 bedroom/1 bath units and twelve 2 bedroom/2 bath units. Additional features of the project will include basement storage units, ground floor outdoor seating, and a second level outdoor terrace overlooking Western Ave. The building will be designed to meet LEED® Silver Standards, construction to be steel frame, concrete plank floors, and masonry exterior with construction to start June 2017

Legal Description

Downtown Muskegon Development Center No. 1, a Condominium, according to the Master Deed recorded in Liber 3702, Page 204, as amended, in the Office of the Muskegon County Register of Deeds, and designated as Muskegon County Condominium Subdivision Plan No.

160, together with rights in general common elements and limited common elements as set forth in said Master Deed, and amendments thereto, and described in Act 59 of the Public Acts of 1978 as amended

Descriptive list of fixed building equipment that will be a part of the facility

Fixed HVAC equipment to be determined, first floor to include full restaurant commercial kitchen, floor two to be used as office space

Time schedule for undertaking and completing the construction

- Submit CRP intake documentation to MEDC: Dec. 1, 2016
- Building Permit Submission: April 3, 2017
- Break Ground: June 30, 2017
- Occupancy: September 1, 2018

Statement of economic advantages expected from receiving the exemption

There is very strong local interest and support for the project. A letter of intent has already been signed by a purchaser for the entire second floor office, as well as an executed lease for the first floor space from a prominent restaurateur. These businesses may not be financially feasible at the 100% millage rates levied in downtown Muskegon.

351 W. Western will be a catalyst for development in downtown Muskegon by adding much needed market-rate rental housing, increasing the presence of local business, and contributing to the pedestrian character and density already being established along Western Ave. Adding high quality housing, commercial storefronts and office space to the downtown corridor will increase the walkability of the community by allowing residents to live, work and socialize all within their neighborhood. Our project,

along with others in the planning phases, will help Muskegon reach the next level as a destination waterfront city. The businesses that have signed agreements in phase one will also create the equivalent of 29 full time jobs.

Commission Meeting Date: May 9, 2017

Date: May 2, 2017
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
**RE: Request to Create a New Neighborhood Enterprise Zone District
at 351 W Western Ave**

SUMMARY OF REQUEST:

Pursuant to Public Act 147 of the Michigan Public Acts of 1992, 351 W Western, LLC has requested to create a new Neighborhood Enterprise Zone (NEZ) district for the parcel at 351 W Western Ave. Properties located in this NEZ district will be eligible to apply for NEZ certificates, which will lower the residential property taxes on new construction. Notice letters were sent to the taxing jurisdictions on March 2, 2017 and a public hearing was held on April 11, 2017. State law requires that the resolution must be adopted at least 60 days after the notice letters were sent. This project will include 20 market-rate units.

FINANCIAL IMPACT:

No financial impact at this point. However, being in a district will allow them to apply for a rehab NEZ certificate, which will lower the residential property taxes for 1 to 15 years.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Staff recommends approval of the new NEZ district.

COMMITTEE RECOMMENDATION:

None

Resolution No. _____

MUSKEGON CITY COMMISSION

**RESOLUTION TO CREATE A NEW NEIGHBORHOOD ENTERPRIZE ZONE
DISTRICT WITHIN THE CITY OF MUSKEGON**

WHEREAS, the City of Muskegon currently has established Neighborhood Enterprise Zone districts within the City, and;

WHEREAS, the City of Muskegon would like to create a new Neighborhood Enterprise Zone district to a new location within the City, and;

WHEREAS, notices were sent to the local taxing jurisdictions on March 2, 2017, and;

WHEREAS, a public hearing was held regarding the creation of this new district on April 11, 2017; and

WHEREAS, the new district boundaries will include the property known as “Unit 7 (351 W Western Ave, property #24-233-000-0007-00),” as shown in Attachment A, and;

WHEREAS, the total square footage of Neighborhood Enterprise Zone districts in Muskegon will not exceed 15% of the total square footage of the City;

NOW, THEREFORE, BE IT RESOLVED that the new Neighborhood Enterprise Zone district in the City of Muskegon have been approved.

Adopted this 9th day of May, 2017.

Ayes:

Nays:

Absent:

By: _____
Stephen J. Gawron, Mayor

Attest: _____
Ann Meisch
City Clerk

CERTIFICATION

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, Michigan at a regular meeting held on May 9, 2017.

By: _____
Ann Meisch
City Clerk

Attachment A



AGENDA ITEM NO. _____
CITY COMMISSION MEETING _____

TO: Honorable Mayor and City Commissioners
FROM: Frank Peterson, City Manager
DATE: May 2, 2017
RE: Purchase Agreement – 1000 West Western Avenue

SUMMARY OF REQUEST:

As part of the City's effort to clean up the West Western Avenue corridor, City staff removed the vacant parking lot on the former Shaw Walker Parking Lot property adjacent to the City's Hartshorn Marina (1000 West Western). The property was subsequently listed for sale with Core Realty. City staff negotiated a purchase agreement with Smith Equities, LLC to purchase the property for an amount equal to \$249,000. Smith Equities will use the 90 day due diligence period to create a development plan for the site as well as work with city staff to explore options to improve and/or manage Hartshorn Marina.

FINANCIAL IMPACT:

\$250,000 income, minus closing costs.

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

To approve the purchase agreement and authorize the City Clerk and Mayor to sign.

COMMITTEE RECOMMENDATION:

OFFER TO PURCHASE REAL ESTATE

THIS OFFER TO PURCHASE REAL ESTATE ("**Offer**") has been made as of May __, 2017, by W. S. Smith Development Corp., a Michigan corporation, of 108 South University, Suite 6, Mt. Pleasant, MI 48858 or its assignee ("**Buyer**"), to The City of Muskegon, a municipal corporation, of 933 Terrace Street, Muskegon, Michigan 49442 ("**Seller**"). Upon acceptance by Seller, this Offer shall constitute a binding purchase agreement ("**Agreement**").

Buyer offers to purchase from Seller, on the terms and subject to the conditions set forth in this Offer, that parcel of real estate commonly known as 1000 W. Western Avenue (and adjacent parcels) as depicted on **Exhibit A-1** attached hereto, and legally described on **Exhibit A-2**, but excluding that portion of said described real estate operated as the Hartshorn Marina (the "Marina"), together with all improvements, fixtures, easements, division rights, hereditaments, and appurtenances associated with that real estate, (collectively, "**Property**"). The legal description of the Property shall be confirmed by the Survey as set forth below. Buyer shall not assume any liabilities of Seller, except as expressly described below.

1. **Purchase Price.** The purchase price for the Property shall be Two Hundred Forty Nine Thousand U.S. Dollars (\$249,000.00) ("**Purchase Price**"), payable at closing.

2. **Deposit; Default.**

(a) Upon Seller's acceptance of this Offer, Buyer shall deposit the sum of Five Thousand U.S. Dollars (\$5,000.00) ("**Deposit**") in escrow with the Title Company (defined below) as evidence of good faith and to bind this Agreement. If the purchase and sale contemplated by this Offer ("**Purchase**") is closed, the Deposit shall be applied to the Purchase Price at closing. If Buyer terminates this Agreement pursuant to any termination right granted by this Agreement, the Deposit shall be promptly returned to Buyer.

(b) If Buyer defaults in Buyer's obligations under this Agreement so that the Purchase is not closed, then as Seller's sole remedy Seller may terminate this Agreement by notice to Buyer, the Deposit shall be paid to Seller as liquidated damages, and neither Seller nor Buyer shall have any further liability to the other under this Agreement.

(c) If Seller defaults in Seller's obligations under this Agreement so that the Purchase is not closed, then Buyer may terminate this Agreement by notice to Seller, in which case the Deposit shall be promptly returned to Buyer, and neither Seller nor Buyer shall have any further liability to the other under this Agreement. Alternatively, Buyer may pursue any other right or remedy available at law or in equity, including, without limitation, injunctive relief and specific performance of this Agreement.

3. **Title; Survey.**

(a) Seller agrees to convey good and marketable title to the Property to Buyer by quit claim deed ("**Quit Claim Deed**"), subject only to the exceptions that are permitted by this Agreement. As evidence of Seller's title, Buyer shall, within thirty (30) days after the Effective Date (defined below), obtain at Seller's expense, and provide a copy to Seller, a

commitment ("**Title Commitment**") from Transnation Title Agency (the "Title Company") to issue an owner's title insurance policy insuring Buyer in the amount of the Purchase Price, without the standard printed exceptions, which shall be in the latest form approved by the American Land Title Association ("**ALTA**"). The Title Commitment must show good and marketable title to the Property to be in Seller's name, subject only to beneficial easements and restrictions of record that are acceptable to Buyer in its sole discretion and the requirements to be satisfied set forth in the Title Commitment and shall disclose no other easements, restrictions or encumbrances whatsoever.

(b) Buyer shall obtain at Buyer's expense, and provide a copy to Seller, a current staked survey of the Property that is in form and substance acceptable to Buyer and Buyer's lender, if any, including, without limitation, the form of certification ("**Survey**").

(c) Buyer shall notify Seller prior to the expiration of the Inspection Period, as defined below, if the Title Commitment discloses any exceptions not permitted by this Agreement or if the Survey shows any deviation from apparent boundaries or represented acreage, violation of zoning ordinances, or building and use restrictions, flood hazard area, encroachment, or condition that poses a problem for Buyer's lender if any, or that, in Buyer's judgment, could interfere with Buyer's intended development or use of the Property (individually and collectively, a "**Defect**"). Seller shall use reasonable efforts to remove each Defect at Seller's expense prior to the Closing. In addition, Seller shall satisfy the requirements set forth in the Title Commitment on or before the Closing Date. If Seller fails or refuses to remove any Defect, then Buyer may: (i) proceed to closing, waiving the Defect at issue; (ii) terminate this Agreement by a written notice to Seller, in which case the Deposit shall be promptly returned to Buyer, and neither Seller nor Buyer shall have any further liability to the other under this Agreement; or (iii) proceed to closing and cure any Defect that is capable of being cured or satisfied by the payment of a sum certain, using sale proceeds otherwise payable to Seller.

4. **Inspection.**

(a) Buyer and its agents, consultants, and designees ("**Buyer's Agents**") may from time to time inspect the Property during the Inspection Period, as defined below, and may enter the Property to perform the inspections referenced in this Agreement. Promptly upon Seller's acceptance of this Offer, Seller shall provide to Buyer, or make available for review by Buyer and/or Buyer's agents, copies of the following documents to the extent that they are in Seller's possession or control ("**Seller's Documents**"): (i) all building permits, wetlands, and fill permits, zoning variances and approvals, and environmental reports with respect to the Property; (ii) all surveys of the Property; (iii) all site, "as-built", architectural, and engineering plans and specifications for any existing and planned improvements to the Property; (iv) all leases, licenses, or occupancy agreements with respect to the Property (including the Marina) ("**Leases**"); (v) any notices with respect to the Property received from a governmental agency within the 3-year period preceding the Effective Date; and (vi) all maintenance and other contracts affecting the Property ("**Contracts**").

(b) Without limiting the generality of the foregoing, Buyer and Buyer's Agents shall have the right to conduct an environmental assessment of the Property in one or

more phases, including the procurement and analysis of samples of soil, groundwater, indoor air, or any other environmental medium, and any building component or other material located at the Property. The cost of the environmental assessment shall be borne by Seller. Buyer and Seller agree to cooperate in good faith to maximize any available development incentives, including without limitation so-called "Brownfield" incentives with respect to the Property. Seller shall provide access and information to, and otherwise cooperate with, Buyer and Buyer's Agents in the environmental assessment. Buyer shall have the right to interview representatives of Seller who have or may have knowledge of conditions and events relevant to the operating history or environmental condition of the Property. If the Property is a "facility" or "site" within the meaning of Part 201 or part 213 of the Michigan Natural Resources and Environmental Protection Act, MCL 324.20101 et seq, and 324.21301 et seq. Buyer may, at Buyer's expense, prepare and submit to the Michigan Department of Environmental Quality ("MDEQ") a "baseline environmental assessment," or "BEA," pursuant to Part 201 and/or 213.

5. **Seller's Representation and Warranties.** Seller represents and warrants to Buyer, which representations and warranties shall be true to the closing date, as follows:

(a) There are no pending or, to the best of Seller's knowledge, threatened condemnation proceedings against the whole or any part of the Property;

(b) There are no claims, litigation, proceedings, inquiries, investigations, or disputes pending or, to the best of Seller's knowledge, threatened against or relating to the Property;

(c) Seller has at all times operated the Property in compliance with all applicable laws, ordinances, orders, codes, rules, regulations, building and use restrictions, and other legal requirements, including, without limitation, Seller's timely application for, possession of, and compliance with all applicable environmental permits (collectively, "**Applicable Law**"), and, to the best of Seller's knowledge, the Property is free and clear of all violations of Applicable Law;

(d) Seller, through the person(s) executing this Agreement, has full power and authority to enter into this Agreement, and to assume and perform all of Seller's obligations under this Agreement;

(e) There are no agreements, contracts, or leases, written or oral, which affect the Property in any manner other than this Agreement, the Leases and the Contracts, not of which are in default, and any agreements disclosed by the Title Commitment;

(f) To the best of Seller's knowledge, all buildings and fixtures which constitute a portion of the Property are in good condition and working order, reasonable wear and tear excepted, and contain no defects which may impair Buyer's intended use of them;

(g) There is no pending or, to the best of Seller's knowledge, proposed special assessment affecting or which may affect the whole or any part of the Property;

(h) Seller has and can deliver to Buyer good and marketable title to the Property, subject only to the exceptions permitted by this Agreement, and the Property have legal and physical access from a publicly dedicated and improved right-of-way;

(i) All necessary action to approve, execute, deliver, and perform this Agreement has been taken by Seller, and this Agreement is the valid and binding obligation of Seller, enforceable against Seller in accordance with its terms;

Seller should hold Buyer harmless, indemnify, and at Buyer's option, defend Buyer, from and against any loss, including, without limitation, reasonable attorneys fees, incurred by reason of Seller's breach of any of the foregoing representations and warranties.

6. **Contingencies.** The obligation of Buyer to close the Purchase shall be contingent upon:

(a) Buyer's reasonable satisfaction with the results of its investigation of the compliance of the Property with applicable laws, ordinances and regulations, including without limitation, and legal restrictions or limitations on Buyer's operation of the Marina, to be performed at Buyer's discretion an expense within one hundred twenty (120) days after the Effective Date, except that Buyer may extend this date by an additional 60 days as may be required to complete its environmental investigation of the Property (the "Inspection Period");

(b) Buyer's satisfaction, in its sole discretion, with the results of all inspections of the Property that Buyer desires, to be performed at Buyer's discretion and expense within the Inspection Period;

(c) All representations and warranties of Seller set forth in this Agreement being true as of the closing date;

(d) Seller having timely performed and complied in all respects with all covenants, obligations, and agreements to be performed or complied with by Seller under this Agreement;

(e) Buyer's satisfaction, in its sole discretion, with its review of Seller's Documents and the condition, permitted use and development prospects for the Property, including without limitation: (i) mutual agreement with Seller on the terms of a development agreement (or similar document) transferring to Buyer operational control of the Hartshorn Marina (the Marina Development Agreement), or the reservation of slips and/or mooring locations for the benefit of Buyer and its assignees; and (ii) mutual agreement with Seller on the abandonment/vacation of that portion of the driveway/access road leading from Western Avenue to the public boat launch area, and the re-location of such driveway/access road to a mutually agreeable location such that the public will continue to have access to the public boat launch and parking area. Buyer shall perform such review, at its expense, within the Inspection Period. If Buyer is not satisfied with such review and inspections, then, as Buyer's sole remedy, Buyer may terminate this Agreement by a written notice to Seller given within such Inspection Period, in which case the Deposit shall be promptly returned to Buyer, and neither Seller nor Buyer shall have any further liability to the other under this Agreement;

(f) Buyer's satisfaction, in its sole discretion, with the environmental condition of the Property, and

Buyer shall promptly commence and proceed diligently and in a reasonable manner to attempt to satisfy each of the contingencies set forth above, at Buyer's expense. Seller agrees to cooperate in such endeavor. If Buyer is unable to satisfy one or more of the contingencies, and is not willing to waive the contingency(ies), then Buyer may terminate this Agreement by a written notice to Seller, in which case the Deposit shall be promptly returned to Buyer, and neither Seller nor Buyer shall have any further liability to the other under this Agreement.

7. Closing.

(a) The closing shall take place as soon as reasonably possible following the satisfaction of the conditions and contingencies set forth in this Agreement, but no later than November 30, 2017, or such later date as is mutually agreed upon by Seller and Buyer (the "Closing Date"). Within these limitations, the closing shall take place at such time and place and on such date as shall be specified by Buyer on at least one week's notice to Seller, or in the absence of such notice, at 10 a.m. on the last day permitted for closing, at the offices of Buyer's attorney.

(b) At closing, Seller shall execute and deliver the following:

(i) The Quit Claim Deed, in recordable form;

(ii) A real estate transfer tax valuation affidavit;

(iii) A closing statement setting forth the Purchase Price and closing adjustments;

(iv) Affidavit(s) in the form prescribed by the title company for the removal of its standard printed exceptions;

(v) A corporate resolution or other evidence of authorization of the Purchase acceptable to the title company;

(vi) A certificate of nonforeign status;

(vii) The Marina Development Agreement (and any related documents);

and

(viii) Any other documents reasonably necessary or legally required to evidence the Purchase.

(c) At closing, Seller shall deliver, or cause to be delivered, the following:

(i) Actual physical possession of the Property, free of all tenants or other occupants, except the tenants under the Leases. Seller shall deliver possession of the Property to Buyer in good condition and working order and broom clean, and in at least as good

a condition as on the date of this Offer, reasonable wear and tear excepted. Seller shall continue to maintain the buildings, fixtures, Personal Property, lawn and other components of the Property in their current condition until the closing; and

(ii) An ALTA owner's title insurance policy which shall insure Buyer's title as required by **Paragraph 3** above.

(d) At closing, Buyer shall execute and/or deliver the following:

(i) The Purchase Price, as adjusted by prorations and other charges under this Agreement;

(ii) A closing statement setting forth the Purchase Price and closing adjustments;

(iii) The Marina Development Agreement (and any related documents); and

(iv) Any other documents reasonably necessary or legally required to evidence the Purchase.

(v) At closing, Seller shall pay all recording and filing costs in connection with curing its title to the Property, the transfer taxes for the Quit Claim Deed and the title insurance premium for Buyer's owner's policy of title insurance. Buyer shall pay the recording fee for the Quit Claim Deed. Seller and Buyer shall each pay one-half of any closing fee charged by the title company conducting the closing. Rentals under the Leases shall be prorated to the closing date, or as otherwise set forth in the Marina Development Agreement. Buyer shall be credited for any security deposits posted under the Leases.

8. **Taxes and Assessments.** All real estate and personal property taxes and special assessments with respect to the Property, whether or not payable in installments or deferrable without penalty or interest to a later date, that first become due and payable (or in the case of special assessments, a lien upon the Property) on or before the closing date, shall be paid by Seller, prorated as provided below. Buyer shall be responsible for all other taxes and assessments with respect to the Property. Real estate and personal property taxes that first became or will become due and payable during the year of the closing shall be prorated on a calendar year basis.

9. **Real Estate Brokers.** Seller and Buyer each agrees and represents to the other that no broker is involved in the Purchase who is entitled to a commission, other than Core Realty Partners LLC, and its listing member, Troy Wasserman ("**Broker**"). Seller shall be solely responsible for paying the commission owing to Broker pursuant to a separate agreement between Seller and Broker. If a broker makes a claim for remuneration in connection with the Purchase, Seller and Buyer each shall indemnify and hold harmless the other from any amount that the other may be required to pay to a broker that the other did not retain, including, without limitation, reasonable attorneys' fees expended to defend against such claim.

10. **Condemnation; Fire; Other Casualty.** Seller shall promptly notify Buyer of any impending or actual condemnation proceedings against the whole or any part of the Property of which Seller has actual notice or any fire or other casualty to the Property. If any portion of the Property is threatened to be taken or is taken as a result of condemnation proceedings or is damaged as a result of fire or other casualty prior to the closing, Buyer shall have the right:

(a) To terminate this Agreement by a written notice to Seller within ten (10) days after receipt of notice of such proceedings or damage, in which case the Deposit shall be promptly returned to Buyer, and neither Seller nor Buyer shall have any further liability to the other under this Agreement; or

(b) To proceed to closing as provided in this Agreement, agreeing to take the Property in its then-current condition, in which case Buyer shall be entitled to receive all of the condemnation or insurance proceeds payable as a result of such condemnation or such damage, which Seller shall assign to Buyer at closing pursuant to an assignment that is reasonably acceptable to Buyer.

11. **Miscellaneous.**

(a) This Agreement shall bind and benefit Seller, Buyer and their respective successors, assigns, heirs, executors, and personal representatives. Buyer may freely assign this Agreement, but Buyer shall not be released from liability under this Agreement.

(b) Seller and Buyer recognize that the law firm of Honigman Miller Schwartz & Cohn LLP ("**Legal Counsel**") is representing Buyer in the Purchase. Seller has either hired independent legal counsel or knowingly elected not to hire independent counsel to represent Seller in the Purchase. In such capacity, Legal Counsel has prepared this Agreement and may be called upon to prepare other documents necessary to close the Purchase. No ambiguity or inconsistency in this Agreement shall be construed against Buyer solely because Legal Counsel prepared this Agreement.

(c) All notices under this Agreement shall be in writing and shall be delivered to Seller and Buyer at their respective addresses set forth above, or at another address designated by like notice to one another. Personal delivery, facsimile transmission, or mailing of a notice by certified mail, postage prepaid, or delivery by recognized overnight service shall be sufficient notice. Notice shall be effective upon receipt, if personally delivered or faxed, upon mailing, if mailed, or upon deposit with the overnight delivery service.

(d) The "**Effective Date**" of this Agreement shall be the date Buyer receives Seller's written acceptance of this Offer. Time is of the essence of this Agreement, except that Buyer may waive this provision for the purpose of meeting conditions and contingencies under this Agreement.

(e) This Agreement may not be amended, altered or modified unless done so in writing by the person against whom enforcement of any waiver, change, modification, or discharge is sought.

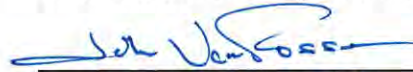
(f) The representations, warranties and agreements set forth in this Agreement shall survive the closing of the Purchase.

(g) This Agreement may be signed in counterparts, which together shall comprise a single agreement.

(h) This Agreement and the exhibits to this Agreement contain all of the representations and statements by Seller and Buyer to one another and express the entire understanding between Seller and Buyer with respect to the Purchase. All prior and contemporaneous communications concerning the Purchase are merged in and replaced by this Agreement.

Buyer has signed this Offer as of the date set forth above.

W.S. Smith Development Corp



By: JOHN VAN FOSSEN

Its: J S of Development

Buyer

ACCEPTANCE

For good and valuable consideration, the receipt of which Seller acknowledges, this Offer is accepted as written. Seller agrees to sell the Property to Buyer on the terms and subject to the conditions set forth above.

Dated: _____, 2017

City of Muskegon

By: Stephen Gowen
Its: Mayor

By: Ann Meisch
Its: City Clerk

Seller

EXHIBIT A
The Property Legal Description

LEGAL DESCRIPTIONS

Parcel 1:

All that part of Block 574 and 575 of the City of Muskegon, lying Northerly and Easterly of the following described boundary lines: (EXCEPT the right of way of the Chesapeake and Ohio Railway Co.)

Commence at an iron bolt (original) located at the Southeast corner of Block 574 of the Revised Plat of the City of Muskegon, Muskegon County, Michigan; thence North 88°43' West 270.42 feet for a place of beginning; thence North 1°40' West 345.42 feet; thence North 84°6' West 290.81 feet; thence North 47°5' West 236.7 feet; thence North 2°4' West 175.2 feet; thence South 87°55' West 866.7 feet to an iron stake; thence North 37° West 730 feet; thence North 48° West to the thread of the stream in Muskegon Lake, for the place of ending of said lines.

Parcel 2:

Part of Blocks 574 and 575, as follows:

- (1) Commence at the Southeast corner of Block 574 of the Revised Plat of the City of Muskegon, Muskegon County, Michigan; thence North 88°43' West 270.42 feet to the North line of West Western Avenue; thence Westerly along the North line of West Western Avenue 457.28 feet; thence North 2°04' West 492.92 feet to the place of beginning; thence North 2°04' West 175.2 feet; thence South 87°55' West 175.2 feet; thence South 47°05' East 247.75 feet to the place of beginning.
- (2) ALSO: Commence at the Southeast corner of Block 574 of the Revised Plat of the City of Muskegon, Muskegon County, Michigan; thence North 88°43' West 270.42 feet to the North line of West Western AVENUE; THENCE North 1°40' WEST 100 feet for a place of beginning; thence North 1°40' West 245.42 feet; thence North 84°6' West 290.81 feet; thence Southeasterly to the place of beginning.

Parcel 3:

Part of Block 573 of the Revised Plat (of 1903) of the City of Muskegon, Muskegon County, Michigan, described as: Commencing at the Southwest corner of said Block 573 for the point of BEGINNING; THENCE North 1°40' West along the West line of said Block, 347.0 feet; thence North 21°40' West along the Westerly line of said Block, 241.0 FEET; THENCE North 29°28' West along the Westerly line of said Block, 187.50 feet; thence South 35°37' East 258.20 feet; thence South 09°53' East 504.80 feet to the Northerly line of West Western Avenue; thence South 59°34' West along said Northerly line, 53.0 feet to the point of beginning.

Parcel 4:

Those parts of Blocks 574 and 575, Revised Plat (of 1903) of the City of Muskegon, Muskegon County, Michigan, described as follows: Commencing at the Southeasterly corner of Block 574 of said Revised Plat (of 1903) of the City of Muskegon; thence North 88°43' West 270.42 feet to a point on the Northerly line of West Western Avenue for a point of beginning; thence Westerly along the Northerly line of West Western Avenue 457.28 feet; thence North 2°04' West 492.92 feet; thence South 47°05' East 236.7 feet; thence continuing South 47°04' East to a point 100 feet North of and North 1°40' West of the point of beginning; thence South 1°40' East to the point of beginning. Together with the C & O Railway Company right of way running through the above described parcel, except that part which was deeded to the City of Muskegon as recorded in Liber 2138, Pages 751 and 752.

Parcel 5:

That part of Block 574 of the Revised Plat of 1903 of the City of Muskegon, Muskegon County, Michigan, described as commencing at the Southeast corner of said Block 574; thence North 88°13'54" West 270.33 feet to a point on the North right of way line of Western Avenue; thence North 01°09'31" West 100.00 feet; thence North 46°31'44" West 118.61 feet to the point of beginning; thence North 61°45'12" West 60.93 feet; thence North 46°31'44" West 227.22 feet; thence North 46°32'44" West 220.80 feet; thence North 01°31'44" West 22.62 feet; thence South 46°32'44" East 236.79 feet; thence South 46°31'44" East 286.01 feet to the point of beginning. included in the following described parcel of LAND:

Part of Blocks 574 and 575, Revised Plat of the City of Muskegon, Muskegon County, Michigan, described as: Commencing at the Southeast corner of said Block 574, thence North 85°43' West 270.42 feet for point of beginning; thence Westerly 457.28 feet along the Northerly line of Western Avenue; thence North 02°04' West 492.92 feet; thence South 47°05' East to a point 100 feet North 01°40' West of point of beginning; thence South 01°40'00" East 100.00 feet to point of beginning.

Property Address: 1000 W. Western Avenue