CITY OF MUSKEGON

CITY COMMISSION MEETING

APRIL 23, 2019 @ 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:**
- □ **INTRODUCTIONS/PRESENTATION:**
  - **A. Recognition of Women Veterans Day**
  - **B. Mr. Football Presentation**
- □ **CITY MANAGER'S REPORT:**
- □ **CONSENT AGENDA:**
  - **A. Approval of Minutes** City Clerk
  - **B. Request to Fly the Norwegian Flag** City Clerk
  - **C. Special Event Liquor Licenses – 2019 Events** City Clerk
  - **D. Zoning Ordinance Amendment – Planned Unit Development Section of Single-Family Residential Districts** Planning & Economic Development
  - **E. Zoning Ordinance Amendment – Landscaping Requirements** Planning & Economic Development
  - **F. Set the Public Hearing for Amendment to Brownfield Plan – City of Muskegon (Developer)** Planning & Economic Development
  - **G. Set the Public Hearing for Amendment to Brownfield Plan- Sweetwater Development, LLC** Planning & Economic Development
  - **H. Permanent Traffic Control Orders #37 through #52** Department of Public Works
  - **I. Water Interconnect Contract** Department of Public Works
  - **J. City Hall Elevator Repairs** Department of Public Works

K. **Pere Marquette Park Chalet Request** Department of Public Works

L. **Smith Ryerson Parking Lot Improvements** Department of Public Works

M. **Purchase Agreement – 1067 Grand Avenue** City Manger

N. **Approval of a Neighborhood Enterprise Zone Certificate – 324 Terrace Point** Planning & Economic Development

O. **Approval of a Neighborhood Enterprise Zone Certificate – 343 Terrace Point** Planning & Economic Development

□ **PUBLIC HEARINGS:**

A. **Public Hearing for the 2019 Action Plan** Community & Neighborhood Services

B. **Public Hearing for DWRF Project Plan** Department of Public Works

□ **COMMUNICATIONS:**

□ **UNFINISHED BUSINESS:**

□ **NEW BUSINESS:**

A. **Concurrence with the Housing Board of Appeals Notice and Order to Demolish** Public Safety

1874 Jarman Street

1079 Holt Street

190 Wood Street

1873 Franklin Street

B. **Revised Notice of Intent to Issue Capital Improvement Bonds** City Manager

C. **LC Walker Arena Restaurant Proposals** City Manager

D. **Purchase Agreement Extension – 1490 Lakeshore Drive** City Manager

E. **Arena Management – ARC Arena Management** 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 7-1-1-22 TO REQUEST A REPRESENTATIVE TO DIAL (231) 724-6705.

Memorandum

To: Mayor and Commissioners

From: Frank Peterson

Re: City Commission Meeting

Date: April 18, 2019

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

WINC Acknowledgment

Beginning at 5 PM, we will have cake and refreshments in the Commission Chambers in acknowledgment of the one year anniversary of our City's creation of Women's Veterans Day. Zenata Adams and her group from WINC – Women Injured in Combat – will be present to thank us for our efforts.

Regular Session:

1. Under presentations, we will have two items:
    a. Zenata Adams from WINC will acknowledge the City's efforts to be Veteran-friendly.
    b. We will honor Cameron Martinez for winning Michigan's Mr. Football award.
2. Under the Consent Agenda, we are asking the Commission to consider the following:
    a. Approval of meeting minutes from the most-recent City Commission meeting.
    b. Approval of a request by the Sons of Norway to fly the Norwegian Flag at their facility.
    c. Approval of special event liquor licenses for City events.
    d. First reading of a zoning ordinance amendment related to the PUD section of the single family residential districts. This was recommended for approved by the Planning Commission.
    e. First reading of a zoning ordinance amendment related to Landscaping requirements to allow for trees to be donated to the city's nursery rather than replacing trees on site during development.
    f. We are seeking to set a public hearing for a brownfield plan amendment related to the city's efforts to construct infill housing in the Nelson Neighborhood.
    g. We are seeking to set a public hearing for a brownfield plan amendment related to the Sweetwater Development (The Leonard Building).

h. We are seeking approval of the adoption of a number of permanent traffic control orders.
i. We are seeking approval of a water interconnect contract to ensure water reliability.
j. Authorization to enter into an agreement to repair the city hall elevator. The elevator is very old and has not been function properly for a number of years. Recently, an electrical problem rendered the elevator essentially unusable. Accordingly, we are proposing to upgrade both the electrical system and passenger car.
k. We are seeking permission to install a chalet at Pere Marquette Park to accommodate Third Coast Rentals. Third Coast began renting beach-related items at the park last year. The chalet will be located near the new catamaran storage area.
l. Authorization to enter into an agreement to complete parking lot improvements at Smith-Ryerson Park.
m. Authorization to sell the city-owned home locate at 1067 Grand Avenue. This home was acquired by the city from the County Tax Auction for $1.00. An extensive rehabilitation was undertaken, and is expected to be completed by June 30, 2019. Jonathan and Melissa have offered to purchase the property for $143,000. To date, staff has invested approximately $70,000 in the property and anticipates investing an additional $50,000-$60,000 to complete the renovation. This is a great example of our efforts to save homes from demolition while demonstrating to private investors that appropriately-renovated homes will sell at a reasonable market-rate.
n. Approval of Neighborhood Enterprise Zone Certificate for 324 Terrace Point. All local and state requirements have been met by the applicant.
o. Approval of Neighborhood Enterprise Zone Certificate for 343 Terrace Point. All local and state requirements have been met by the applicant.

3. Under Public Hearings, we are taking comments on the following:
    a. We will take comments on the 2019 CDBG/HOME Action Plan
    b. We will take comments on the drinking Water Revolving Loan Fund Project Plan.
4. Under the New Business, we are asking the Commission to consider the following:
    a. Concurrence with the Housing Board of Appeals' decision to demolish four properties.
    b. Revised notice of intent to issue bonds. We previously issued this notice last year related to the convention center. As the project moves closer to groundbreaking, our team is recommending that we advertise to allow for up to 30 years. The previous notice called for up to 25 years. Our agreement with Parkland Properties

requires them to leave the hotel self-assessment in place for the duration of the debt plus an additional five years. Allowing for up to 30 years will help the facility from a cash flow standpoint over the initial 5-7 years, while we build a repair/replacement fund. Staff feels that this is logical move, even with the additional interest paid over the five extra years because it will allow for the facility to be maintained annually at a higher level (carpet replacement, A/V upgrades, etc.).

c. Staff has reviewed additional information from the original proposals and is seeking permission to proceed with our original recommendation of the sports-bar themed restaurant proposed by Andy and Jennifer Harris, Andy Price, Jamie Curtis, and Anthony Lambers. We feel we can accommodate the Nafasi component of the Wonderland Proposal at the Farmers Market, and that we can further assist Wonderland find space in the downtown. All parties seem to agree with this approach.
d. The City entered into a purchase agreement for 1490 Lakeshore Drive approximately two years ago. Since that time, the group has worked closely with the DEQ and Amoco to get a plan in place to remediate the remaining contaminants (oil) on the site. We are happy to see this is progressing, but based on our dealings with the Sappi redevelopment, we feel we should plan on the due diligence period lasting up to five years. Accordingly, we are seeking approval of the updated purchase agreement to provide five years of due diligence.
e. Approval of the arena management agreement with ARC Arena Management. The agreement will provide some cost relief from the previous agreement with Two Ts LLC. Arc Arena Management has worked well with the arena's tenants and has demonstrated the capacity to manage the entire facility. There have been some growing pains over the past 6+ months, but we do see the facility moving in the correct direction. Matt Gongalski from Arc Arena Management previously served as our food/beverage manager, and owns Rad Dad's and Cool Kids (located in the arena).

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

Frank

Date: April 17, 2019

To: Honorable Mayor and City Commissioners

From: Ann Marie Meisch, City Clerk

RE: Approval of Minutes

SUMMARY OF REQUEST: To approve minutes of the continued Goal Setting meeting held March 26, 2019, minutes of the Worksession meeting held April 8, 2019, and minutes of the Regular meeting held April 9, 2019.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

CITY OF MUSKEGON
GOAL SETTING MEETING

Tuesday, March 26, 2019
3:30 p.m.
City Commission Chambers
933 Terrace Street
Muskegon, MI 49440

MINUTES

2019-27

Present: Mayor Steve Gawron, Commissioners Turnquist, Warren, Hood, Johnson, and Rinsema-Sybenga.

Absent: Commissioner German.

Employees present include: Frank Peterson, Mike Franzak, Jim Maurer, Oneata Bailey, Leo Evans, Leighann Mikesell, Jeff Lewis, Kirk Briggs, Dave Smith, Doug Sayles, Dwana Thompson, Sarah Peterson, Ken Grant, and Ann Meisch.

Welcome
Frank Peterson welcomed the group and reviewed what was covered at the March 1, 2019 Goal Setting meeting.

1. Discussion took place regarding devotion of staff time to areas that we didn't devote time to in 2017 – particularly; community safety plan, education activities, street funding plan, Muskegon Lake Area of Concern designation, and parks/recreation improvements including the possibility of eliminating the Parks Commission.

2. There was discussion regarding Programs/Policies that continue improving livability in our neighborhoods. Some ideas relative to this topic are front porch reclamation (CDBG), Infill Housing (affordable, semi-affordable, market-rate; attached, detached, etc.), Park Improvements (deferred maintenance, capital improvement, AP Affiliation (Listed by priority – over $15 Million, etc.), Local Street Improvements, and Curb Cuts (CDBG).

3. The group discussed keeping Downtown as top priority – must be considered the epicenter for activity for all of Muskegon County. Some long term ideas regarding this are connectivity to the lakeshore, designated parking (structure), Mix of housing affordability levels, events, and walkability. There was also discussion of equity training or classes.

4. There was also discussion regarding the need to update policies for development incentives focusing on thresholds for abatement levels, investment levels, and tax capture, including commercial and industrial abatements, residential abatements (NEZ), opportunity zone incentives, and miscellaneous development and investment incentives. There will be further discussion regarding this at June's worksession meeting.

5. Discussion took place regarding continued focus on Quality of Life Tenants, equity, and customer service. There was also discussion regarding a resolution not to give extension per property taxes per the County Treasurer. This will be addressed at the next City Commisson meeting.

The meeting adjourned at 5:15 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC – City Clerk

CITY OF MUSKEGON
CITY COMMISSION WORKSESSION

Monday, April 8, 2019
5:30 p.m.
City Commission Chambers

MINUTES

2019-28

Present: Mayor Gawron, Vice-Mayor Hood, Commissioners Turnquist, Johnson, Warren, and Rinsema-Sybenga

Absent: German

LC Walker Arena Restaurant Proposals
Economic Development Staff has reviewed the proposals and made a written recommendation. Staff is requesting permission to implement the action steps of that recommendation. Staff would return to a subsequent City Commission meeting to present lease terms for the accepted proposals. This item was discussed at great length and more information is being gathered before it will be presented to the City Commission.

Any Other Business
Commissioner Johnson raised concerns about some of the rules for the Farmer's Market vendors that he was approached about. The clerk will discuss with the Market Manager and City Attorney.

Adjournment: The Worksession meeting adjourned at 7:45 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC, City Clerk

CITY OF MUSKEGON

CITY COMMISSION MEETING

APRIL 9, 2019 @ 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 9, 2019, Reverend Michael Fedewa, St. Paul's Episcopal 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 Eric Hood, Commissioners Ken Johnson, Byron Turnquist, Debra Warren, and Dan Rinsema-Sybenga, City Manager Frank Peterson, City Attorney Will Meier, and City Clerk Ann Meisch.

Absent: Commissioner Willie German, Jr.

INTRODUCTIONS/PRESENTATION:

A. 9-1-1 Muskegon Central Dispatch Surcharge Shawn Grabinski

Shawn Grabinski from Muskegon Central Dispatch presented information to the City Commission and the audience about the 9-1-1 Surcharge question that is on the May 7, 2019 ballot.

2019-29 CONSENT AGENDA:

A. Approval of Minutes City Clerk

SUMMARY OF REQUEST: To approve the minutes of the March 26, 2019 regular meeting.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the minutes.

B. Request to Rezone 971 & 975 Washington Avenue – SECOND READING
Planning & Economic Development

SUMMARY OF REQUEST: Request to rezone the properties at 971 & 975 Washington Avenue from R-2, Single Family Medium Density Residential to Form Based Code, Neighborhood Edge, by Brett Gilbert.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends approval of the rezonings.

COMMITTEE RECOMMENDATION: The Planning Commission unanimously (8-0) recommended approval of the rezonings at their March 14 meeting.

C. <u>Amendment to the Form Based Code Section of the Zoning Ordinance – SECOND READING</u> Planning & Economic Development

SUMMARY OF REQUEST: Staff initiated request to amend the zoning ordinance to allow research and development as a permitted use in the Downtown and Mainstreet context areas of the Form Based Code.

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 request 8-0, as long a staff recommends a definition for "research and development" that excludes animal testing, noise and odor.

D. <u>Amendment to the Single-Family Residential Section of the Zoning Ordinance – SECOND READING</u> Planning & Economic Development

SUMMARY OF REQUEST: Staff initiated request to amend the Single Family Residential section of the zoning ordinance to clarify that short and long term rentals are not prohibited 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 request 8-0 at their March 14 meeting.

F. <u>Resolution to Revoke the Contract for Housing Exemption with Trinity Village Limited Dividend Housing Association</u> Treasurer

SUMMARY OF REQUEST: Adopt the resolution to revoke the Contract for Housing Exemption with Trinity Village Limited Dividend Housing Association and terminate the Payment in Lieu of Taxes (PILOT) status on Trinity Village I and Trinity Village II. The City Treasurer has received formal notice from the Michigan State Housing Development Authority that they have foreclosed upon and take possession of the two properties governed by this agreement.

The State has indicated that they intend to pay the outstanding PILOT assessments for the 2018 tax year. Beginning in 2019, these properties will be completely tax exempt as a result of being owned by the State of Michigan.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Adopt the resolution to terminate the Contract for Housing Exemptions with Trinity Village Limited Dividend Housing Association.

H. Establish Policy and Application for Sports Leagues and Tournaments
Planning Department

SUMMARY OF REQUEST: Approve the establishment of a policy and application for sports leagues and tournaments using city parks and facilities. The policy is similar to the special event policy, provides consistency for users of city facilities, and informs applicants of rules and regulations that must be followed.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approve the policy and application.

I. Set Sports Leagues and Tournaments Fees Planning Department

SUMMARY OF REQUEST: Set the fees for sports leagues and tournaments using city parks and facilities as follows:

- Application fee to be paid by each separate league - $100 to be submitted 30 days or more prior to the start of the season.
- Tournament fee - $40 fee for each tournament
- Park Use Fee - $40 per league/club/school
- Cleaning Deposit Fee - $100

Application fees *may* be waived for Veterans groups or school groups for schools located within the city limits. Groups are directed to note their requests for waived fees on their applications, and city staff will review.

FINANCIAL IMPACT: Revenue generated by fees.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approve the fees for sports leagues and tournaments.

K. 714 Jackson – Demolition of Accessory Structure City Manager

SUMMARY OF REQUEST: The City currently owns the Froebel School property as a result of tax foreclosure. Sometime this winter, significant damage was done to an accessory structure. The structure previously housed the school's boiler. The damage has left the structure dangerous. Staff ordered an emergency demolition from Melching, Inc.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To accept the bid of $10,000 from Melching, Inc. to secure the structure, conduct asbestos testing and abatement, and complete the demolition at 714 Jackson.

L. <u>Smart Zone Delinquent Tax Resolution</u> REMOVED PER STAFF REQUEST

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

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

Nays: None

MOTION PASSES

2019-30 ITEMS REMOVED FROM CONSENT:

E. <u>Waiver of Interest and Penalty Associated with Failure to File Property Transfer Affidavits (PTA), Form 2766</u> Treasurer

SUMMARY OF REQUEST: Adopt the resolution to waive interest and penalty associated with failure to file form 2766, Property Transfer Affidavit (PTA). Per MCL 211.27b, a municipal unit is required to charge interest and penalties to an owner of a property that does not file a PTA within 45 days of the transfer of ownership. We currently do not charge the penalties or interest to a taxpayer that has not filed the PTA within the 45 day requirement. State statute requires the governing body to pass a resolution in order to waive the penalties and interest.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Adopt the resolution to waive penalties and interest associated with untimely filing of Property Transfer Affidavits.

Motion by Commissioner Rinsema-Sybenga, second by Commissioner Warren, to approve adopt the resolution to waive penalties and interest associated with untimely filing of Property Transfer Affidavits.

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

Nays: None

MOTION PASSES

G. <u>Invest Funds with Cantella &Co.</u> Finance

SUMMARY OF REQUEST: The Finance department wants authorization to use Cantella & Co. as an investor to diversify our financial portfolio. All investments

with this institution will follow all City of Muskegon Financial and Investments policies and guidelines.

FINANCIAL IMPACT: Potential increase of interest revenue.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval to authorize Cantella & Co. as an investment tool for the City of Muskegon.

Commissioner Johnson recused himself for conflict of interest.

Motion by Commissioner Rinsema-Sybenga, second by Commissioner Warren, to approve authorization of Cantella & Co. as an investment tool for the City of Muskegon.

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

Nays: None

MOTION PASSES

J. <u>Request for Skate Park Funds</u> Planning Department

SUMMARY OF REQUEST: Authorize the mayor and clerk to sign the resolution requesting distribution of funds from the City of Muskegon Parks Fund at the Community Foundation for Muskegon County. The Planning Department is requesting $2,000 to cover costs for surveying the property where we propose to locate a future skate park. These funds were originally targeted for the development of a new skate park within the city.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Authorize the mayor and clerk to sign the resolution.

Motion by Commissioner Warren, second by Commissioner Johnson, to authorize the Mayor and Clerk to sign the resolution.

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

Nays: None

MOTION PASSES

2019-31 NEW BUSINESS:

A. <u>LC Walker Arena Restaurant Proposals</u> REMOVED PER STAFF REQUEST

ANY OTHER BUSINESS: The Commission received an update on disc golf at McGraft Park. There was discussion of the feasibility of white box space at the convention center.

PUBLIC PARTICIPATION: Public Comments were received.

ADJOURNMENT: The City Commission meeting adjourned at 6:30 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC – City Clerk

Date: April 17, 2019

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 Friday, 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

P. O. Box 5147, North Muskegon, MI 49445

April 9, 2019

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 Friday, May 17th. The flag can be raised early on May 17th. The flag can be taken down the morning of Monday, May 20th.

The Sons of Norway will provide the flag on Thursday May 16th. We will pick the flag up on Monday May 20th.

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: April 17, 2019

To: Honorable Mayor and City Commissioners

From: CITY CLERK'S OFFICE

RE: Special Event Liquor License – 2019 Events

SUMMARY OF REQUEST: The Muskegon City Clerk's Office is organizing several events for 2019 and we are seeking commission approval to apply for a special liquor license for beer, wine, and spirit service for the following:

Taste of Muskegon at Hackley Park – June 14 & 15, 2019

Food Truck Rallies at the Farmer's Market – June 26, July 24, and August 21, 2019

150th Anniversary Celebration at Heritage Landing – July 11, 12, & 13, 2019

Farm-to-Table Fundraiser – September 5, 2019

The Farmer's Market does have a liquor license but the licensed area does not extend beyond the barn.

FINANCIAL IMPACT: $50 permit from the State for every date requested.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve a special liquor license for the events organized by the City Clerk for 2019

Commission Meeting Date: April 23, 2019

Date: April 18, 2019

To: Honorable Mayor and City Commissioners

From: Planning & Economic Development

RE: Zoning Ordinance Amendment - Planned Unit Development Section of Single Family Residential Districts

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SUMMARY OF REQUEST:

Staff initiated request to amend Section 403 of the zoning ordinance to revise the intent of the Planned Unit Development option by allowing limited retail options.

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 request 8-0 at their April 11 meeting

Hearing, Case 2019-09: Staff initiated request to amend Section 403 of the zoning ordinance to revise the intent of the Planned Unit Development option by allowing limited retail options.

SUMMARY

1. The PUD option in single-family residential districts currently does not specify whether limited business options are allowed or not. Staff believes that limited business options, such as those allowed in B-1 districts, would be beneficial to residential PUDs.

CURRENT LANGUAGE

SECTION 403: PLANNED UNIT DEVELOPMENT OPTION [amended 12/97]

Planned unit developments (PUDs) may be allowed by the Planning Commission under the procedural guidelines of Section 2101. The intent of Planned Unit Developments in the single family residential district is to allow for flexibility in the design of housing developments, including but not limited to condominium developments and cluster subdivisions, to allow for the preservation of open space; allow for economies in the provision of utilities and public services; provide recreational opportunities; and protect important natural features from the adverse impacts of development.

PROPOSED LANGUAGE (additions in bold)

Planned unit developments (PUDs) may be allowed by the Planning Commission under the procedural guidelines of Section 2101. The intent of Planned Unit Developments in the single family residential district is to allow for flexibility in the design of housing developments, including but not limited to condominium developments and cluster subdivisions, to allow for the preservation of open space; allow for economies in the provision of utilities and public services; **allow for limited business options that serve the neighborhood;** provide recreational opportunities; and protect important natural features from the adverse impacts of development.

CITY OF MUSKEGON

MUSKEGON COUNTY, MICHIGAN

ORDINANCE NO._____

An ordinance to amend Section 403 of the zoning ordinance to revise the intent of the Planned Unit Development option by allowing limited retail options.

THE CITY COMMISSION OF THE CITY OF MUSKEGON HEREBY ORDAINS:

NEW LANGUAGE

(Additions in **bold**)

Planned unit developments (PUDs) may be allowed by the Planning Commission under the procedural guidelines of Section 2101. The intent of Planned Unit Developments in the single family residential district is to allow for flexibility in the design of housing developments, including but not limited to condominium developments and cluster subdivisions, to allow for the preservation of open space; allow for economies in the provision of utilities and public services; **allow for limited business options that serve the neighborhood;** provide recreational opportunities; and protect important natural features from the adverse impacts of development.

This ordinance adopted:

Ayes:_____

Nayes:_____

Adoption Date:_____

Effective Date:_____

First Reading:_____

Second Reading:_____

CITY OF MUSKEGON

By: _____
Ann Meisch, MMC, City Clerk

CERTIFICATE

The undersigned, being the duly qualified clerk of the City of Muskegon, Muskegon County, Michigan, does hereby certify that the foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Muskegon, at a regular meeting of the City Commission on the 23rd day of April, 2019, at which meeting a quorum was present and remained throughout, and that the original of said ordinance is on file in the records of the City of Muskegon. I further certify that the meeting was conducted and public notice was given pursuant to and in full compliance with the Michigan Zoning Enabling Act, Public Acts of Michigan No. 33 of 2006, and that minutes were kept and will be or have been made available as required thereby.

DATED: _____, 2019.

_____
Ann Meisch, MMC
Clerk, City of Muskegon

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

CITY OF MUSKEGON
NOTICE OF ADOPTION

Please take notice that on April 23, 2019, the City Commission of the City of Muskegon adopted an ordinance to amend Section 403 of the zoning ordinance to revise the intent of the Planned Unit Development option by allowing limited retail options

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

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

Published _____, 2019. CITY OF MUSKEGON

By _____
Ann Meisch, MMC
City Clerk

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

Account No. 101-80400-5354

Commission Meeting Date: April 23, 2019

Date: April 18, 2019

To: Honorable Mayor and City Commissioners

From: Planning & Economic Development

RE: Zoning Ordinance Amendment – Landscaping Requirements

SUMMARY OF REQUEST:

Staff initiated request to amend Section 2331 of the zoning ordinance to allow applicants to donate trees to the City's nursery rather than to replace trees on site during development.

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 request 8-0 at their April 11 meeting

Hearing, Case 2019-10: Staff initiated request to amend Section 2331 of the zoning ordinance to allow applicants to donate trees to the City's nursery rather than to replace trees on site during development.

SUMMARY

1. The ordinance requires that certain live trees on development sites must remain or be replanted elsewhere on site. However, that is not always possible due to limited space. Staff is suggesting that those trees may be donated to the City's nursery instead.

NEW LANGUAGE (additions in bold)

Preservation Required: All existing live trees in excess of twelve (12) inches in diameter and at four and one half (4 ½) feet above the ground shall be preserved as much as practical. **Those that must be removed and cannot be replaced on site may donate those trees to the City's nursery to be used elsewhere around the City.**

CITY OF MUSKEGON

MUSKEGON COUNTY, MICHIGAN

ORDINANCE NO._____

An ordinance to amend Section 2331 of the zoning ordinance to allow applicants to donate trees to the City's nursery rather than to replace trees on site during development.

THE CITY COMMISSION OF THE CITY OF MUSKEGON HEREBY ORDAINS:

NEW LANGUAGE

(Additions in **bold**)

Preservation Required: All existing live trees in excess of twelve (12) inches in diameter and at four and one half (4 ½) feet above the ground shall be preserved as much as practical. **Those that must be removed and cannot be replaced on site may donate those trees to the City's nursery to be used elsewhere around the City.**

This ordinance adopted:

Ayes:_____

Nayes:_____

Adoption Date:_____

Effective Date:_____

First Reading:_____

Second Reading:_____

CITY OF MUSKEGON

By: _____
Ann Meisch, MMC, City Clerk

CERTIFICATE

The undersigned, being the duly qualified clerk of the City of Muskegon, Muskegon County, Michigan, does hereby certify that the foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Muskegon, at a regular meeting of the City Commission on the 23rd day of April, 2019, at which meeting a quorum was present and remained throughout, and that the original of said ordinance is on file in the records of the City of Muskegon. I further certify that the meeting was conducted and public notice was given pursuant to and in full compliance with the Michigan Zoning Enabling Act, Public Acts of Michigan No. 33 of 2006, and that minutes were kept and will be or have been made available as required thereby.

DATED: _____, 2019.

_____
Ann Meisch, MMC
Clerk, City of Muskegon

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

CITY OF MUSKEGON
NOTICE OF ADOPTION

Please take notice that on April 23, 2019, the City Commission of the City of Muskegon adopted an ordinance to amend Section 2331 of the zoning ordinance to allow applicants to donate trees to the City's nursery rather than to replace trees on site during development.

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

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

Published _____, 2019.

CITY OF MUSKEGON

By _____
Ann Meisch, MMC
City Clerk

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

Account No. 101-80400-5354

Commission Meeting Date: April 23, 2019

Date: April 18, 2019

To: Honorable Mayor and City Commissioners

From: Planning & Economic Development

RE: Set the Public Hearing for Amendment to Brownfield Plan – City of Muskegon (Developer)

SUMMARY OF REQUEST:

To approve the attached resolution setting a public hearing for an amendment to the Brownfield Plan, and notifying taxing jurisdictions of the Brownfield Plan amendment including the opportunity to express their views and recommendations regarding the proposed amendment at the public hearing. The amendment is for the inclusion of properties in the Nelson Neighborhood owned by the City of Muskegon.

FINANCIAL IMPACT:

There is no direct financial impact in including the project in the Brownfield Plan, although the redevelopment of the site into a residential development will eventually add to the tax base in Muskegon.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

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

COMMITTEE RECOMMENDATION:

The Brownfield Redevelopment Authority met on April 9, 2019 and approved the Brownfield Plan Amendment, and recommends the approval of the Brownfield Plan Amendment to the Muskegon City Commission. In addition, the Brownfield Redevelopment Authority recommends that the Muskegon City Commission set a public hearing on the Plan Amendment for May 14, 2019.

**RESOLUTION NOTIFYING TAXING UNITS
AND CALLING PUBLIC HEARING REGARDING
APPROVAL OF AMENDMENT TO THE BROWNFIELD PLAN OF THE
CITY OF MUSKEGON BROWNFIELD REDEVELOPMENT AUTHORITY**

THE CITY OF MUSKEGON (DEVELOPER)

City of Muskegon
County of Muskegon, Michigan

_____

Minutes of a Regular Meeting of the City Commission of the City of Muskegon, County of Muskegon, Michigan (the "City"), held in the City offices, on the 26th day of April, 2019, at 5:30 p.m., prevailing Eastern Time.

PRESENT:

Members_____

_____

ABSENT: Members

_____

The following preamble and resolution were offered by Member _____ and supported by Member _____:

WHEREAS, the City of Muskegon, County of Muskegon, Michigan (the "City") is authorized by the provisions of Act 381, Public Acts of Michigan, 1996, as amended ("Act 381"), to create a brownfield redevelopment authority; and

WHEREAS, pursuant to Act 381, the City Commission of the City duly established the City of Muskegon Brownfield Redevelopment Authority (the "Authority"); and

WHEREAS, in accordance with the provisions of Act 381, the Authority has prepared and approved Brownfield Plan Amendments to include **THE CITY OF MUSKEGON (DEVELOPER)**, and

WHEREAS, the Authority has forwarded the Brownfield Plan Amendments to the City Commission requesting its approval of the Brownfield Plan Amendments and

WHEREAS, prior to approval of the Brownfield Plan Amendments, the Muskegon City Commission desires to hold a public hearing in connection with consideration of the Brownfield Plan Amendments as required by Act 381; and

WHEREAS, prior to approval of the Brownfield Plan Amendments, the City Commission is required to provide notice and a reasonable opportunity to the taxing jurisdictions levying taxes subject to capture, to express their views and recommendations regarding the Brownfield Plan Amendments.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Commission hereby acknowledges receipt of the Brownfield Plan Amendments from the Authority and directs the City Clerk to send a copy of the proposed Brownfield Plan Amendments to the governing body of each taxing jurisdiction in the City, notifying them of the City Commission's intention to consider approval of the Brownfield Plan Amendments [after the public hearing described below].

2. A public hearing is hereby called on the 14th of May, 2019 at 5:30 p.m., prevailing Eastern Time, in the City Hall Commission Chambers to consider adoption by the City Commission of a resolution approving the Brownfield Plan Amendments.

3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members

_____

_____

NAYS: Members

_____

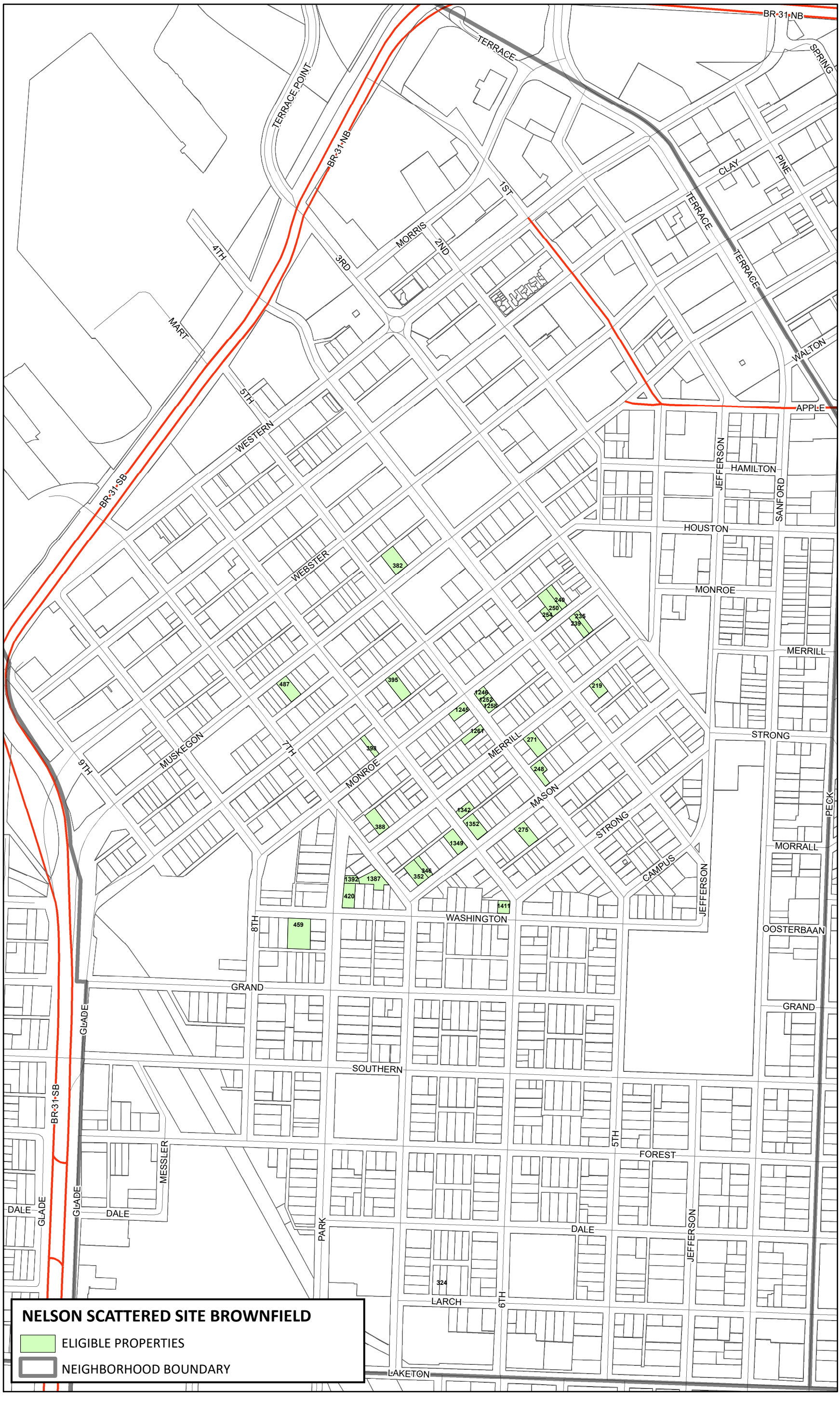
RESOLUTION DECLARED ADOPTED.

_____
Ann Meisch, City Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, State of Michigan, at a regular meeting held on April 26, 2019, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

_____
Ann Meisch, City Clerk

Attachment A
Eligible Property Map



Attachment B

	Taxable Value	Yearly Capture Amount	Total Captured	Expenses to be Reimbursed after Current Year Capture	Interest Owed per Year on Remaining Balance	Amount Paid in Current Year for Eligible Expenses	Total Amt Paid for Eligible Expenses
Year 0 (2019)	0	0	0	$848,000			
Year 1	$3,360,000	$95,247	$95,247	$795,153	$42,400.00	$52,847.00	$52,847.00
Year 2	$3,360,000	$95,247	$190,494	$739,664	$39,757.65	$55,489.35	$108,336.35
Year 3	$3,360,000	$95,247	$285,741	$681,400	$36,983.18	$58,263.82	$166,600.17
Year 4	$3,360,000	$95,247	$380,988	$620,223	$34,069.99	$61,177.01	$227,777.18
Year 5	$3,360,000	$95,247	$476,235	$555,987	$31,011.14	$64,235.86	$292,013.03
Year 6	$3,360,000	$95,247	$571,482	$488,539	$27,799.35	$67,447.65	$359,460.69
Year 7	$3,360,000	$95,247	$666,729	$417,719	$24,426.97	$70,820.03	$430,280.72
Year 8	$3,360,000	$95,247	$761,976	$343,358	$20,885.96	$74,361.04	$504,641.76
Year 9	$3,360,000	$95,247	$857,223	$265,279	$17,167.91	$78,079.09	$582,720.84
Year 10	$3,360,000	$95,247	$952,470	$183,296	$13,263.96	$81,983.04	$664,703.89
Year 11	$3,360,000	$95,247	$1,047,717	$97,214	$9,164.81	$86,082.19	$750,786.08
Year 12	$3,360,000	$95,247	$1,142,964	$6,828	$4,860.70	$90,386.30	$841,172.39
Year 13	$3,360,000	$95,247	$1,238,211	-$88,078	$341.38	$94,905.62	$936,078.00
Year 14	$3,360,000	$95,247	$1,333,458	-$187,729	-$4,403.90	$99,650.90	$1,035,728.90
Year 15	$3,360,000	$95,247	$1,428,705	-$292,362	-$9,386.45	$104,633.45	$1,140,362.35
Year 16	$3,360,000	$95,247	$1,523,952	-$402,227	-$14,618.12	$109,865.12	$1,250,227.47
Year 17	$3,360,000	$95,247	$1,619,199	-$517,586	-$20,111.37	$115,358.37	$1,365,585.84
Year 18	$3,360,000	$95,247	$1,714,446	-$638,712	-$25,879.29	$121,126.29	$1,486,712.13
Year 19	$3,360,000	$95,247	$1,809,693	-$765,895	-$31,935.61	$127,182.61	$1,613,894.74
Year 20	$3,360,000	$95,247	$1,904,940	-$899,436	-$38,294.74	$133,541.74	$1,747,436.48
Year 21	$3,360,000	$95,247	$2,000,187	-$1,039,655	-$44,971.82	$140,218.82	$1,887,655.30
Year 22	$3,360,000	$95,247	$2,095,434	-$1,186,885	-$51,982.77	$147,229.77	$2,034,885.07
Year 23	$3,360,000	$95,247	$2,190,681	-$1,341,476	-$59,344.25	$154,591.25	$2,189,476.32

Year 24	$3,360,000	$95,247	$2,285,928	-$1,503,797	-$67,073.82	$162,320.82	$2,351,797.13
Year 25	$3,360,000	$95,247	$2,381,175	-$1,674,234	-$75,189.86	$170,436.86	$2,522,233.99
Year 26	$3,360,000	$95,247	$2,476,422	-$1,853,193	-$83,711.70	$178,958.70	$2,701,192.69
Year 27	$3,360,000	$95,247	$2,571,669	-$2,041,099	-$92,659.63	$187,906.63	$2,889,099.33
Year 28	$3,360,000	$95,247	$2,666,916	-$2,238,401	-$102,054.97	$197,301.97	$3,086,401.29
Year 29	$3,360,000	$95,247	$2,762,163	-$2,445,568	-$111,920.06	$207,167.06	$3,293,568.36
Year 30	$3,360,000	$95,247	$2,857,410	-$2,663,094	-$122,278.42	$217,525.42	$3,511,093.77

Assumptions:

* Taxable value of each house is $70,000 every year, no inflation
* 48 houses are built and complete at the end of year 0

CITY OF MUSKEGON
BROWNFIELD REDEVELOPMENT AUTHORITY

BROWNFIELD PLAN AMENDMENT

NELSON NEIGHBORHOOD INFILL HOUSING PROJECT

April 9, 2019

Prepared For The City of Muskegon Brownfield Redevelopment Authority

Prepared By City of Muskegon Staff

PROJECT NAME

Nelson Neighborhood Infill Housing Project

DEVELOPER

City of Muskegon, a qualified unit of local government, as defined by Public Act 381 of 1996, as amended

ELIGIBLE PROPERTY LOCATION

There are 28 Eligible Properties for this project, most of which are not adjacent to one another. Please refer to the "Eligible Property Information Chart" and the "Eligible Property Map (Attachment A)" on the following pages.

TYPE OF ELIGIBLE PROPERTY

Blighted

SUBJECT PROJECT DESCRIPTION

The project consists of 28 vacant parcels in the Nelson Neighborhood. A majority of the homes will be single family, detached homes on small lots. However, multi-family homes will be constructed on lots that allow for them by zoning

ELIGIBLE ACTIVITIES

Seller Concessions, Preparation of Brownfield Plan

DEVELOPER'S REIMBURSABLE COSTS

$848,000

MAXIMUM DURATION OF CAPTURE

30 years

ESTIMATED TOTAL CAPITAL INVESTMENT

$9,000,000

INITIAL TAXABLE VALUE

$0 (City Owned)

1. Introduction

The City of Muskegon, Michigan (the "City"), established the Muskegon Brownfield Redevelopment Authority (the "Authority") on July 4, 1997, pursuant to Michigan Public Act 381 of 1996, as amended ("Act 381"). The primary purpose of Act 381 is to encourage the redevelopment of eligible property by providing economic incentives through tax increment financing for certain eligible activities.

The main purpose of this Brownfield Plan is to promote the redevelopment of and investment in certain "Brownfield" properties within the City. Inclusion of the subject properties within this Plan will facilitate the development of infill housing at eligible properties. By facilitating redevelopment of underutilized properties, the Plan is intended to promote economic growth for the benefit of the residents of the City and all taxing units located within and benefited by the Authority.

This Plan is intended to be a living document, which can be amended as necessary to achieve the purposes of Act 381. It is specifically anticipated that properties will be continually added to the Plan as new projects are identified. The Plan contains general provisions applicable to the Plan, as well as property-specific information for each project. The applicable Sections of Act 381 are noted throughout the Plan for reference purposes.

This Brownfield Plan contains the information required by Section 13(1) of Act 381, as amended. Additional information is available from the Muskegon City Manager or the Planning Director.

2. General Provisions

A. Costs of the Brownfield Plan (Section 13(1)(a))

Any site-specific costs of implementing this Plan are described in the site-specific section of the Plan. Site-specific sources of funding may include tax increment financing revenue generated from new development on eligible brownfield properties, state and federal grant or loan funds, and/or private parties. Where private parties finance the costs of eligible activities under the Plan, tax increment revenues may be used to reimburse the private parties. The initial costs related to preparation of the Brownfield Plan were funded by the City's general fund. Subsequent amendments to the Plan may be funded by the person requesting inclusion of a project in the Plan, and if eligible, may be reimbursed through tax increment financing.

The Authority intends to pay for administrative costs and all of the things necessary or convenient to achieve the objectives and purposes of the Authority with fees charged to

applicants to be included in the Plan, and any eligible tax increment revenues collected pursuant to the Plan, in accordance with the provisions of Act 381, including, but not limited to:

i) the cost of financial tracking and auditing the funds of the Authority,
ii) costs for amending and/or updating this Plan, and
iii) costs for Plan implementation

Tax increment revenues that may be generated and captured by this Plan are identified in the site-specific sections of this Plan.

B. Method for Financing Costs of Plan (Section 13(1)(d) and (e))

The City or Brownfield Authority may incur some debt on a site-specific basis. Please refer to the site-specific section of this Plan for details on any debt to be incurred by the City or Authority. When a property proposed for inclusion in the Plan is in an area where tax increment financing is a viable option, the Authority intends to enter into Development Agreements with the property owners/developers of properties included in the Plan to reimburse them for the costs of eligible activities undertaken pursuant to this Plan. Financing arrangements will be specified in a Development and Reimbursement Agreement, and also identified in the Site Specific section of the Plan.

C. Duration of the Brownfield Plan *(Section 13(1)(f))*

The duration of this Plan is expected to be 19 years. It is estimated that all of the homes associated with the Project (defined below) will be completed in 2020 and it is estimated that it could take 14 years to recapture eligible costs through tax increment revenues. In addition, once all activity costs are reimbursed, funds may be captured for the local site remediation revolving fund, if available. Therefore, the duration of capture for the Project (defined below) will begin no later than 2020 and will continue until such time that all the eligible activities undertaken in this Plan are reimbursed, but in no event will the Plan exceed the maximum duration provided for in (MCLA 125.2663(1)(22)). The total costs of eligible activities include the cost of principal and interest on any note or obligation issued by the Authority to pay for the costs of eligible activities, the cost of principal and interest otherwise incurred to pay for eligible activities, the reasonable costs of a work plan or remedial action plan and the costs of preparation of Brownfield Plans and amendments.

D. Displacement/Relocation of Individuals on *Eligible Properties (Section 13(1)(i),(j)(k)(l)*

At this time, eligible properties identified in this Plan do not contain existing residences, therefore the provisions of *Section 13(1)(i-l)* are not applicable at this time.

E. Local Site Remediation Revolving Fund *(Section 8; Section 13(1)(m))*

Whenever this Plan includes a property for which taxes will be captured through the tax increment financing authority provided by Act 381, it is the Authority's intent to establish and fund a Local Site Remediation Revolving Fund ("Fund"). The Fund will consist of tax increment revenues that exceed the costs of eligible activities incurred on an eligible property, as specified in Section 13(5) of Act 381. Section 13(5) authorizes the capture of tax increment revenue from an eligible property for up to 5 years after the time that capture is required for the purposes of paying the costs of eligible activities identified in the Plan. It is the intention of the Authority to continue to capture tax increment revenues for 5 years after eligible activities are funded from those properties identified for tax capture in the Plan, provided that the time frame allowed by Act 381 for tax capture is sufficient to accommodate capture to capitalize a Fund. The amount of school operating taxes captured for the Revolving Fund will be limited to the amount of school operating taxes captured for eligible environmental response activities under this Plan. It may also include funds appropriated or otherwise made available from public or private sources.

The Revolving Fund may be used to reimburse the Authority, the City, and private parties for the costs of eligible activities at eligible properties and other costs as permitted by Act 381. It may also be used for eligible activities on an eligible property for which there is no ability to capture tax increment revenues. The establishment of this Revolving Fund will provide additional flexibility to the Authority in facilitating redevelopment of brownfield properties by providing another source of financing for necessary eligible activities.

3. Site Specific Provisions

A. Eligibility and Project Description (Sec. 13(1)(h))

The eligible properties comprising the Nelson Neighborhood Infill Housing Project included in this Plan is approximately 4.29 acres of vacant spread across 28 parcels in the Nelson Neighborhood Muskegon, Michigan (See Attachment A). The parcel numbers/legal description of the eligible properties are:

1246 5th St
Parcel #24-205-378-0006-00
CITY OF MUSKEGON REVISED PLAT OF 1903 N 46 FT LOT 6 BLK 378

1252 5th St
Parcel #24-205-378-0006-10
CITY OF MUSKEGON REVISED PLAT OF 1903 NLY 44 FT OF SLY 86 FT LOT 6 BLK 378

1245 5th St
Parcel #24-205-377-0001-00

CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 1 EX SELY 79.5 FT TH'OF & E 1/2 OF LOT 2 EX SELY 79.5 FT TH'OF BLK 377

1261 5th St
Parcel #24-205-377-0011-00
CITY OF MUSKEGON REVISED PLAT OF 1903 N 1/4 LOT 11 & N 1/2 OF N 1/2 LOT 12 BLK 377

1342 6th St
Parcel #24-205-388-0006-20
CITY OF MUSKEGON REVISED PLAT OF 1903 SELY 44 FT OF SWLY 26 FT LOT 5 & SELY 44 FT OF LOT 6 BLK 388

1349 6th St
Parcel #24-205-389-0012-00
CITY OF MUSKEGON REVISED PLAT OF 1903 N 1/2 LOT 12 BLK 389

1352 6th St
Parcel #24-205-388-0007-00
CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 7 BLK 388

1411 6th St
Parcel #24-205-390-0011-20
CITYOF MUSKEGON REVISED PLAT OF 1903 LOT 11 BLK 390 EXC W 92 FT TH'OF

1387 7th St
Parcel #24-205-375-0005-00
CITY OF MUSKEGON REVISED PLAT OF 1903 SELY 74 FT LOT 5 & N 30 FT LOT 8 BLK 375

395 Houston Ave
Parcel #205-369-0004-00
CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 4 BLK 369

248 Mason Ave
Parcel #24-205-387-0007-00
CITY OF MUSKEGON REVISED PLAT OF 1903 N 1/2 LOT 7 & W 26.7 FT OF S 1/2 LOT 7 BLK 387

275 Mason Ave
Parcel #24-205-391-0003-00
CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 3 BLK 391

346 Mason Ave
Parcel #24-205-389-0009-00
CITY OF MUSKEGON REVISED PLAT OF 1903 W 30 FT LOT 9 BLK 389

352 Mason Ave
Parcel #24-205-389-0008-00
CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 8 BLK 389

219 Merrill Ave
Parcel # 24-205-386-0012-00
CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 12 BLK 386

271 Merrill Ave
Parcel #24-205-387-0005-00
CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 5 BLK 387

388 Merrill Ave
Parcel #24-205-376-0007-20
CITY OF MUSKEGON REVISED PLAT OF 1903 ELY 66 FT OF WLY 132 FT LOT 7 EXC NLY 20 FT BLK 376

235 Monroe Ave
Parcel #24-205-379-0003-10
CITY OF MUSKEGON REVISED PLAT OF 1903 E 28 FT LOT 3 BLK 379

239 Monroe Ave
Parcel #24-205-379-0003-00
CITY OF MUSKEGON REVISED PLAT OF 1903 BLK 379 W 38 FT LOT 3

240 Monroe Ave
Parcel #24-205-367-0010-00
CITY OF MUSKEGON REVISED PLAT OF 1903 W 1/2 LOT 10 BLK 367

250 Monroe Ave
Parcel #24-205-367-0009-00
CITY OF MUSKEGON REVISED PLAT OF 1903 W 1/2 LOT 9 BLK 367

254 Monroe Ave
Parcel #24-205-367-0008-10
CITY OF MUSKEGON REVISED PLAT OF 1903 E 40 FT LOT 8 BLK 367

398 Monroe Ave
Parcel #24-205-370-0011-10
CITY OF MUSKEGON REVISED PLAT OF 1903 E 27 FT OF LOT 11 BLK 370

1392 Park St
Parcel #24-205-375-0003-20
CITY OF MUSKEGON REVISED PLAT OF 1903 PART LOTS 3-4 & 11 BLK 375 COM ON S LN LOT 11 40 FT E OF SW COR TH E 84 FT TH NLY 26 FT TH NWLY TO A PT 48.5 FT N OF S LN LOT 11 TH W 62.4 FT TH S 48.5 FT TO BEG

382 W Muskegon Ave
Parcel #24-205-336-0008-00
CITY OF MUSKEGON REVISED PLAT OF 1903 SLY 24.75 FT LOT 9 & NLY 55 FT LOT 8 BLK 336

487 W Muskegon Ave
Parcel #24-205-370-0011-10

CITY OF MUSKEGON REVISED PLAT OF 1903 E 27 FT OF LOT 11 BLK 370

420 Washington Ave
Parcel #24-205-375-0010-00
CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 10 BLK 375

459 Washington Ave
Parcel #24-205-408-0002-00
CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 2 &3 BLK 408

The 28 subject properties are all zoned for residential housing. Twenty-two of the subject properties are zoned for single family residential. Ten of those lots can be split, resulting in a total of 34 parcels for single family homes. Six of the subject properties are zoned for multi-family housing. This will allow for an additional 14 housing units (11 rowhomes and one triplex). The project will result in a total of 48 housing units with an estimated investment of over $9,000,000.

The chart below depicts a listing of eligible properties and the basis for their eligibility.

Eligible Property Information Chart

Address	Tax Identification Number	Basis of Brownfield Eligibility	Approximate Acreage	Zoning
1246 5th St	24-205-378-0006-00	Seller Concessions	0.07	R-3
1252 5th St	24-205-378-0006-10	Seller Concessions	0.07	R-3
1245 5th St	24-205-377-0001-00	Seller Concessions	0.12	R-3
1261 5th St	24-205-377-0011-00	Seller Concessions	0.1	R-3
1342 6th St	24-205-388-0006-20	Seller Concessions	0.09	R-3
1349 6th St (2 lots)	24-205-389-0012-00	Seller Concessions	0.19	R-3
1352 6th St (2 lots)	24-205-388-0007-00	Seller Concessions	0.2	R-3
1411 6th St	24-205-390-0011-20	Seller Concessions	0.1	R-3
1387 7th St (2 lots)	24-205-375-0005-00	Seller Concessions	0.22	R-3
395 Houston Ave (2 lots)	24-205-369-0004-00	Seller Concessions	0.21	R-3
248 Mason Ave	24-205-387-0007-00	Seller Concessions	0.14	R-3
275 Mason Ave (2 lots)	24-205-391-0003-00	Seller Concessions	0.18	R-3
346 Mason Ave (2 lots)	24-205-389-0009-00	Seller Concessions	0.09	R-3
352 Mason Ave	24-205-389-0008-00	Seller Concessions	0.2	R-3
219 Merrill Ave	24-205-386-0012-00	Seller Concessions	0.12	R-3
271 Merrill Ave (2 lots)	24-205-387-0005-00	Seller Concessions	0.19	R-3
388 Merrill Ave (2 lots)	24-205-376-0007-20	Seller Concessions	0.2	R-3
235 Monroe Ave	24-205-379-0003-10	Seller Concessions	0.09	FBC, UR
239 Monroe Ave	24-205-379-0003-00	Seller Concessions	0.11	FBC, UR
240 Monroe Ave	24-205-367-0010-00	Seller Concessions	0.11	FBC, UR
250 Monroe Ave	24-205-367-0009-00	Seller Concessions	0.2	FBC, UR

254 Monroe Ave	24-205-367-0008-10	Seller Concessions	0.06	FBC, UR
398 Monroe Ave	24-205-370-0011-10	Seller Concessions	0.08	R-3
1392 Park St	24-205-375-0003-20	Seller Concessions	0.07	R-3
382 W Muskegon Ave	24-205-336-0008-00	Seller Concessions	0.24	R-1
487 W Muskegon Ave	24-205-347-0004-00	Seller Concessions	0.19	FBC, UR
420 Washington Ave (2 lots)	24-205-375-0010-00	Seller Concessions	0.19	R-3
459 Washington Ave (4 lots)	24-205-408-0002-00	Seller Concessions	0.46	R-3

Eligible Activities, Financing, Cost of Plan (Sec. 13(1) (a) (b) (c) (d) (g))

Eligible activities include seller concessions and Brownfield Plan preparation and development (see chart below).

Eligible Activities Chart

Eligible Activity	**Cost**
Seller Concessions	$720,000
Sub-total	$720,000
Contingency (15%)	$108,000
Brownfield Plan Preparation and Development	$20,000
Total Eligible Activities to be paid under this Plan	$848,000

The eligible activities described above will occur on the Property and are further described as follows:

1. Seller Concessions: If the sale of a home results in a loss to the developer, the difference between the cost of construction and the sale price is considered a seller concession. For this Plan, it is anticipated that each home may result in the loss of $15,000 per unit (48 units total).

2. Brownfield Plan Preparation and Development: Costs incurred to prepare and develop this brownfield plan, as required per Act 381 of 1996, as amended.

It is intended that the above eligible activities will be reimbursed with interest at 5%. An estimate of the captured taxable value and tax increment revenues, which includes the impact on the taxing jurisdictions, is included as Attachment B.

Effective Date if Inclusion in the Brownfield Plan

The Nelson Neighborhood Infill Housing Project was added to this Plan on _____, 2019 and will be amended accordingly upon adoption of this Plan Amendment.

City of Muskegon
Brownfield Redevelopment Authority
County of Muskegon, State of Michigan

RESOLUTION APPROVING REVISED BROWNFIELD PLAN AMENDMENT

THE NELSON NEIGHBORHOOD INFILL PROJECT (City of Muskegon, Developer)

Minutes of a regular meeting of the Board of the City of Muskegon Brownfield Redevelopment Authority, County of Muskegon, State of Michigan, held on the 9th day of April 2019, at 10:30 a.m., prevailing Eastern Time.

PRESENT: Members F. Peterson, M. Bottomley, D. Kalisz, M. Johnson, H. Sytsema, J. Moore, J. Wallace Jr, P. Edbrooke, B. Hastings, D. Pollock, J. Riegler, M. Kleaveland

ABSENT: Members F. DePung

The following preamble and resolution were offered by Member P. Edbrooke and supported by Member M. Kleaveland:

WHEREAS, a Brownfield Plan has been adopted pursuant to Act 381, Public Acts of Michigan, 1996, as amended ("Act 381"), a copy of which is on file with the Secretary of the City of Muskegon Brownfield Redevelopment Authority (the "Authority"); and

WHEREAS, the Authority is authorized to approve amendments to the Brownfield Plan and recommends the amendment to add the NELSON NEIGHBORHOOD INFILL PROJECT (City of Muskegon, Developer) for approval to the City of Muskegon, County of Muskegon, State of Michigan (the "City").

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. Approval of Brownfield Plan. The Board hereby adopts and approves the Brownfield Plan Amendment for the NELSON NEIGHBORHOOD INFILL project (City of Muskegon, Developer) and recommends the approval of the Brownfield Plan Amendments by the Muskegon City Commission.

2. Public Hearing. The Board hereby requests the Muskegon City Commission to provide a notice of Public Hearing on the proposed Brownfield Plan Amendments, and further requests that such hearing notice be provided to all taxing jurisdictions. Notice of the time and place of the hearing shall be given pursuant to Act 267, Public Acts of Michigan, 1976, as amended ("Open Meetings Act").

3. Deliver Resolution and Brownfield Plan to City. The Secretary of the Authority is directed to deliver a certified copy of this resolution and the Brownfield Plan Amendments to the City Clerk.

4. Disclaimer. By adoption of this resolution and approval of the Brownfield Plan Amendments, the Authority assumes no obligation or liability to the owner, developer or lessor of the Eligible Property for any loss or damage that may result to such persons from the adoption of this resolution and Brownfield Plan Amendments.

5. Work Plan Transmittal. The Chair of the Authority shall be authorized to transmit to the Michigan Strategic Fund, the Michigan Economic Development Corporation and/or the Michigan Department of Environmental Quality, on behalf of the Authority, a final Act 381 Work Plan that has been reviewed and approved by the Authority.

6. Repealer. All resolutions and parts of resolution in conflict with the provisions of this resolution are hereby repealed or amended to the extent of such conflict.

AYES: F. Peterson, M. Bottomley, D. Kalisz, M. Johnson, H. Sytsema, J. Moore, J. Wallace Jr, P. Edbrooke, B. Hastings, D. Pollock, J. Riegler, M. Kleaveland

NAYS: None

RESOLUTION DECLARED ADOPTED.

Michael I. Kleaveland, Secretary
City of Muskegon Brownfield Redevelopment Authority

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of the City of Muskegon Brownfield Redevelopment Authority, County of Muskegon, State of Michigan, at a regular meeting held on April 9, 2019, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Michael I. Kleaveland, Secretary
City of Muskegon Brownfield Redevelopment Authority

Commission Meeting Date: April 23, 2019

Date: April 18, 2019

To: Honorable Mayor and City Commissioners

From: Planning & Economic Development

RE: Set the Public Hearing for Amendment to Brownfield Plan – Sweetwater Development, LLC

SUMMARY OF REQUEST:

To approve the attached resolution setting a public hearing for an amendment to the Brownfield Plan, and notifying taxing jurisdictions of the Brownfield Plan amendment including the opportunity to express their views and recommendations regarding the proposed amendment at the public hearing. The amendment is for the inclusion of property at 292 W Western, owned by Sweetwater Development, LLC.

FINANCIAL IMPACT:

There is no direct financial impact in including the project in the Brownfield Plan, although the redevelopment of the site into a residential development will eventually add to the tax base in Muskegon.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

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

COMMITTEE RECOMMENDATION:

The Brownfield Redevelopment Authority met on April 9, 2019 and approved the Brownfield Plan Amendment, and recommends the approval of the Brownfield Plan Amendment to the Muskegon City Commission. In addition, the Brownfield Redevelopment Authority recommends that the Muskegon City Commission set a public hearing on the Plan Amendment for May 14, 2019.

**RESOLUTION NOTIFYING TAXING UNITS
AND CALLING PUBLIC HEARING REGARDING
APPROVAL OF AMENDMENT TO THE BROWNFIELD PLAN OF THE
CITY OF MUSKEGON BROWNFIELD REDEVELOPMENT AUTHORITY**

SWEETWATER DEVELOPMENT, LLC

City of Muskegon
County of Muskegon, Michigan

_____

Minutes of a Regular Meeting of the City Commission of the City of Muskegon, County of Muskegon, Michigan (the "City"), held in the City offices, on the 26th day of April, 2019, at 5:30 p.m., prevailing Eastern Time.

PRESENT:

Members_____

_____

ABSENT: Members

_____

The following preamble and resolution were offered by Member _____ and supported by Member _____:

WHEREAS, the City of Muskegon, County of Muskegon, Michigan (the "City") is authorized by the provisions of Act 381, Public Acts of Michigan, 1996, as amended ("Act 381"), to create a brownfield redevelopment authority; and

WHEREAS, pursuant to Act 381, the City Commission of the City duly established the City of Muskegon Brownfield Redevelopment Authority (the "Authority"); and

WHEREAS, in accordance with the provisions of Act 381, the Authority has prepared and approved Brownfield Plan Amendments to include **SWEETWATER DEVELOPMENT, LLC**, and

WHEREAS, the Authority has forwarded the Brownfield Plan Amendments to the City Commission requesting its approval of the Brownfield Plan Amendments and

WHEREAS, prior to approval of the Brownfield Plan Amendments, the Muskegon City Commission desires to hold a public hearing in connection with consideration of the Brownfield Plan Amendments as required by Act 381; and

WHEREAS, prior to approval of the Brownfield Plan Amendments, the City Commission is required to provide notice and a reasonable opportunity to the taxing jurisdictions levying taxes subject to capture, to express their views and recommendations regarding the Brownfield Plan Amendments.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Commission hereby acknowledges receipt of the Brownfield Plan Amendments from the Authority and directs the City Clerk to send a copy of the proposed Brownfield Plan Amendments to the governing body of each taxing jurisdiction in the City, notifying them of the City Commission's intention to consider approval of the Brownfield Plan Amendments [after the public hearing described below].

2. A public hearing is hereby called on the 14th of May, 2019 at 5:30 p.m., prevailing Eastern Time, in the City Hall Commission Chambers to consider adoption by the City Commission of a resolution approving the Brownfield Plan Amendments.

3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members

_____

_____

NAYS: Members

_____

RESOLUTION DECLARED ADOPTED.

_____
Ann Meisch, City Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, State of Michigan, at a regular meeting held on April 26, 2019, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

_____
Ann Meisch, City Clerk

CITY OF MUSKEGON
BROWNFIELD REDEVELOPMENT AUTHORITY

FIRST AMENDMENT TO THE BROWNFIELD PLAN FOR DMDC REDEVELOPMENT PROJECT - FORMER MUSKEGON MALL

Original Plan Approved by the Board of the City of Muskegon Brownfield Redevelopment Authority on **February 23, 1998,** with amendments approved 8/10/98;6/13/00; 4/15/03; 7/7/03; 4/20/04; 6/21/04; 9/8/04; 9/5/06; 2/23/07; 5/15/07; 11/12/07; 5/13/08; 6/24/08 and 4/9/13.

Original Plan Approved by the City Commission of the City of Muskegon on **April 14, 1998,** with amendments approved 8/11/98; 7/11/00; 5/27/03; 8/12/03; 5/25/04; 7/13/04; 7/27/04; 10/12/04; 10/24/06, 3/27/07; 6/12/07; 1/8/08; 5/13/08; 6/24/08 and 5/14/13

CITY OF MUSKEGON
BROWNFIELD REDEVELOPMENT AUTHORITY
BROWNFIELD PLAN

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I. INTRODUCTION

In order to promote the revitalization of commercial, industrial, and residential properties within the boundaries of the City of Muskegon (the "City"), the City established the City of Muskegon Brownfield Redevelopment Authority (the "Authority") pursuant to Act 381, Public Acts of Michigan, as amended ("Act 381"), and a resolution adopted by the Muskegon City Commission on February 10, 1998. Terms defined in Act 381 and applicable sections of the statute are noted in *italics* throughout this document.

This Brownfield Plan ("Plan") was originally intended to address the redevelopment of *eligible properties* within the City that are impacted by the presence of hazardous substances in concentrations that exceed Michigan's Part 201 Generic Cleanup Criteria *("facilities")* or that have been determined to be Functionally Obsolete or Blighted. By facilitating redevelopment of underutilized *eligible properties,* the Plan is intended to promote economic growth for the benefit of the residents of the City and all taxing units located within and benefited by the Authority.

The Plan is intended to be a living document, which can be amended as necessary to achieve the purposes of Act 381. It is specifically anticipated that properties will be continually added to the Plan as new projects are identified. The Plan contains general provisions applicable to the Plan, as well as property-specific information for each project. The applicable Sections of Act 381 are noted throughout the Plan for reference purposes.

The Plan contains the information required by Section 13(2) of Act 381, as amended. Additional information is available from the Muskegon City Manager or the Director of Planning and Economic Development.

II. GENERAL PROVISIONS

A. Costs of the Brownfield Plan *(Section 13(2)(a))*

Any site-specific costs of implementing the Plan are described in the site-specific section of the Plan. Site-specific sources of funding may include tax increment financing revenue generated from new development on eligible brownfield properties, state and federal grant or loan funds, and/or private parties. Where private parties finance the costs of eligible activities under the Plan, tax increment revenues may be used to reimburse the private parties. The initial costs related to preparation of the Plan were funded by the City's general fund. Subsequent amendments to the Plan may be funded by the person requesting inclusion of a project in the Plan, and if eligible, may be reimbursed through tax increment financing.

The Authority intends to pay for administrative costs and all of the things necessary or convenient to achieve the objectives and purposes of the Authority with fees charged to applicants to be included in the Plan and any eligible tax increment revenues collected pursuant to the Plan, in accordance with the provisions of Act 381, including, but not limited to:

i) the cost of financial tracking and auditing the funds of the Authority,
ii) costs for amending and/or updating the Plan, including legal fees, and
iii) costs for Plan implementation

Tax increment revenues that may be generated and captured by this Plan are identified in the site-specific sections of this Plan.

B. Method for Financing Costs of Plan and Bonded Indebtedness *(Section 13(2)(d) and (e))*

The City or Authority may incur some debt on a site-specific basis. Please refer to the site-specific section of the Plan for details on any debt to be incurred by the City or Authority. When a property proposed for inclusion in the Plan is in an area where tax increment financing is a viable option, the Authority intends to enter into Development and Reimbursement Agreement with the property owners/developers of properties included in the Plan to reimburse them for the costs of eligible activities undertaken pursuant to the Plan. Financing arrangements will be specified in the Development and Reimbursement Agreement, and also identified in the site-specific section of the Plan.

C. Duration of the Brownfield Plan *(Section 13(2)(f))*

The Plan, as it applies to a specific eligible property, shall be effective up to five (5) years after the year in which the total amount of any tax increment revenue captured is equal to the total costs of *eligible activities* attributable to the specific *eligible property,* or thirty (30) years from the date of first tax capture under the Plan as it relates to an individual site, whichever is less. The total costs of *eligible activities* include the cost of principal and interest on any note or obligation issued by the Authority to pay for the costs of *eligible activities*, the reasonable costs of a Work Plan, the actual costs of the Michigan Department of Environmental Quality's or Michigan Strategic Fund's review of the work plan, and implementation of the *eligible activities*.

D. Displacement/Relocation of Individuals on *Eligible Properties (Section 13(2)(i),(j)(k)(l))*

At this time, *eligible properties* identified in the Plan do not contain residences, nor are there any current plans or intentions by the City for identifying *eligible properties* that will require the relocation of the residences. Therefore the provisions of Section 13(2)(i-l) are not applicable at this time.

E. Local Brownfield Revolving Fund *(Section 8; Section 13(5)(b))*

Whenever the Plan includes a property for which taxes will be captured through Tax Increment Financing ("TIF") provided by Act 381, it is the Authority's intent to establish a Local Brownfield Revolving Fund ("Fund"). The Fund will consist of tax increment revenues that exceed the costs of eligible activities incurred on an eligible property, as specified in *Section 13(5) of Act 381.* Section 13(5) authorizes the capture of TIF from an eligible property for up to 5 years after the time that capture is required for the purposes of reimbursing the costs of eligible activities identified in the Plan. It is the intention of the Authority to continue to capture tax increment revenues for up to 5 years after eligible activities are funded from those properties identified for tax capture in the Plan, provided that the time frame allowed by Act 381 for tax capture is sufficient to accommodate capture to capitalize a Fund. The amount of school operating taxes captured for the Fund will be limited to the amount of school operating taxes captured for eligible department specific activities under the Plan. It may also include funds appropriated or otherwise made available from public or private sources.

The Fund may be used to reimburse the Authority, the City, and private parties for the costs of eligible activities at *eligible properties* and other costs as permitted by Act 381. It may also be used for eligible activities on *eligible property* for which there is no ability to capture tax increment revenues. The establishment of the Fund will provide additional flexibility to the Authority in facilitating redevelopment of brownfield properties by providing another source of financing for necessary eligible activities.

III. SITE SPECIFIC PROVISIONS

L. FORMER MUSKEGON MALL – FIRST AMENDMENT

Eligibility and Project Description (Sec. 13(2)(h))

Mall Development

The Plan that added the original Mall Property (defined below) was originally adopted in October 2004 to accommodate Downtown Muskegon Development Corporation's ("DMDC") acquisition and development of the former Muskegon Mall property in downtown Muskegon. A majority of the buildings on the 23-acre site had been demolished (See Map included as Attachment L-1.). The intent of the DMDC was to prepare the site for development and market the site to developers to create a mixed use residential, commercial, and retail development in the downtown.

Originally, the entire former Mall property was established as one parcel (the "Mall Property") when the Plan was adopted. The legal description of the Mall Property is included as Attachment L-2 and the *eligible property* included all new taxable personal property.

The Mall Property is considered a "facility" pursuant to Part 201 of the Natural Resources and Environmental Protection Act, and is therefore an *eligible property* pursuant to Act 381. Soils samples collected by Environmental Resources Management in June 2004 found concentrations of lead and mercury that exceed the Part 201 generic residential cleanup criteria.

The Mall Property was marketed by DMDC as a multi-developer site. Lots have been sold according to the needs of each developer under a condominium structure. To assure continued beautification, appropriate quality, and architectural integrity, restrictive covenants have been implemented by the DMDC to assure that the project develops according to the "Imagine Muskegon" plan. Overall guidelines for the development (i.e.: building height, style, etc.) have been developed as part of each sales agreement.

The Mall Property is serviced by city water and sewer, and has appropriate electric and natural gas service. Where appropriate, utilities have been upgraded and improved. Where possible, electrical service and cable was installed underground. As part of the original site development, a significant amount of infrastructure work was completed in preparation for future redevelopment. A majority of the work was completed using grant and loan funds and the intent was to utilize TIF under the Plan to repay the loans.

The Mall Property was subject to a tax-free Renaissance Zone through approximately 2012 and the intent was to begin capturing and reimbursing the

costs of *eligible activities,* including infrastructure improvements, demolition, site preparation, and environmental response activities undertaken after the Plan was approved.

The DMDC had originally estimated redevelopment would generate private investment of $60 million and create approximately 225 jobs.

Sweetwater Development Project

The Plan is being amended for the purpose of supporting specific eligible activities associated with a new project located within the boundaries of the Mall Property in the heart of downtown. Sweetwater Development, LLC ("Sweetwater") is proposing to redevelop a portion of the vacant lot at 292 W. Western Avenue known as Unit 24 of the Downtown Muskegon Development Center No.1 condominium plan consisting of approximately 0.32 acres located at the corner of W. Western Avenue and 2nd Street in downtown Muskegon (the "Sweetwater Property"). Sweetwater is proposing to construct a new six-story mixed use building that will contain approximately 48,000 sf and include a mix of first floor retail, office and residential space above approximately 8,000 sf of underground parking that would provide an estimated twenty-eight (28) parking spaces (the "Sweetwater Project"). The Sweetwater Project's first floor retail space would include an estimated two (2) units with approximately 7,200 sf and two (2) stories of commercial office space above with approximately 7,300 sf on each floor. The Sweetwater Project's remaining three (3) floors would include six (6) units on each floor (18 total units) with a mix of one and two bedroom units.

The Sweetwater Project will provide mixed use infill development along W. Western Avenue in the heart of downtown Muskegon. Total capital investment is estimated at approximately $8.7 million and it is currently anticipated construction would begin in spring 2019 with eligible activities completed within 12 months.

Eligible Activities, Financing, Cost of Plan (Sec. 13(2)(a), (b), (c) (g)

Mall Development

Eligible activities that have been conducted on the Property include department specific activities, demolition, lead and asbestos abatement, infrastructure improvements, site preparation, and brownfield plan and work plan preparation and development. TIF has been and will be used to reimburse the City, DMDC, and developers for the cost of *eligible activities* undertaken by those parties and authorized pursuant to Act 381. No costs shall be reimbursed with school operating tax increment revenues unless they are conducted pursuant to a work

plan approved by the Michigan Department of Environmental Quality or the Michigan Strategic Fund, unless otherwise authorized by Act 381.

The following are *eligible activities* that have been and may be reimbursed through Brownfield tax increment revenues:

1. Department Specific Activities: Activities necessary for developers to undertake their environmental due diligence, and any necessary costs related to Due Care obligations, including preparation of Due Care Plans and implementation of Due Care Response Activities, are estimated at $100,000. This amount is intended to accommodate the needs of the several developers anticipated to be involved in the Mall Property redevelopment and include Phase I, II and BEAs.

2. Demolition Activities, including Lead and Asbestos Abatement: Demolition of most of the buildings on the Mall Property was completed prior to original adoption of the Plan. However, subsequent developers may require selective interior and exterior demolition of remaining improvements on the Mall Property. Demolition costs were estimated at $700,000.

3. Infrastructure Improvements: First, Second, Jefferson and Market Streets were rededicated in a grid similar to the original street layout for downtown Muskegon. DMDC sold the road and sidewalk right-of-ways to the City to accommodate rededication of these streets. The City then constructed the roads, sidewalks, streetscape, lighting and design. The cost for the improvements were estimated at $1,000,000 and initial costs were covered through a combination of grants and loans, including a ULA Loan for $700,000 that TIF is being used to repay.

4. Site Preparation Activities: Surveys, borings, testing, staking, etc. costs were estimated at $100,000.

In addition to the eligible activities listed above, the Authority intends to capture tax increment revenues for the following costs, as applicable and available by law:

Brownfield Redevelopment Authority Administrative Costs: Reasonable and actual administrative and operating costs of the Authority from non-school taxes would be captured. Up to $50,000/year will be captured from the Mall Property for Administrative Costs of the Authority.

Financing Costs: The Authority intends to capture tax increment revenue to pay for interest on the eligible expenses incurred. Interest is calculated at 5%, compounded annually, with payback beginning in 2013.

Local Brownfield Revolving Fund: The Authority intends to capture local tax increment revenue for up to five years after all eligible activities plus interest are reimbursed, for deposit into the Fund. The amount of school operating taxes captured for the Fund will be limited to the amount of school operating taxes captured for MDEQ eligible activities under the Plan. There will be no use of the Fund to finance the redevelopment.

Subject to the priority of capture outlined below for the Sweetwater Project, an estimate of the yearly captured taxable value and tax increment revenues for from the Mall Property and Sweetwater Property are shown in the tax capture table included as Attachment L-4. This table also shows the estimate of the impact of tax increment financing on the revenues of all taxing jurisdictions affected by this tax capture. The Mall Property and Sweetwater Property are located within the City's Downtown Development Authority ("DDA") tax increment financing boundary and it is expected that the Authority will formalize a pass-through agreement with the DDA to ensure full brownfield capture by the Authority for the purpose of reimbursing eligible activities under the Plan.

Sweetwater Development Project

It is intended that the amended Plan shall provide priority for reimbursement of *eligible activities* conducted on the Sweetwater Property for the Sweetwater Project, including department specific activities (i.e. Phase I and II Environmental Site Assessment), site preparation, and infrastructure improvements. TIF revenues generated from the Sweetwater Project will first be used to reimburse the Sweetwater Project developer for the cost of eligible activities undertaken by the developer on the Sweetwater Property. Following full reimbursement of the Sweetwater Project eligible activities, TIF generated by the Sweetwater Property may be used for any other purpose allowable under Act 381 and the Plan.

The following are *eligible activities* that may be reimbursed through TIF revenues:

1. Department Specific Activities: Phase I and II Environmental Site Assessments have been completed prior to acquisition of the Sweetwater Property at a cost of up to $20,000.

2. Site Preparation: Site preparation activities including temporary fencing, temporary security, temporary erosion control, grading and land balancing, sheet piling and excavation for underground parking are estimated at $80,000.

3. Infrastructure Improvements: Infrastructure improvements made in connection with the Sweetwater Project include the construction of an underground parking structure that will provide approximately eighteen (18) spaces with another ten (10) above and road repairs/improvements in the public ROW and are estimated at $833,000.

4. Contingency: A 15% contingency is included to cover unexpected cost overruns encountered during rehabilitation is estimated at $136,950.

5. Brownfield Plan and/or Work Plan Preparation and Implementation: The costs incurred to prepare, develop and implement this amended Plan amendment and an Act 381 Work Plan are estimated at $30,000.

Financing (Section 13(2)(d)

Financing to pay for infrastructure costs for the original Mall Property redevelopment came from a variety of grants and loans. It was intended TIF would be used to cover the cost of *eligible activities* not covered by the grant funds and to repay any outstanding loans used to pay for the infrastructure. Remaining eligible activities funded by private developers would be reimbursed under the amended Plan as-needed in order to foster redevelopment of the downtown. A Development and Reimbursement Agreement will be negotiated with any developer incurring *eligible activities* to provide for reimbursement through TIF.

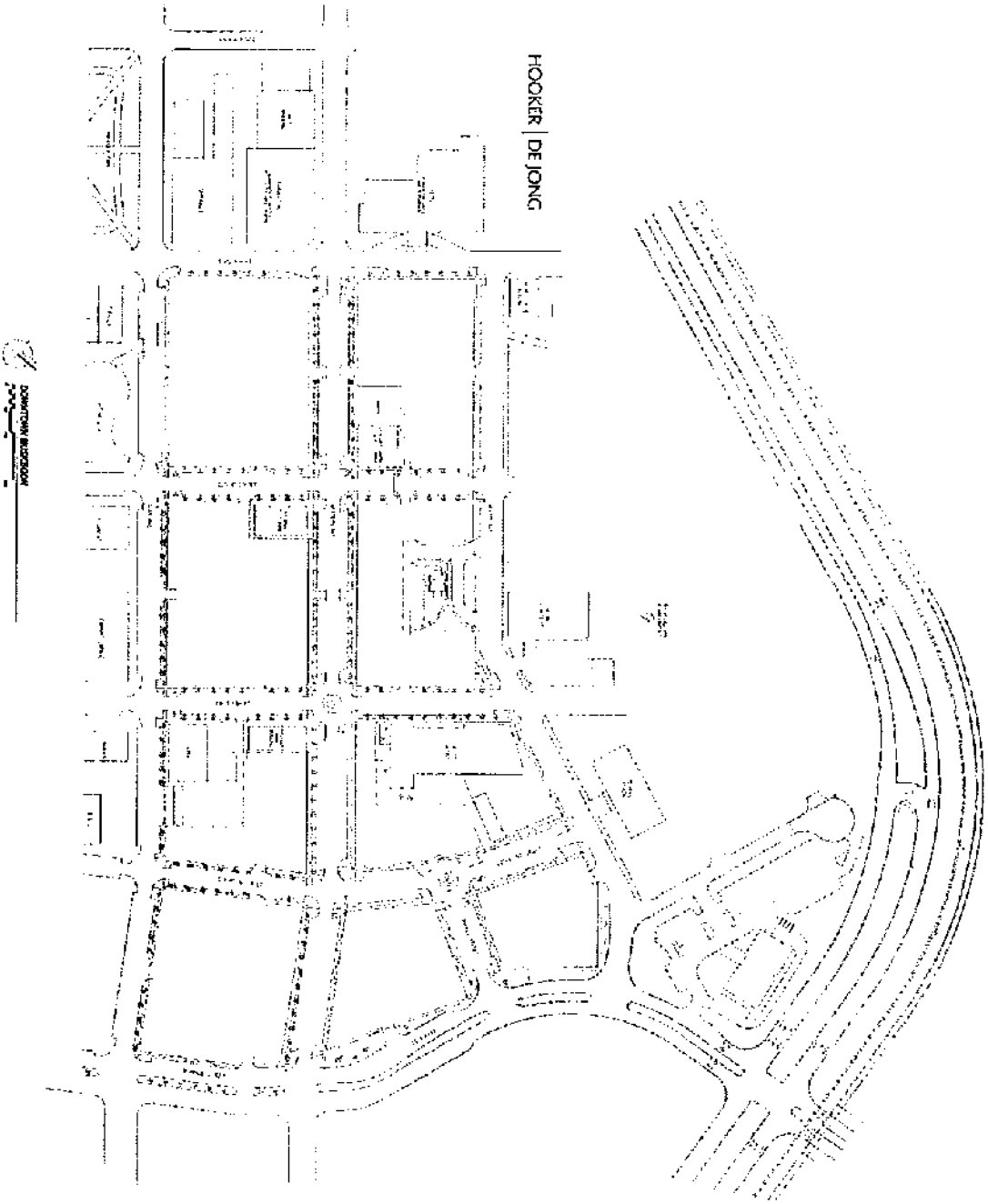
Effective Date of Inclusion in Brownfield Plan

The Mall Property was originally added to the Plan on October 12, 2004 with available capture commencing in 2013. It is intended the duration of the Plan capture is the lesser of full reimbursement of eligible activities or 30 years with capture beginning no later than the availability of capture or 2009, whichever comes first.

ATTACHMENT L-1

SITE MAP

Mall Property



Sweetwater Property

ATTACHMENT L-2

LEGAL DESCRIPTION

CITY OF MUSKEGON
REVISED PLAT OF 1903
MUSKEGON MALL PROPERTY
THAT PART OF
BLK 309, BLK 310, ELK 311,
BLK 312, BLK 559, ELK 560,
BLK 561, BLK 564,
AND BLK 565 DESC AS
ENTIRE BLK 309
LYING WLY OF WLY LINE TERRACE ST AS RELOCATED
(WIN LINE OF TERRACE ST RELOCATED DESC AT END OF DESC)
INCLUDING E/W AND N/S ALLEYS VACATED IN SD BLK
ALSO ELK 310 LOTS 1 TO 11 INCLUSIVE
AND NLY 1/2 OF VAC E/W ALLEY ADJ THERE TO
AND LOT 18 AND SLY 1/2 OF E/W ALLEY ADJ THERE TO SD BLK 310
ALSO ENTIRE ELK 311 EXC E/W ALLEY IN SD BLK
ALSO ENTIRE BLK 312 INCLUDING ALL VAC ALLEYS TN SD BLK
ALSO LOTS 7 TO 16 INCLUSIVE BLK 559
LYING SLY OF MORRIS ST AND WLY OF TERRACE ST AS RELOCATED
(SEE DESCRIPTION OF MORRIS/TERRACE BELOW)
ALSO ENTIRE ELK 560 INCLUDING VAC ALLEY IN SD BLK
ALSO LOTS 3 TO 15 BLK 561 LYING SELY OF SELY LINE MORRIS ST
AND SELY 1/2 OF VAC 18 FT ALLEY THAT RUNS SW TO NE IN SD BLK 561
ALSO LOTS I AND 2 AND LOT 7 AND LOTS 8 TO 13 INCLUSIVE BLK 564
ALSO LOTS 1 TO 18 INCLUSIVE ELK 565
AND ENTIRE VAC ALLEY ADJ TO LOTS 3 TO 15 INCLUSIVE SD BLK 565
ALSO INCL ENTIRE VAC WESTERN AVE
ELY OF 3RD ST AND WLY OF TERRACE ST AS RELOCATED
ALSO INCL VAC JEFFERSON ST N OF CLAY AVE
ALSO INCL VAC JEFFERSON ST N OF WESTERN AVE
AND S OF MORRIS AVE
ALSO INCL VAC MARKET ST WLY OF TERRACT ST (RELOCATED) AND ELY
OF A LINE DESC AS BEG AT SE COR LOT 2 ELK 561
TH SELY ALD E LINE SD LOT 2 IF EXTENDED 33 FT
TH SWLY ALG C/L OF MARKET ST
TO INTERSECTION WITH WESTERN AVE FOR POE OF SD LINE
ALSO INCL SWLY 1/2 OF VAC 1ST ST
ADJ TO LOTS 13 14 AND ALLEY IN BLK 311
ALSO INCL ENTIRE VAC FIRST STREET
LYING N OF NLY ALLEY SD BLK 311
AND S OF A LINE DESC AS
COM AT NE COR LOT 13 BLK 564
TH NE ALONG EXTENTION OF N LINE SD LOT 13 10 FT M/L
TH S 86D OOM 005 E 5.66 FT
TH S 41D 33M 00S E 43.1 FT
TH S 86D OOM 005 E 17.9 FT

THN 49D 00M 00S E 199.83 FT TO POE OF SD LINE
THAT PART OF 2ND ST
OF SLY LINE OF ALLEY IN ELK 565
IDED ELY TO NW COR LOT 8 BLK 564
CL THAT PART OF SWLY 1/2 OF 2ND ST
LOT 18 BLK 565 AND LOTS BLK 564
ATED LINES OF MORRIS AVENUE AND TERRACE ST IS AS FOLLOWS:
/ COR LOT 19 ELK 309
LG N LINE CLAY AVE 338.40 FT FOR POB
NE TERRACE ST
M 00S W 190.25 FT
ALO SWLY LINE TERRACE ST
ON ARC OF 482.50 ET RAD CURVE TO LEFT 221.25 FT
(LONG CHORD BEARS N 50D 40M W 219.27 FT)
THN 63D 48M W ALO SWLY LINE TERRACE ST 284.90 FT
TH N 63D 48M W ALO SWLY LINE TERRACE ST 211.80 FT
TI! WLY ALG ARC OF 82 FT RAD CURVE TO LEFT128.47 FT
(LONG CHORD BEARING S 71D 19M W 115.73 FT
TO My LINE MORRIS AVE)
AND POE OF WLY LINE TERRACE ST RELOCATED

ATTACHMENT L-3

SUMMARY OF ELIGIBLE ACTIVITIES
FORMER MUSKEGON MALL

Eligible Activities Costs		
	Mall Cost	**Sweetwater Cost**
BEA and Due Care Activities	$100,000	$20,000
MDEQ Eligible Activities Total Cost	**$100,000**	**$20,000**
Demolition	**$700,000**	**$0**
Site Preparation	$100,000	
Temporary Construction Fencing		$5,000
Temporary Erosion Control		$5,000
Temporary Security/Shoring of Utilities		$15,000
Excavation for underground parking, Land Balancing and Grading		$55,000
Site Preparation Sub-Total	**$100,000**	**$80,000**
Infrastructure Improvements	$1,000,000	
Parking Structure (Private)		
A/E		$48,616
Sheet piling		$35,000
Concrete		$460,134
Plumbing		$25,000
Metals		$25,000
Waterproofing		$75,000
Doors/Openings		$12,000
Parking Equipment		$17,500
Fire Protection		$35,000
HVAC		$60,000
Electrical		$24,750
Improvements in Right of Way (Public)		
Sidewalks 833 @ $6		$5,000
Curb and Gutter 250LF @ $20		$5,000
Concrete Paving Repair		$5,000
Infrastructure Improvements Sub-Total	**$1,000,000**	**$833,000**
Total Eligible Activities	**$1,900,000**	**$933,000**
Contingency (15%)		$139,950
Brownfield/Work Plan Preparation and Development		$30,000
Total Eligible Activities	**$1,900,000**	**$1,102,950**

***Interest on Mall costs will be reimbursed with Interest up to $5%.**

ATTACHMENT L-4

TAX CAPTURE ESTIMATES
FORMER MUSKEGON MALL

City of Muskegon
Brownfield Redevelopment Authority
County of Muskegon, State of Michigan

RESOLUTION APPROVING REVISED BROWNFIELD PLAN AMENDMENT

THE LEONARD BUILDING DEVELOPMENT PROJECT (Sweetwater Development, LLC)

Minutes of a regular meeting of the Board of the City of Muskegon Brownfield Redevelopment Authority, County of Muskegon, State of Michigan, held on the 12th day of March 2019, at 10:30 a.m., prevailing Eastern Time.

PRESENT: Members F. Peterson, M. Bottomley, D. Kalisz, M. Johnson, H. Sytsema, J. Moore, J. Wallace Jr, P. Edbrooke, B. Hastings, D. Pollock, F. DePung, M. Kleaveland

ABSENT: Members J. Riegler

The following preamble and resolution were offered by Member D. Pollack and supported by Member J. Moore:

WHEREAS, a Brownfield Plan has been adopted pursuant to Act 381, Public Acts of Michigan, 1996, as amended ("Act 381"), a copy of which is on file with the Secretary of the City of Muskegon Brownfield Redevelopment Authority (the "Authority"); and

WHEREAS, the Authority is authorized to approve amendments to the Brownfield Plan and recommends the amendment to add The Leonard Building Development Project (Sweetwater Development LLC), for approval to the City of Muskegon, County of Muskegon, State of Michigan (the "City").

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. Approval of Brownfield Plan. The Board hereby adopts and approves the Brownfield Plan Amendment for The Leonard Building (Sweetwater Development LLC), project and recommends the approval of the Brownfield Plan Amendments by the Muskegon City Commission.

2. Public Hearing. The Board hereby requests the Muskegon City Commission to provide a notice of Public Hearing on the proposed Brownfield Plan Amendments, and further requests that such hearing notice be provided to all taxing jurisdictions. Notice of the time and place of the hearing shall be given pursuant to Act 267, Public Acts of Michigan, 1976, as amended ("Open Meetings Act").

3. Deliver Resolution and Brownfield Plan to City. The Secretary of the Authority is directed to deliver a certified copy of this resolution and the Brownfield Plan Amendments to the City Clerk.

4. Disclaimer. By adoption of this resolution and approval of the Brownfield Plan Amendments, the Authority assumes no obligation or liability to the owner, developer or lessor of the Eligible Property for any loss or damage that may result to such persons from the adoption of this resolution and Brownfield Plan Amendments.

5. Work Plan Transmittal. The Chair of the Authority shall be authorized to transmit to the Michigan Strategic Fund, the Michigan Economic Development Corporation and/or the Michigan Department of Environmental Quality, on behalf of the Authority, a final Act 381 Work Plan that has been reviewed and approved by the Authority.

6. Repealer. All resolutions and parts of resolution in conflict with the provisions of this resolution are hereby repealed or amended to the extent of such conflict.

AYES: F. Peterson, M. Bottomley, D. Kalisz, M. Johnson, H. Sytsema, J. Moore, J. Wallace Jr, P. Edbrooke, B. Hastings, D. Pollock, F. DePung, M. Kleaveland

NAYS: None

RESOLUTION DECLARED ADOPTED.

Michael I. Kleaveland, Secretary
City of Muskegon Brownfield Redevelopment Authority

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of the City of Muskegon Brownfield Redevelopment Authority, County of Muskegon, State of Michigan, at a regular meeting held on March 12, 2019, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Michael I. Kleaveland, Secretary
City of Muskegon Brownfield Redevelopment Authority

Tax Increment Revenue Capture Estimates
Former Muskegon Mall
Muskegon, Michigan
December 6, 2018

Estimated Taxable Value (TV) Increase Rate: 1.50%

Plan Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Calendar Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Base Taxable Value	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Estimated New TV	$ -	$ -	$ -	$ -	$ 3,200,391	$ 3,442,850	$ 3,117,735	$ 3,187,686	$ 3,106,755	$ 3,153,356	$ 3,200,657	$ 3,248,667	$ 3,297,397	$ 3,346,857
Incremental Difference (New TV - Base TV)	**$ -**	**$ -**	**$ -**	**$ -**	**$ 3,200,391**	**$ 3,442,850**	**$ 3,117,735**	**$ 3,187,686**	**$ 3,106,755**	**$ 3,153,356**	**$ 3,200,657**	**$ 3,248,667**	**$ 3,297,397**	**$ 3,346,857**
School Capture	Millage Rate													
State Education Tax (SET)	6.0000	$ -	$ -	$ -	$ -	$ 9,601	$ 15,493	$ 18,706	$ 19,126	$ 18,640	$ 18,920	$ 19,204	$ 19,492	$ 19,784	$ 20,081
School Operating Tax	18.0000	$ -	$ -	$ -	$ -	$ 26,408	$ 43,014	$ 51,338	$ 52,825	$ 52,865	$ 56,760	$ 57,612	$ 58,476	$ 59,353	$ 60,243
School Total	**24.0000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 36,009**	**$ 58,507**	**$ 70,044**	**$ 71,951**	**$ 71,505**	**$ 75,681**	**$ 76,816**	**$ 77,968**	**$ 79,138**	**$ 80,325**
Local Capture	Millage Rate													
City Operating	10.0869	$ -	$ -	$ -	$ -	$ 15,340	$ 26,048	$ 31,449	$ 32,165	$ 31,350	$ 31,808	$ 32,285	$ 32,769	$ 33,261	$ 33,759
County Operating	5.6984	$ -	$ -	$ -	$ -	$ 9,119	$ 14,714	$ 17,766	$ 18,165	$ 17,703	$ 17,969	$ 18,239	$ 18,512	$ 18,790	$ 19,072
City Sanitation	3.0000	$ -	$ -	$ -	$ -	$ 4,000	$ 7,746	$ 9,353	$ 9,563	$ 9,320	$ 9,460	$ 9,602	$ 9,746	$ 9,892	$ 10,041
County Museum	0.3221	$ -	$ -	$ -	$ -	$ 515	$ 832	$ 1,004	$ 1,027	$ 1,001	$ 1,016	$ 1,031	$ 1,046	$ 1,062	$ 1,078
Senior Services	0.4998	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,594	$ 1,553	$ 1,576	$ 1,600	$ 1,624	$ 1,648	$ 1,673
County Veterans	0.0752	$ -	$ -	$ -	$ -	$ 120	$ 194	$ 234	$ 240	$ 233	$ 237	$ 241	$ 244	$ 248	$ 252
County Qual Life	0.2400	$ -	$ -	$ -	$ -	$ 960	$ 895	$ 749	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Central Dispatch	0.3000	$ -	$ -	$ -	$ -	$ 480	$ 775	$ 936	$ 956	$ 932	$ 946	$ 960	$ 975	$ 989	$ 1,004
Comm College	2.2037	$ -	$ -	$ -	$ -	$ 3,526	$ 5,690	$ 6,871	$ 7,025	$ 6,846	$ 6,949	$ 7,053	$ 7,159	$ 7,266	$ 7,375
MAISD	4.7580	$ -	$ -	$ -	$ -	$ 6,013	$ 9,704	$ 11,716	$ 11,980	$ 11,675	$ 15,004	$ 15,229	$ 15,457	$ 15,689	$ 15,924
Hackley Library	2.4000	$ -	$ -	$ -	$ -	$ 3,840	$ 6,197	$ 7,482	$ 7,651	$ 7,456	$ 7,568	$ 7,682	$ 7,797	$ 7,914	$ 8,032
Local Total	**29.5841**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 43,913**	**$ 72,795**	**$ 87,560**	**$ 90,366**	**$ 88,069**	**$ 92,532**	**$ 93,920**	**$ 95,329**	**$ 96,759**	**$ 98,211**
Non-Capturable Millages	Millage Rate													
Comm College Debt	0.3400	$ -	$ -	$ -	$ -	$ -	$ 878	$ 1,060	$ 1,084	$ 1,057	$ 1,072	$ 1,088	$ 1,105	$ 1,121	$ 1,138
Hackley Debt	0.5611	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,750	$ 1,581	$ 1,553	$ 1,769	$ 1,796	$ 1,823	$ 1,850	$ 1,878
MPS Debt - 1995	4.7000	$ -	$ -	$ -	$ -	$ -	$ -	$ 14,653	$ 14,982	$ 14,602	$ 14,821	$ 15,043	$ 15,269	$ 15,498	$ 15,730
MPS Debt - 2009	2.1000	$ -	$ -	$ -	$ -	$ -	$ -	$ 6,547	$ 6,694	$ 6,524	$ 6,622	$ 6,721	$ 6,822	$ 6,925	$ 7,028
Total Non-Capturable Taxes	**7.7011**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 878**	**$ 24,011**	**$ 24,341**	**$ 23,736**	**$ 24,284**	**$ 24,649**	**$ 25,018**	**$ 25,394**	**$ 25,774**
Total Tax Increment Revenue (TIR) Available for Capture		$ -	$ -	$ -	$ -	$ 79,922	$ 131,302	$ 157,604	$ 162,317	$ 159,574	$ 168,213	$ 170,736	$ 173,297	$ 175,897	$ 178,535

Footnotes:
Ren Zone expired and first year of available capture was 2013.
Past capture shown through 2017 with inflation at 1.5% thereafter

Tax Increment Revenue Capture Estimates
Former Muskegon Mall
Muskegon, Michigan
December 6, 2018

Estimated Taxable Value (TV) Increase Rate:

Plan Year	**15**	**16**	**17**	**18**	**19**	**20**	**21**	**22**	**23**	**24**	**25**	**26**	**27**	**28**
Calendar Year	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Base Taxable Value	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Estimated New TV	$ 3,397,060	$ 3,448,016	$ 3,499,736	$ 3,552,233	$ 3,605,516	$ 3,659,599	$ 3,714,493	$ 3,770,210	$ 3,826,763	$ 3,884,165	$ 3,942,427	$ 4,001,564	$ 4,061,587	$ 4,122,511
Incremental Difference (New TV - Base TV)	**$ 3,397,060**	**$ 3,448,016**	**$ 3,499,736**	**$ 3,552,233**	**$ 3,605,516**	**$ 3,659,599**	**$ 3,714,493**	**$ 3,770,210**	**$ 3,826,763**	**$ 3,884,165**	**$ 3,942,427**	**$ 4,001,564**	**$ 4,061,587**	**$ 4,122,511**
School Capture Millage Rate														
State Education Tax (SET) 6.0000	$ 20,382	$ 20,688	$ 20,998	$ 21,313	$ 21,633	$ 21,958	$ 22,287	$ 22,621	$ 22,961	$ 23,305	$ 23,655	$ 24,009	$ 24,370	$ 24,735
School Operating Tax 18.0000	$ 61,147	$ 62,064	$ 62,995	$ 63,940	$ 64,899	$ 65,873	$ 66,861	$ 67,864	$ 68,882	$ 69,915	$ 70,964	$ 72,028	$ 73,109	$ 74,205
School Total 24.0000	**$ 81,529**	**$ 82,752**	**$ 83,994**	**$ 85,254**	**$ 86,532**	**$ 87,830**	**$ 89,148**	**$ 90,485**	**$ 91,842**	**$ 93,220**	**$ 94,618**	**$ 96,038**	**$ 97,478**	**$ 98,940**
Local Capture Millage Rate														
City Operating 10.0869	$ 34,266	$ 34,780	$ 35,301	$ 35,831	$ 36,368	$ 36,914	$ 37,468	$ 38,030	$ 38,600	$ 39,179	$ 39,767	$ 40,363	$ 40,969	$ 41,583
County Operating 5.6984	$ 19,358	$ 19,648	$ 19,943	$ 20,242	$ 20,546	$ 20,854	$ 21,167	$ 21,484	$ 21,806	$ 22,134	$ 22,466	$ 22,803	$ 23,145	$ 23,492
City Sanitation 3.0000	$ 10,191	$ 10,344	$ 10,499	$ 10,657	$ 10,817	$ 10,979	$ 11,143	$ 11,311	$ 11,480	$ 11,652	$ 11,827	$ 12,005	$ 12,185	$ 12,368
County Museum 0.3221	$ 1,094	$ 1,111	$ 1,127	$ 1,144	$ 1,161	$ 1,179	$ 1,196	$ 1,214	$ 1,233	$ 1,251	$ 1,270	$ 1,289	$ 1,308	$ 1,328
Senior Services 0.4998	$ 1,698	$ 1,723	$ 1,749	$ 1,775	$ 1,802	$ 1,829	$ 1,857	$ 1,884	$ 1,913	$ 1,941	$ 1,970	$ 2,000	$ 2,030	$ 2,060
County Veterans 0.0752	$ 255	$ 259	$ 263	$ 267	$ 271	$ 275	$ 279	$ 284	$ 288	$ 292	$ 296	$ 301	$ 305	$ 310
County Qual Life 0.2400	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Central Dispatch 0.3000	$ 1,019	$ 1,034	$ 1,050	$ 1,066	$ 1,082	$ 1,098	$ 1,114	$ 1,131	$ 1,148	$ 1,165	$ 1,183	$ 1,200	$ 1,218	$ 1,237
Comm College 2.2037	$ 7,486	$ 7,598	$ 7,712	$ 7,828	$ 7,945	$ 8,065	$ 8,186	$ 8,308	$ 8,433	$ 8,560	$ 8,688	$ 8,818	$ 8,951	$ 9,085
MAISD 4.7580	$ 16,163	$ 16,406	$ 16,652	$ 16,902	$ 17,155	$ 17,412	$ 17,674	$ 17,939	$ 18,208	$ 18,481	$ 18,758	$ 19,039	$ 19,325	$ 19,615
Hackley Library 2.4000	$ 8,153	$ 8,275	$ 8,399	$ 8,525	$ 8,653	$ 8,783	$ 8,915	$ 9,049	$ 9,184	$ 9,322	$ 9,462	$ 9,604	$ 9,748	$ 9,894
Local Total 29.5841	**$ 99,684**	**$ 101,179**	**$ 102,697**	**$ 104,237**	**$ 105,801**	**$ 107,388**	**$ 108,998**	**$ 110,633**	**$ 112,293**	**$ 113,977**	**$ 115,687**	**$ 117,422**	**$ 119,184**	**$ 120,971**
Non-Capturable Millages Millage Rate														
Comm College Debt 0.3400	$ 1,155	$ 1,172	$ 1,190	$ 1,208	$ 1,226	$ 1,244	$ 1,263	$ 1,282	$ 1,301	$ 1,321	$ 1,340	$ 1,361	$ 1,381	$ 1,402
Hackley Debt 0.5611	$ 1,906	$ 1,935	$ 1,964	$ 1,993	$ 2,023	$ 2,053	$ 2,084	$ 2,115	$ 2,147	$ 2,179	$ 2,212	$ 2,245	$ 2,279	$ 2,313
MPS Debt - 1995 4.7000	$ 15,966	$ 16,206	$ 16,449	$ 16,695	$ 16,946	$ 17,200	$ 17,458	$ 17,720	$ 17,986	$ 18,256	$ 18,529	$ 18,807	$ 19,089	$ 19,376
MPS Debt - 2009 2.1000	$ 7,134	$ 7,241	$ 7,349	$ 7,460	$ 7,572	$ 7,685	$ 7,800	$ 7,917	$ 8,036	$ 8,157	$ 8,279	$ 8,403	$ 8,529	$ 8,657
Total Non-Capturable Taxes 7.7011	**$ 26,161**	**$ 26,554**	**$ 26,952**	**$ 27,356**	**$ 27,766**	**$ 28,183**	**$ 28,606**	**$ 29,035**	**$ 29,470**	**$ 29,912**	**$ 30,361**	**$ 30,816**	**$ 31,279**	**$ 31,748**
Total Tax Increment Revenue (TIR) Available for Capture	$ 181,213	$ 183,931	$ 186,690	$ 189,491	$ 192,333	$ 195,218	$ 198,146	$ 201,118	$ 204,135	$ 207,197	$ 210,305	$ 213,460	$ 216,662	$ 219,912

Footnotes:
Ren Zone expired and first year of available capture was 2013.
Past capture shown through 2017 with inflation at 1.5% thereafter

Tax Increment Revenue Capture Estimates
Former Muskegon Mall
Muskegon, Michigan
December 6, 2018

Estimated Taxable Value (TV) Increase Rate:

Plan Year		29	30	TOTAL
Calendar Year		2037	2038	
Base Taxable Value		$ -	$ -	$ -
Estimated New TV		$ 4,184,349	$ 4,247,114	$ 4,247,114
Incremental Difference (New TV - Base TV)		**$ 4,184,349**	**$ 4,247,114**	$ 4,247,114
School Capture	Millage Rate			
State Education Tax (SET)	6.0000	$ 25,106	$ 25,483	$ 544,552
School Operating Tax	18.0000	$ 75,318	$ 76,448	$ 1,615,407
School Total	**24.0000**	**$ 100,424**	**$ 101,931**	**$ 2,159,959**
Local Capture	Millage Rate			
City Operating	10.0869	$ 42,207	$ 42,840	$ 914,700
County Operating	5.6984	$ 23,844	$ 24,202	$ 517,180
City Sanitation	3.0000	$ 12,553	$ 12,741	$ 271,475
County Museum	0.3221	$ 1,348	$ 1,368	$ 29,234
Senior Services	0.4998	$ 2,091	$ 2,123	$ 41,714
County Veterans	0.0752	$ 315	$ 319	$ 6,824
County Qual Life	0.2400	$ -	$ -	$ 2,604
Central Dispatch	0.3000	$ 1,255	$ 1,274	$ 27,228
Comm College	2.2037	$ 9,221	$ 9,359	$ 200,005
MAISD	4.7580	$ 19,909	$ 20,208	$ 418,236
Hackley Library	2.4000	$ 10,042	$ 10,193	$ 217,820
Local Total	**29.5841**	**$ 122,786**	**$ 124,628**	**$ 2,647,019**
Non-Capturable Millages	Millage Rate			
Comm College Debt	0.3400	$ 1,423	$ 1,444	$ 30,315
Hackley Debt	0.5611	$ 2,348	$ 2,383	$ 48,181
MPS Debt - 1995	4.7000	$ 19,666	$ 19,961	$ 406,909
MPS Debt - 2009	2.1000	$ 8,787	$ 8,919	$ 181,811
Total Non-Capturable Taxes	**7.7011**	**$ 32,224**	**$ 32,707**	**$ 667,216**
Total Tax Increment Revenue (TIR) Available for Capture		$ 223,210	$ 226,558	$ 4,806,978

Footnotes:
Ren Zone expired and first year of available capture was 2013.
Past capture shown through 2017 with inflation at 1.5% thereafter

Tax Increment Revenue Capture Estimates
Sweetwater Development
Muskegon, Michigan
December 6, 2018

Estimated Taxable Value (TV) Increase Rate:		1.50%		**Commercial Rehab Abatement**											
Plan Year		**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**
Calendar Year		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Base Taxable Value		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Estimated New TV		$ -	$ 50,000	$ 1,724,098	$ 1,749,959	$ 1,776,209	$ 1,802,852	$ 1,829,895	$ 1,857,343	$ 1,885,203	$ 1,913,481	$ 1,942,184	$ 1,971,316	$ 2,000,886	$ 2,030,899
Incremental Difference (New TV - Base TV)		**$ -**	**$ 50,000**	**$ 1,724,098**	**$ 1,749,959**	**$ 1,776,209**	**$ 1,802,852**	**$ 1,829,895**	**$ 1,857,343**	**$ 1,885,203**	**$ 1,913,481**	**$ 1,942,184**	**$ 1,971,316**	**$ 2,000,886**	**$ 2,030,899**
School Capture	Millage Rate														
State Education Tax (SET)	6.0000	$ -	$ -	$ 10,345	$ 10,500	$ 10,657	$ 10,817	$ 10,979	$ 11,144	$ 11,311	$ 11,481	$ 11,653	$ 11,828	$ 12,005	$ 12,185
School Operating Tax	18.0000	$ -	$ -	$ 31,034	$ 31,499	$ 31,972	$ 32,451	$ 32,938	$ 33,432	$ 33,934	$ 34,443	$ 34,959	$ 35,484	$ 36,016	$ 36,556
School Total	**24.0000**	**$ -**	**$ -**	**$ 41,378**	**$ 41,999**	**$ 42,629**	**$ 43,268**	**$ 43,917**	**$ 44,576**	**$ 45,245**	**$ 45,924**	**$ 46,612**	**$ 47,312**	**$ 48,021**	**$ 48,742**
Local Capture	Millage Rate														
City Operating	10.0869	$ -		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 20,183	$ 20,485
County Operating	5.6984	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 11,402	$ 11,573
City Sanitation	3.0000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 6,003	$ 6,093
County Museum	0.3221	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 644	$ 654
Senior Services	0.4998	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,000	$ 1,015
County Veterans	0.0752	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 150	$ 153
County Qual Life	0.2400	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 480	$ 487
Central Dispatch	0.3000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 600	$ 609
Comm College	2.2037	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,409	$ 4,475
MAISD	4.7580	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,520	$ 9,663
Hackley Library	2.4000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,802	$ 4,874
Local Total	**29.5841**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 59,194**	**$ 60,082**
Non-Capturable Millages	Millage Rate														
Comm College Debt	0.3400	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 680	$ 691
Hackley Debt	0.5611	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,123	$ 1,140
MPS Debt - 1995	4.7000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,404	$ 9,545
MPS Debt - 2009	2.1000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,202	$ 4,265
Total Non-Capturable Taxes	**7.7011**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 15,409**	**$ 15,640**
Total Tax Increment Revenue (TIR) Available for Capture		$ -	$ -	$ 41,378	$ 41,999	$ 42,629	$ 43,268	$ 43,917	$ 44,576	$ 45,245	$ 45,924	$ 46,612	$ 47,312	$ 107,216	$ 108,824

Footnotes:
Sweetwater Property only with projected TV and 1.5% inflation thereafter
Assumes millage rates remain the same
Assumes 10yr Commercial Rehab Act abatement on the new building.

Tax Increment Revenue Capture Estimates
Sweetwater Development
Muskegon, Michigan
December 6, 2018

Estimated Taxable Value (TV) Increase Rate:

Plan Year	15	16	17	18	19	20	21	TOTAL
Calendar Year	2032	2033	2034	2035	2036	2037	2038	
Base Taxable Value	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Estimated New TV	$ 2,061,363	$ 2,092,283	$ 2,123,668	$ 2,155,523	$ 2,187,855	$ 2,220,673	$ 2,253,983	$ 2,253,983
Incremental Difference (New TV - Base TV)	**$ 2,061,363**	**$ 2,092,283**	**$ 2,123,668**	**$ 2,155,523**	**$ 2,187,855**	**$ 2,220,673**	**$ 2,253,983**	$ 2,253,983
School Capture Millage Rate								
State Education Tax (SET) 6.0000	$ 12,368	$ 12,554	$ 12,742	$ 12,933	$ 13,127	$ 13,324	$ 13,524	$ 225,478
School Operating Tax 18.0000	$ 37,105	$ 37,661	$ 38,226	$ 38,799	$ 39,381	$ 39,972	$ 40,572	$ 676,434
School Total 24.0000	**$ 49,473**	**$ 50,215**	**$ 50,968**	**$ 51,733**	**$ 52,509**	**$ 53,296**	**$ 54,096**	**$ 901,912**
Local Capture Millage Rate								
City Operating 10.0869	$ 20,793	$ 21,105	$ 21,421	$ 21,743	$ 22,069	$ 22,400	$ 22,736	$ 192,933
County Operating 5.6984	$ 11,746	$ 11,923	$ 12,102	$ 12,283	$ 12,467	$ 12,654	$ 12,844	$ 108,994
City Sanitation 3.0000	$ 6,184	$ 6,277	$ 6,371	$ 6,467	$ 6,564	$ 6,662	$ 6,762	$ 57,381
County Museum 0.3221	$ 664	$ 674	$ 684	$ 694	$ 705	$ 715	$ 726	$ 6,161
Senior Services 0.4998	$ 1,030	$ 1,046	$ 1,061	$ 1,077	$ 1,093	$ 1,110	$ 1,127	$ 9,560
County Veterans 0.0752	$ 155	$ 157	$ 160	$ 162	$ 165	$ 167	$ 169	$ 1,438
County Qual Life 0.2400	$ 495	$ 502	$ 510	$ 517	$ 525	$ 533	$ 541	$ 4,591
Central Dispatch 0.3000	$ 618	$ 628	$ 637	$ 647	$ 656	$ 666	$ 676	$ 5,738
Comm College 2.2037	$ 4,543	$ 4,611	$ 4,680	$ 4,750	$ 4,821	$ 4,894	$ 4,967	$ 42,150
MAISD 4.7580	$ 9,808	$ 9,955	$ 10,104	$ 10,256	$ 10,410	$ 10,566	$ 10,724	$ 91,007
Hackley Library 2.4000	$ 4,947	$ 5,021	$ 5,097	$ 5,173	$ 5,251	$ 5,330	$ 5,410	$ 45,905
Local Total 29.5841	**$ 60,984**	**$ 61,898**	**$ 62,827**	**$ 63,769**	**$ 64,726**	**$ 65,697**	**$ 66,682**	**$ 565,859**
Non-Capturable Millages Millage Rate								
Comm College Debt 0.3400	$ 701	$ 711	$ 722	$ 733	$ 744	$ 755	$ 766	$ 6,503
Hackley Debt 0.5611	$ 1,157	$ 1,174	$ 1,192	$ 1,209	$ 1,228	$ 1,246	$ 1,265	$ 10,732
MPS Debt - 1995 4.7000	$ 9,688	$ 9,834	$ 9,981	$ 10,131	$ 10,283	$ 10,437	$ 10,594	$ 89,898
MPS Debt - 2009 2.1000	$ 4,329	$ 4,394	$ 4,460	$ 4,527	$ 4,594	$ 4,663	$ 4,733	$ 40,167
Total Non-Capturable Taxes 7.7011	**$ 15,875**	**$ 16,113**	**$ 16,355**	**$ 16,600**	**$ 16,849**	**$ 17,102**	**$ 17,358**	**$ 147,300**
Total Tax Increment Revenue (TIR) Available for Capture	$ 110,456	$ 112,113	$ 113,795	$ 115,502	$ 117,234	$ 118,993	$ 120,778	$ 1,467,771

Footnotes:
Sweetwater Property only with projected TV and 1.5% inflation thereafter
Assumes millage rates remain the same
Assumes 10yr Commercial Rehab Act abatement on the new building.

Tax Increment Financing Reimbursement Table
Muskegon Mall Project
Muskegon, Michigan
December 6, 2018

Developer Maximum Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	**52.2%**	**$ 2,434,600**		$ 2,434,600
Local	**47.8%**	**$ 2,231,028**		$ 2,231,028
TOTAL				**$ 4,665,628**
MDEQ		$ 123,000	0	$ 123,000
MSF		$ 2,879,950	$ -	$ 2,879,950

Estimated Total Years of Plan:	35

Estimated Capture
Administrative Fees
State Revolving Fund
LSRRF

		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total State Incremental Revenue		$ -	$ -	$ -	$ -	$ 36,009	$ 58,507	$ 70,044	$ 71,951	$ 71,505	$ 75,681	$ 76,816	$ 119,346
State Brownfield Revolving Fund (50% of SET)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State TIR Available for Reimbursement		**$ -**	**$ -**	**$ -**	**$ -**	**$ 36,009**	**$ 58,507**	**$ 70,044**	**$ 71,951**	**$ 71,505**	**$ 75,681**	**$ 76,816**	**$ 119,346**
Total Local Incremental Revenue		$ -	$ -	$ -	$ -	$ 43,913	$ 72,795	$ 87,560	$ 90,366	$ 88,069	$ 92,532	$ 93,920	$ 95,329
BRA Administrative Fee		$ -	$ -	$ -	$ -	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)
Local TIR Available for Reimbursement		**$ -**	**$ -**	**$ -**	**$ -**	**$ 33,913**	**$ 62,795**	**$ 77,560**	**$ 80,366**	**$ 78,069**	**$ 82,532**	**$ 83,920**	**$ 85,329**
Total State & Local TIR Available		**$ -**	**$ -**	**$ -**	**$ -**	**$ 69,922**	**$ 121,302**	**$ 147,604**	**$ 152,317**	**$ 149,574**	**$ 158,213**	**$ 160,736**	**$ 204,676**
DEVELOPER	Beginning Balance												
DEVELOPER Reimbursement Balance	***$ 3,002,950***	***$ 3,002,950***	***$ 3,002,950***	***$ 3,092,950***	***$ 3,187,450***	***$ 3,286,675***	***$ 3,317,695***	***$ 3,296,753***	***$ 3,247,679***	***$ 3,191,751***	***$ 3,136,445***	***$ 3,069,872***	***$ 2,997,900***
MSF Non-Environmental Costs - City	*$ 1,800,000*	*$ 1,800,000*	*$ 1,800,000*	*$ 1,890,000*	*$ 1,984,500*	*$ 2,083,725*	*$ 2,119,779*	*$ 2,107,572*	*$ 2,069,125*	*$ 2,024,163*	*$ 1,979,627*	*$ 1,924,445*	*$ 1,864,046*
State Tax Reimbursement		$ -	$ -	$ -	$ -	$ 33,416	$ 54,294	$ 65,001	$ 66,771	$ 66,357	$ 70,232	$ 71,285	$ 72,354
Local Tax Reimbursement		$ -	$ -	$ -	$ -	$ 31,471	$ 58,274	$ 71,976	$ 74,580	$ 72,448	$ 76,590	$ 77,878	$ 79,185
Total MSF Reimbursement Balance		*$ 1,800,000*	*$ 1,800,000*	*$ 1,890,000*	*$ 1,984,500*	*$ 2,018,837*	*$ 2,007,211*	*$ 1,970,595*	*$ 1,927,775*	*$ 1,885,359*	*$ 1,832,805*	*$ 1,775,282*	*$ 1,712,506*
Interest (5%)			*$ 90,000*	*$ 94,500*	*$ 99,225*	*$ 100,942*	*$ 100,361*	*$ 98,530*	*$ 96,389*	*$ 94,268*	*$ 91,640*	*$ 88,764*	*$ 85,625*
MSF Non-Environmental Costs - Sweetwater	*$ 1,079,950*	*$ 1,079,950*	*$ 1,079,950*	*$ 1,079,950*	*$ 1,079,950*	*$ 1,079,950*	*$ 1,079,950*	*$ 1,079,950*	*$ 1,079,950*	*$ 1,079,950*	*$ 1,079,950*	*$ 1,079,950*	*$ 1,079,950*
State Tax Reimbursement		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 40,509
Local Tax Reimbursement		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total MSF Reimbursement Balance		*$ 1,079,950*	*$ 1,079,950*	*$ 1,079,950*	*$ 1,079,950*	*$ 1,079,950*	*$ 1,079,950*	*$ 1,079,950*	*$ 1,079,950*	*$ 1,079,950*	*$ 1,079,950*	*$ 1,079,950*	*$ 1,039,441*
MDEQ Environmental Costs - City	*$ 100,000*	*$ 100,000*	*$ 100,000*	*$ 100,000*	*$ 100,000*	*$ 100,000*	*$ 94,966*	*$ 86,232*	*$ 75,604*	*$ 64,638*	*$ 53,868*	*$ 42,477*	*$ 30,904*
State Tax Reimbursement		$ -	$ -	$ -	$ -	$ 2,593	$ 4,213	$ 5,043	$ 5,180	$ 5,148	$ 5,449	$ 5,531	$ 5,614
Local Tax Reimbursement		$ -	$ -	$ -	$ -	$ 2,442	$ 4,521	$ 5,584	$ 5,786	$ 5,621	$ 5,942	$ 6,042	$ 6,144
Total MDEQ Reimbursement Balance		*$ 100,000*	*$ 100,000*	*$ 100,000*	*$ 100,000*	*$ 94,966*	*$ 86,232*	*$ 75,604*	*$ 64,638*	*$ 53,868*	*$ 42,477*	*$ 30,904*	*$ 19,146*
MDEQ Environmental Costs - Sweetwater	*$ 23,000*	*$ 23,000*	*$ 23,000*	*$ 23,000*	*$ 23,000*	*$ 23,000*	*$ 23,000*	*$ 23,000*	*$ 23,000*	*$ 23,000*	*$ 23,000*	*$ 23,000*	*$ 23,000*
State Tax Reimbursement		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 869
Local Tax Reimbursement		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total MDEQ Reimbursement Balance		*$ 23,000*	*$ 23,000*	*$ 23,000*	*$ 23,000*	*$ 23,000*	*$ 23,000*	*$ 23,000*	*$ 23,000*	*$ 23,000*	*$ 23,000*	*$ 23,000*	*$ 22,131*
Local Only Costs	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
Local Tax Reimbursement		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Local Only Reimbursement Balance		*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
Total Annual Developer Reimbursement		*$ -*	*$ -*	*$ -*	*$ -*	*$ 69,922*	*$ 121,302*	*$ 147,604*	*$ 152,317*	*$ 149,574*	*$ 158,213*	*$ 160,736*	*$ 204,676*
LOCAL SITE REMEDIATION FUND													
LSRRF Deposits *		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
State Tax Capture	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
Local Tax Capture	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
Total LSRRF Capture													

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

Footnotes:

(1) Assumes taxable value increases based on proposed build out, plus 1.5% annual increases for inflation thereafter.

(2) Assumes Millage Rates remain constant.

(3) 10yr Commercial Rehab Act Abatement

Assumes Reimbursement on Mall and Sweetwater are separate from one another

Tax Increment Financing Reimbursement Table
Muskegon Mall Project
Muskegon, Michigan
December 6, 2018

	$ 6,274,749
	$ 260,000
	$ -
	$ 704,080

Commercial Rehab Abatement - Sweetwater Development

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Total State Incremental Revenue	$ 121,137	$ 122,954	$ 124,798	$ 126,670	$ 128,570	$ 130,498	$ 132,456	$ 134,443	$ 136,459	$ 138,506	$ 140,584	$ 142,693	$ 144,833	$ 147,006	$ 149,211	$ 151,449	$ 153,721	$ 156,026
State Brownfield Revolving Fund (50% of SET)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State TIR Available for Reimbursement	**$ 121,137**	**$ 122,954**	**$ 124,798**	**$ 126,670**	**$ 128,570**	**$ 130,498**	**$ 132,456**	**$ 134,443**	**$ 136,459**	**$ 138,506**	**$ 140,584**	**$ 142,693**	**$ 144,833**	**$ 147,006**	**$ 149,211**	**$ 151,449**	**$ 153,721**	**$ 156,026**
Total Local Incremental Revenue	$ 96,759	$ 98,211	$ 99,684	$ 101,179	$ 102,697	$ 104,237	$ 105,801	$ 107,388	$ 108,998	$ 169,828	$ 172,375	$ 174,961	$ 177,585	$ 180,249	$ 182,953	$ 185,697	$ 188,483	$ 191,310
BRA Administrative Fee	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)
Local TIR Available for Reimbursement	**$ 86,759**	**$ 88,211**	**$ 89,684**	**$ 91,179**	**$ 92,697**	**$ 94,237**	**$ 95,801**	**$ 97,388**	**$ 98,998**	**$ 159,828**	**$ 162,375**	**$ 164,961**	**$ 167,585**	**$ 170,249**	**$ 172,953**	**$ 175,697**	**$ 178,483**	**$ 181,310**
Total State & Local TIR Available	**$ 207,896**	**$ 211,164**	**$ 214,482**	**$ 217,849**	**$ 221,267**	**$ 224,736**	**$ 228,257**	**$ 231,830**	**$ 235,458**	**$ 298,334**	**$ 302,959**	**$ 307,654**	**$ 312,418**	**$ 317,255**	**$ 322,163**	**$ 327,146**	**$ 332,203**	**$ 337,336**

DEVELOPER

DEVELOPER Reimbursement Balance	***$ 2,878,850***	***$ 2,753,163***	***$ 2,620,252***	***$ 2,479,375***	***$ 2,330,115***	***$ 2,172,031***	***$ 2,004,664***	***$ 1,827,527***	***$ 1,640,111***	***$ 1,441,882***	***$ 1,173,081***	***$ 891,426***	***$ 596,281***	***$ 286,982***	***$ 107,685***	***$ -***	***$ -***	***$ -***
MSF Non-Environmental Costs - City	*$ 1,798,132*	*$ 1,726,389*	*$ 1,643,308*	*$ 1,545,700*	*$ 1,440,357*	*$ 1,326,850*	*$ 1,204,727*	*$ 1,073,514*	*$ 932,711*	*$ 781,793*	*$ 620,208*	*$ 447,376*	*$ 262,688*	*$ 65,502*	*$ -*	*$ -*	*$ -*	*$ -*
State Tax Reimbursement	$ 73,440	$ 76,889	$ 81,529	$ 82,752	$ 83,994	$ 85,254	$ 86,532	$ 87,830	$ 89,148	$ 90,485	$ 91,842	$ 93,220	$ 94,618	$ 30,941	$ -	$ -	$ -	$ -
Local Tax Reimbursement	$ 80,512	$ 84,444	$ 89,684	$ 91,179	$ 92,697	$ 94,237	$ 95,801	$ 97,388	$ 98,998	$ 100,633	$ 102,293	$ 103,977	$ 105,687	$ 34,561	$ -	$ -	$ -	
Total MSF Reimbursement Balance	*$ 1,644,180*	*$ 1,565,055*	*$ 1,472,095*	*$ 1,371,769*	*$ 1,263,667*	*$ 1,147,359*	*$ 1,022,394*	*$ 888,296*	*$ 744,565*	*$ 590,674*	*$ 426,073*	*$ 250,179*	*$ 62,383*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
Interest (5%)	*$ 82,209*	*$ 78,253*	*$ 73,605*	*$ 68,588*	*$ 63,183*	*$ 57,368*	*$ 51,120*	*$ 44,415*	*$ 37,228*	*$ 29,534*	*$ 21,304*	*$ 12,509*	*$ 3,119*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
MSF Non-Environmental Costs - Sweetwater	*$ 1,039,441*	*$ 998,324*	*$ 956,590*	*$ 914,230*	*$ 871,235*	*$ 827,595*	*$ 783,300*	*$ 738,341*	*$ 692,707*	*$ 646,389*	*$ 541,425*	*$ 434,886*	*$ 326,750*	*$ 216,991*	*$ 105,586*	*$ -*	*$ -*	*$ -*
State Tax Reimbursement	$ 41,117	$ 41,734	$ 42,360	$ 42,995	$ 43,640	$ 44,295	$ 44,959	$ 45,634	$ 46,318	$ 47,013	$ 47,718	$ 48,434	$ 49,160	$ 49,898	$ 47,291	$ -	$ -	$ -
Local Tax Reimbursement	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 57,951	$ 58,821	$ 59,703	$ 60,598	$ 61,507	$ 58,295	$ -	$ -	
Total MSF Reimbursement Balance	*$ 998,324*	*$ 956,590*	*$ 914,230*	*$ 871,235*	*$ 827,595*	*$ 783,300*	*$ 738,341*	*$ 692,707*	*$ 646,389*	*$ 541,425*	*$ 434,886*	*$ 326,750*	*$ 216,991*	*$ 105,586*	*$ -*	*$ -*	*$ -*	*$ -*
MDEQ Environmental Costs - City	*$ 19,146*	*$ 7,202*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
State Tax Reimbursement	$ 5,698	$ 3,436	$ -	$ -	$ -	$ -	$ -	$ -						$ -	$ -	$ -	$ -	$ -
Local Tax Reimbursement	$ 6,247	$ 3,766	$ -	$ -	$ -	$ -	$ -	$ -						$ -	$ -	$ -	$ -	$ -
Total MDEQ Reimbursement Balance	*$ 7,202*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
MDEQ Environmental Costs - Sweetwater	*$ 22,131*	*$ 21,249*	*$ 20,354*	*$ 19,445*	*$ 18,523*	*$ 17,587*	*$ 16,637*	*$ 15,672*	*$ 14,693*	*$ 13,700*	*$ 11,448*	*$ 9,163*	*$ 6,844*	*$ 4,489*	*$ 2,099*	*$ -*	*$ -*	*$ -*
State Tax Reimbursement	$ 882	$ 895	$ 909	$ 922	$ 936	$ 950	$ 964	$ 979	$ 994	$ 1,008	$ 1,024	$ 1,039	$ 1,055	$ 1,070	$ 940	$ -	$ -	$ -
Local Tax Reimbursement	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,243	$ 1,262	$ 1,281	$ 1,300	$ 1,319	$ 1,159	$ -	$ -	$ -
Total MDEQ Reimbursement Balance	*$ 21,249*	*$ 20,354*	*$ 19,445*	*$ 18,523*	*$ 17,587*	*$ 16,637*	*$ 15,672*	*$ 14,693*	*$ 13,700*	*$ 11,448*	*$ 9,163*	*$ 6,844*	*$ 4,489*	*$ 2,099*	*$ -*	*$ -*	*$ -*	*$ -*
Local Only Costs	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*					
Local Tax Reimbursement	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Local Only Reimbursement Balance	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*						
Total Annual Developer Reimbursement	*$ 207,896*	*$ 211,164*	*$ 214,482*	*$ 217,849*	*$ 221,267*	*$ 224,736*	*$ 228,257*	*$ 231,830*	*$ 235,458*	*$ 298,334*	*$ 302,959*	*$ 307,654*	*$ 312,418*	*$ 179,297*	*$ 107,685*	*$ -*	*$ -*	*$ -*

LOCAL SITE REMEDIATION FUND

LSRRF Deposits *	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 168,590**	**$ 175,697**	**$ 178,483**	**$ 181,310**
State Tax Capture	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*			*$ -*	*$ -*	*$ 55,091*	*$ -*	*$ -*	*$ -*
Local Tax Capture	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ 113,499*	*$ 175,697*	*$ 178,483*	*$ 181,310*
Total LSRRF Capture																		

* Up to five years of capture for LSRRF Deposi

Footnotes:

(1) Assumes taxable value increases base
inflation thereafter.

(2) Assumes Millage Rates remain constar
(3) 10yr Commercial Rehab Act Abatemen
Assumes Reimbursement on Mall and Sweetw

Tax Increment Financing Reimbursement Table
Muskegon Mall Project
Muskegon, Michigan
December 6, 2018

	TOTAL
Total State Incremental Revenue	$ 3,061,871
State Brownfield Revolving Fund (50% of SET)	$ -
State TIR Available for Reimbursement	**$ 3,061,871**
Total Local Incremental Revenue	$ 3,212,878
BRA Administrative Fee	$ (260,000)
Local TIR Available for Reimbursement	**$ 2,952,878**
Total State & Local TIR Available	**$ -**
DEVELOPER	
DEVELOPER Reimbursement Balance	
MSF Non-Environmental Costs - City	$ -
State Tax Reimbursement	$ 1,648,185
Local Tax Reimbursement	$ 1,814,493
Total MSF Reimbursement Balance	$ -
Interest (5%)	
MSF Non-Environmental Costs - Sweetwater	$ -
State Tax Reimbursement	$ 723,075
Local Tax Reimbursement	$ 356,875
Total MSF Reimbursement Balance	$ -
MDEQ Environmental Costs - City	$ -
State Tax Reimbursement	$ 47,904
Local Tax Reimbursement	$ 52,096
Total MDEQ Reimbursement Balance	$ -
MDEQ Environmental Costs - Sweetwater	$ -
State Tax Reimbursement	$ 15,436
Local Tax Reimbursement	$ 7,564
Total MDEQ Reimbursement Balance	$ -
Local Only Costs	$ -
Local Tax Reimbursement	$ -
Total Local Only Reimbursement Balance	$ -
Total Annual Developer Reimbursement	$ -
LOCAL SITE REMEDIATION FUND	
LSRRF Deposits *	**$ 704,080**
State Tax Capture	$ 55,091
Local Tax Capture	$ 648,989
Total LSRRF Capture	

* Up to five years of capture for LSRRF Deposi

Footnotes:

(1) Assumes taxable value increases base
inflation thereafter.

(2) Assumes Millage Rates remain constar
(3) 10yr Commercial Rehab Act Abatemen
Assumes Reimbursement on Mall and Sweetw

Date: April 23, 2019

To: Honorable Mayor and City Commissioners

From: DPW

RE: Permanent Traffic Control Orders-#37 thru #52

SUMMARY OF REQUEST:

Authorize the attached various Traffic Control Orders #37 thru #52.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Authorize the various Traffic Control Orders in the attachment.

COMMITTEE RECOMMENDATION:

City of Muskegon
Traffic Control Order
No. 37-(2018)

The following regulatory sign(s) shall be Installed/Removed at/from the location(s) specified below under location in accordance with the Michigan Manual of Uniform Traffic Control.

Device/Regulatory Sign(s) to be Installed/Removed: *Install "2-Hour Parking" signs on Lakeshore Drive (south side of road) between Blodgett Street and Estes Street.*

Location: *Lakeshore Drive (south side of road) between Blodgett Street and Estes Street.*

Recommendation:

_____ Date: _____/_____/_____
Director of Public Works

_____ Date: _____/_____/_____
Police Chief

_____ Date: _____/_____/_____
City Manager

Commission Approval (required for Permanent TCO only):

_____ Date: _____/_____/_____
Commission Action #

Installation/removal

Date assigned: _____/_____/_____ By: _____
Traffic Supervisor

Date completed: _____/_____/_____ By: _____
Traffic Department Employee

☐ **Temporary**; does not require Commission Action, good for 90-days from Installation/Removal Date.

☐ **Permanent**; requires Commission Action

City of Muskegon
Traffic Control Order
No. 38-(2019)

The following regulatory sign(s) shall be Installed/Removed at/from the location(s) specified below under location in accordance with the Michigan Manual of Uniform Traffic Control.

Device/Regulatory Sign(s) to be Installed/Removed: *Install "Electric Vehicle Charging Only" parking sign at 889 1st Street between Western Avenue and Clay Avenue.*

Location: *889 1st Street, between Western Avenue and Clay Avenue.*

Recommendation:

_____ Date: _____/_____/_____
Director of Public Works

_____ Date: _____/_____/_____
Police Chief

_____ Date: _____/_____/_____
City Manager

Commission Approval (required for Permanent TCO only):

_____ Date: _____/_____/_____
Commission Action #

Installation/removal

Date assigned: _____/_____/_____ By: _____
Traffic Supervisor

Date completed: _____/_____/_____ By: _____
Traffic Department Employee

☐ **Temporary**; does not require Commission Action, good for 90-days from Installation/Removal Date.

☐ **Permanent**; requires Commission Action

City of Muskegon
Traffic Control Order
No. 39-(2019)

The following regulatory sign(s) shall be Installed/Removed at/from the location(s) specified below under location in accordance with the Michigan Manual of Uniform Traffic Control.

Device/Regulatory Sign(s) to be Installed/Removed: *Install "No Parking" parking symbol signs on Remembrance Drive between Keating Avenue, south to dead end of roadway.*

Location: *Remembrance Drive, between Keating Avenue, south to dead end of roadway.*

Recommendation:

_____ Date: _____/_____/_____
Director of Public Works

_____ Date: _____/_____/_____
Police Chief

_____ Date: _____/_____/_____
City Manager

Commission Approval (required for Permanent TCO only):

_____ Date: _____/_____/_____
Commission Action #

Installation/removal

Date assigned: _____/_____/_____ By: _____
Traffic Supervisor

Date completed: _____/_____/_____ By: _____
Traffic Department Employee

☐ **Temporary**; does not require Commission Action, good for 90-days from Installation/Removal Date.

☐ **Permanent**; requires Commission Action

City of Muskegon
Traffic Control Order
No. 40-(2019)

The following regulatory sign(s) shall be Installed/Removed at/from the location(s) specified below under location in accordance with the Michigan Manual of Uniform Traffic Control.

Device/Regulatory Sign(s) to be Installed/Removed: *Install "Yield" signs on Harding Avenue at Leboeuf Street*

Location: *Harding Avenue at Leboeuf Street*

Recommendation:

_____ Date: _____/_____/_____
Director of Public Works

_____ Date: _____/_____/_____
Police Chief

_____ Date: _____/_____/_____
City Manager

Commission Approval (required for Permanent TCO only):

_____ Date: _____/_____/_____
Commission Action #

Installation/removal

Date assigned: _____/_____/_____ By: _____
Traffic Supervisor

Date completed: _____/_____/_____ By: _____
Traffic Department Employee

☐ **Temporary**; does not require Commission Action, good for 90-days from Installation/Removal Date.

☐ **Permanent**; requires Commission Action

City of Muskegon
Traffic Control Order
No. 41-(2019)

The following regulatory sign(s) shall be Installed/Removed at/from the location(s) specified below under location in accordance with the Michigan Manual of Uniform Traffic Control.

Device/Regulatory Sign(s) to be Installed/Removed: *Install a "25-MPH Hour" sign on the West side of Southbound Webster Avenue between 8th Street and 9th Street.*

Location: *Southbound Webster Avenue, between 8th Street and 9th Street.*

Recommendation:

_____ Date: _____/_____/_____
Director of Public Works

_____ Date: _____/_____/_____
Police Chief

_____ Date: _____/_____/_____
City Manager

Commission Approval (required for Permanent TCO only):

_____ Date: _____/_____/_____
Commission Action #

Installation/removal

Date assigned: _____/_____/_____ By: _____
Traffic Supervisor

Date completed: _____/_____/_____ By: _____
Traffic Department Employee

☐ **Temporary**; does not require Commission Action, good for 90-days from Installation/Removal Date.

☐ **Permanent**; requires Commission Action

City of Muskegon
Traffic Control Order
No. 42-(2019)

The following regulatory sign(s) shall be Installed/Removed at/from the location(s) specified below under location in accordance with the Michigan Manual of Uniform Traffic Control.

Device/Regulatory Sign(s) to be Installed/Removed: *Install "Yield" signs on Merrill Avenue at 6th Street.*

Location: *Merrill Avenue at 6th Street.*

Recommendation:

_____ Date: _____/_____/_____
Director of Public Works

_____ Date: _____/_____/_____
Police Chief

_____ Date: _____/_____/_____
City Manager

Commission Approval (required for Permanent TCO only):

_____ Date: _____/_____/_____
Commission Action #

Installation/removal

Date assigned: _____/_____/_____ By: _____
Traffic Supervisor

Date completed: _____/_____/_____ By: _____
Traffic Department Employee

☐ **Temporary**; does not require Commission Action, good for 90-days from Installation/Removal Date.

☐ **Permanent**; requires Commission Action

City of Muskegon
Traffic Control Order
No. 43-(2019)

The following regulatory sign(s) shall be Installed/Removed at/from the location(s) specified below under location in accordance with the Michigan Manual of Uniform Traffic Control.

Device/Regulatory Sign(s) to be Installed/Removed: *Install "Yield" signs on Washington Avenue at 6th Street.*

Location: *Washington Avenue at 6th Street.*

Recommendation:

_____ Date: _____/_____/_____
Director of Public Works

_____ Date: _____/_____/_____
Police Chief

_____ Date: _____/_____/_____
City Manager

Commission Approval (required for Permanent TCO only):

_____ Date: _____/_____/_____
Commission Action #

Installation/removal

Date assigned: _____/_____/_____ By: _____
Traffic Supervisor

Date completed: _____/_____/_____ By: _____
Traffic Department Employee

☐ **Temporary**; does not require Commission Action, good for 90-days from Installation/Removal Date.

☐ **Permanent**; requires Commission Action

City of Muskegon
Traffic Control Order
No. 44-(2019)

The following regulatory sign(s) shall be Installed/Removed at/from the location(s) specified below under location in accordance with the Michigan Manual of Uniform Traffic Control.

Device/Regulatory Sign(s) to be Installed/Removed: *Install a "Stop" sign on Strong Avenue at 6th Street and a "Stop Ahead" sign on Strong prior to 6th Street.*

Location: *Strong Avenue at and before 6th Street.*

Recommendation:

_____ Date: _____/_____/_____
Director of Public Works

_____ Date: _____/_____/_____
Police Chief

_____ Date: _____/_____/_____
City Manager

Commission Approval (required for Permanent TCO only):

_____ Date: _____/_____/_____
Commission Action #

Installation/removal

Date assigned: _____/_____/_____ By: _____
Traffic Supervisor

Date completed: _____/_____/_____ By: _____
Traffic Department Employee

☐ **Temporary**; does not require Commission Action, good for 90-days from Installation/Removal Date.

☐ **Permanent**; requires Commission Action

City of Muskegon
Traffic Control Order
No. 45-(2019)

The following regulatory sign(s) shall be Installed/Removed at/from the location(s) specified below under location in accordance with the Michigan Manual of Uniform Traffic Control.

Device/Regulatory Sign(s) to be Installed/Removed: *Install "Yield" sign on Washington Avenue at 7th Street.*

Location: *Washington Avenue at 7th Street.*

Recommendation:

_____ Date: _____/_____/_____
Director of Public Works

_____ Date: _____/_____/_____
Police Chief

_____ Date: _____/_____/_____
City Manager

Commission Approval (required for Permanent TCO only):

_____ Date: _____/_____/_____
Commission Action #

Installation/removal

Date assigned: _____/_____/_____ By: _____
Traffic Supervisor

Date completed: _____/_____/_____ By: _____
Traffic Department Employee

☐ **Temporary**; does not require Commission Action, good for 90-days from Installation/Removal Date.

☐ **Permanent**; requires Commission Action

City of Muskegon
Traffic Control Order
No. 46-(2019)

The following regulatory sign(s) shall be Installed/Removed at/from the location(s) specified below under location in accordance with the Michigan Manual of Uniform Traffic Control.

Device/Regulatory Sign(s) to be Installed/Removed: *Install a "Yield" sign on Mason Avenue at 7th Street.*

Location: *Mason Avenue at 7th Street.*

Recommendation:

_____ Date: _____/_____/_____
Director of Public Works

_____ Date: _____/_____/_____
Police Chief

_____ Date: _____/_____/_____
City Manager

Commission Approval (required for Permanent TCO only):

_____ Date: _____/_____/_____
Commission Action #

Installation/removal

Date assigned: _____/_____/_____ By: _____
Traffic Supervisor

Date completed: _____/_____/_____ By: _____
Traffic Department Employee

☐ **Temporary**; does not require Commission Action, good for 90-days from Installation/Removal Date.

☐ **Permanent**; requires Commission Action

City of Muskegon
Traffic Control Order
No. 47-(2019)

The following regulatory sign(s) shall be Installed/Removed at/from the location(s) specified below under location in accordance with the Michigan Manual of Uniform Traffic Control.

Device/Regulatory Sign(s) to be Installed/Removed: *Remove a "Yield" sign on 5th Street and Campus Avenue and install a "Stop" sign on 5th Street at Campus Avenues and a "Stop Ahead" sign on Campus Avenue between 4th Street and 5th Street.*

Location: *Mason Avenue at 5th Street and Campus Avenue.*

Recommendation:

_____ Date: _____/_____/_____
Director of Public Works

_____ Date: _____/_____/_____
Police Chief

_____ Date: _____/_____/_____
City Manager

Commission Approval (required for Permanent TCO only):

_____ Date: _____/_____/_____
Commission Action #

Installation/removal

Date assigned: _____/_____/_____ By: _____
Traffic Supervisor

Date completed: _____/_____/_____ By: _____
Traffic Department Employee

☐ **Temporary**; does not require Commission Action, good for 90-days from Installation/Removal Date.

☐ **Permanent**; requires Commission Action

City of Muskegon
Traffic Control Order
No. 48-(2019)

The following regulatory sign(s) shall be Installed/Removed at/from the location(s) specified below under location in accordance with the Michigan Manual of Uniform Traffic Control.

Device/Regulatory Sign(s) to be Installed/Removed: *Install a "No Loitering/No Littering" sign per City Ordinance at 2250 Valley Street.*

Location: *2250 Valley Street.*

Recommendation:

_____ Date: _____/_____/_____
Director of Public Works

_____ Date: _____/_____/_____
Police Chief

_____ Date: _____/_____/_____
City Manager

Commission Approval (required for Permanent TCO only):

_____ Date: _____/_____/_____
Commission Action #

Installation/removal

Date assigned: _____/_____/_____ By: _____
Traffic Supervisor

Date completed: _____/_____/_____ By: _____
Traffic Department Employee

☐ **Temporary**; does not require Commission Action, good for 90-days from Installation/Removal Date.

☐ **Permanent**; requires Commission Action

City of Muskegon
Traffic Control Order
No. 49-(2019)

The following regulatory sign(s) shall be Installed/Removed at/from the location(s) specified below under location in accordance with the Michigan Manual of Uniform Traffic Control.

Device/Regulatory Sign(s) to be Installed/Removed: *Install a "Stop Here on Red" sign at the Southeast corner of Sherman Avenue and Lincoln Street.*

Location: *Sherman Avenue and Lincoln Street.*

Recommendation:

_____ Date: _____/_____/_____
Director of Public Works

_____ Date: _____/_____/_____
Police Chief

_____ Date: _____/_____/_____
City Manager

Commission Approval (required for Permanent TCO only):

_____ Date: _____/_____/_____
Commission Action #

Installation/removal

Date assigned: _____/_____/_____ By: _____
Traffic Supervisor

Date completed: _____/_____/_____ By: _____
Traffic Department Employee

☐ **Temporary**; does not require Commission Action, good for 90-days from Installation/Removal Date.

☐ **Permanent**; requires Commission Action

City of Muskegon
Traffic Control Order
No. 50-(2019)

The following regulatory sign(s) shall be Installed/Removed at/from the location(s) specified below under location in accordance with the Michigan Manual of Uniform Traffic Control.

Device/Regulatory Sign(s) to be Installed/Removed: *Install "No Parking-Student Drop Off, On School Days" signs on the southern side of Catherine Avenue and Install "No Parking M-F 8am-4pm-On School Days" on the northern side of Catherine Avenue between Arthur Street and Ransom Street..*

Location: *Catherine Avenue between Arthur Street and Ransom Street.*

Recommendation:

_____ Date: _____/_____/_____
Director of Public Works

_____ Date: _____/_____/_____
Police Chief

_____ Date: _____/_____/_____
City Manager

Commission Approval (required for Permanent TCO only):

_____ Date: _____/_____/_____
Commission Action #

Installation/removal

Date assigned: _____/_____/_____ By: _____
Traffic Supervisor

Date completed: _____/_____/_____ By: _____
Traffic Department Employee

☐ **Temporary**; does not require Commission Action, good for 90-days from Installation/Removal Date.

☐ **Permanent**; requires Commission Action

City of Muskegon
Traffic Control Order
No. 51-(2019)

The following regulatory sign(s) shall be Installed/Removed at/from the location(s) specified below under location in accordance with the Michigan Manual of Uniform Traffic Control.

Device/Regulatory Sign(s) to be Installed/Removed: *Install "3-Way Stop Signs" on Sun Dolphin Road @ Harris Drive.*

Location: *Sun Dolphin Rd. and Harris Dr.*

Recommendation:

_____ Date: _____/_____/_____
Director of Public Works

_____ Date: _____/_____/_____
Police Chief

_____ Date: _____/_____/_____
City Manager

Commission Approval (required for Permanent TCO only):

_____ Date: _____/_____/_____
Commission Action #

Installation/removal

Date assigned: _____/_____/_____ By: _____
Traffic Supervisor

Date completed: _____/_____/_____ By: _____
Traffic Department Employee

☐ **Temporary**; does not require Commission Action, good for 90-days from Installation/Removal Date.

☐ **Permanent**; requires Commission Action

City of Muskegon
Traffic Control Order
No. 52-(2019)

The following regulatory sign(s) shall be Installed/Removed at/from the location(s) specified below under location in accordance with the Michigan Manual of Uniform Traffic Control.

Device/Regulatory Sign(s) to be Installed/Removed: *Install "Handicapped Parking" signs at various locations per attached spreadsheet.*

Location: *Various locations per spreadsheet*

Recommendation:

_____ Date: _____/_____/_____
Director of Public Works

_____ Date: _____/_____/_____
Police Chief

_____ Date: _____/_____/_____
City Manager

Commission Approval (required for Permanent TCO only):

_____ Date: _____/_____/_____
Commission Action #

Installation/removal

Date assigned: _____/_____/_____ By: _____
Traffic Supervisor

Date completed: _____/_____/_____ By: _____
Traffic Department Employee

☐ **Temporary**; does not require Commission Action, good for 90-days from Installation/Removal Date.

☐ **Permanent**; requires Commission Action

HANDICAP SPACES

Location	*From / To / Intersection/Details*	*Side of Street*	*Sign Type(s)*	*Install Date*	*Commission Date*	*TEMP TCO #*	*TEMP TCO DATE*
2300 Beach	2 Spaces at Seasonal Portable Bathroom Asphalt Pad	W	R7-9				
1600 Beach	2 Spaces along crosswalk to Ohio	w	R7-9				
559 Western	1 Space in Front of Waterstone Ins.	E	R7-9				
621 Western	1 Space across from Tipsy Toad	W	R7-9				
477 Western	2 Spaces in front of Birth of Snurfer Statue	E	R7-9				
430 W Clay	1 Space at Alley on 4th St. side of Museum	S	R7-9				
955 4th	2 spaces in Employee Lot at 4th and Shoreline	E	R7-9, R7-8A				
366 Clay	3 Spaces on MCC side	W	R7-9				
81 2nd St	1 space midblock	N	R7-9				
889 1st St	1 space midblock	S	R7-9				
1147 3rd St	1 Space on 3rd at Monroe	S	R7-9				

Date: April 23rd, 2019

To: Honorable Mayor and City Commissioners

From: Department of Public Works

RE: Water Interconnect Contract

SUMMARY OF REQUEST:

Approve of the Water Interconnect Contract and authorize the Mayor and Clerk to sign the Contract.

The Water Interconnect Contract outlines the details for the current and any future locations where the City of Norton Shores / Fruitport Township water mains are interconnected with the Spring Lake Township water mains along their shared border. These connections serve to provide continuation of service in event of an emergency.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Approve the Water Interconnect Contract and authorize the Mayor and Clerk to sign.

WATER INTERCONNECTION CONTRACT

THIS CONRACT, dated for reference purposes as of July 1, 2019 is by and among the City of Muskegon, a Michigan municipal corporation, whose address is 933 Terrace, Muskegon, Michigan 49440, referred to as "Muskegon"; the City of Norton Shores, a Michigan municipal corporation, whose address is 4814 Henry Street, Norton Shores, Michigan, 49441, referred to as "Norton Shores"; the Charter Township of Fruitport, a Michigan charter township, whose address is 5865 Airline Road, Fruitport, Michigan, 49415, referred to as "Fruitport"; the West Michigan Regional Water Authority, whose address is 4814 Henry Street, Norton Shores, MI 49441, referred to as "WMRWA"; Muskegon County; whose address is 131 E. Apple Ave, 4th Floor, Muskegon, MI 49442; the County of Ottawa, a body corporate created under the provisions of the Michigan Constitution, acting by and through its Board of County Road Commissioners, whose address is P.O. Box 739, Grand Haven, Michigan, 49417, referred to as "Ottawa County"; the Township of Spring Lake, a Michigan general law township, whose address is 106 S. Buchanan Street, Spring Lake, Michigan 49456, referred to as "Spring Lake Township"; the Village of Spring Lake, Michigan municipal corporation, whose address is 102 West Savidge Street, Spring Lake, Michigan, 49456, referred to as "Spring Lake Village"; the Charter Township of Grand Haven, a Michigan charter township, whose address is 13300 168th Avenue, Grand Haven, Michigan, 49417, referred to as "Grand Haven Township"; the City of Ferrysburg, a Michigan municipal corporation, whose address is 408 Fifth Street, Ferrysburg, Michigan, 49409, referred to as "Ferrysburg"; and the City of Grand Haven, a Michigan municipal corporation, whose address is 519 Washington Avenue, Grand Haven, Michigan, 49417, referred to as "Grand Haven." This Contract is made with reference to the following facts and circumstances:

A. Muskegon, Norton Shores, Fruitport, Muskegon County and WMRWA (collectively referred to as the "Muskegon Parties") own and/or operate water systems (or portions thereof) in Muskegon County, Michigan.

B. Ottawa County, Grand Haven, Spring Lake Township, Spring Lake Village, Ferrysburg, and Grand Haven Township (collectively referred to as the "Northwest Ottawa Parties") own and/or operate water systems (or portions thereof) in Ottawa County, Michigan.

C. These water systems are adjacent to each other at various points along the common border between Muskegon County and Ottawa County.

D. The parties have previously interconnected the Muskegon Parties water systems and the Northwest Ottawa Parties water systems at five locations on the Ottawa County/Muskegon County boundary line. These locations are designated as Interconnections A, B, C, D, and E respectively, as described on attached Exhibit A. These interconnections, along with any future interconnections of the Muskegon County water systems and the Ottawa County water systems accomplished with the consent of one of the Muskegon Parties and one of the Northwest Ottawa Parties, are referred to collectively as the "Interconnections."

E. The parties recognize and wish to better plan for the possibility that a water emergency or maintenance or construction of a water system may give rise to circumstances in which a party asks for temporary interconnection of the systems, recognizing that there is no entitlement or right to insist on such interconnection but that the parties nevertheless will strive to accommodate such a request when reasonably possible and when doing so would not pose an unacceptable risk to the operation of another water system.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, it is agreed by the parties hereto as follows:

Section 1. General Agreement. The parties agree that the Interconnections shall be governed by the terms and provisions of this Contract.

Section 2. Maintenance of Interconnections. Spring Lake Township shall be responsible for maintaining the valve for the Interconnection A. Spring Lake Township and Fruitport shall each be responsible for maintaining the water mains (within their respective jurisdictions) which lead to the Interconnection A valve. Spring Lake Township shall provide routine maintenance for the valve (opening it, closing it and inspecting it) without charge. Should the valve require a replacement of parts, seals, etc., or other maintenance beyond routine matters, then all costs and expenses of such maintenance shall be divided equally

between Fruitport and Ottawa County. Ottawa County shall allocate its portion of the cost among Spring Lake Township, Spring Lake Village and Ferrysburg pro rata, based on their retail water usage for the previous fiscal year.

For Interconnection B, Spring Lake Township shall be responsible for maintaining the southerly valve, and Fruitport shall be responsible for maintaining the northerly valve. Spring Lake Township and Fruitport shall be responsible for maintaining the water mains (within their respective jurisdictions) which lead to these valves. Spring Lake Township and Fruitport shall provide routine maintenance for the southerly valve and the northerly valve, respectively (opening it, closing it, and inspecting it) without charge. Should the southerly valve require a replacement of parts, seals, etc., or other maintenance beyond routine matters, then all costs and expenses of such maintenance shall be paid by Ottawa County and allocated among Spring Lake Township, Spring Lake Village and Ferrysburg pro rata, based on their retail water usage for the previous fiscal year. Should the northerly valve require a replacement of parts, seals, etc., or other maintenance beyond routine matters, then all costs and expenses of such maintenance shall be paid by Fruitport. Should the pipeline between the southerly and northerly valves require repair or replacement, as determined by Spring Lake Township, then all costs and expenses of such work shall be divided equally by Fruitport and Ottawa County. Ottawa County shall allocate its share of the cost among Spring Lake Township, Spring Lake Village and Ferrysburg pro rata, based on their retail water usage for the previous fiscal year.

For Interconnections C, D, and E, Spring Lake Township shall be responsible, in each case, for maintaining the southerly valve, and Norton Shores shall be responsible, in each case, for maintaining the northerly valve. Spring Lake Township and Norton Shores shall each be responsible for maintaining the water mains (within their respective jurisdictions) which lead to these valves. Spring Lake Township and Norton Shores shall provide routine maintenance for the southerly valves and northerly valves, respectively (opening them, closing them, and inspecting them) without charge. Should a southerly valve require a replacement of parts, seals, etc., or other maintenance beyond routine matters, then all costs and expenses of such maintenance shall be paid by Ottawa County and allocated Spring Lake Township, Spring Lake Village and Ferrysburg pro rata, based on their retail water usage for the previous fiscal year.

Should a northerly valve require a replacement of parts, seals, etc., or other maintenance beyond routine matters, then all costs and expenses of such maintenance shall be paid by Norton Shores. Should a pipeline between the southerly and northerly valves require repair or replacement, as determined by Spring Lake Township and Norton Shores collectively, then all costs and expenses for such work shall be divided equally between Norton Shores and Ottawa County. Ottawa County shall allocate its share of the cost among Spring Lake Township, Spring Lake Village and Ferrysburg pro rata, based on their retail water usage for the previous fiscal year.

For future Interconnections of the Muskegon County water systems and the Ottawa County water systems accomplished with the consent of one of the Muskegon Parties and one of the Northwest Ottawa Parties, Spring Lake Township shall be responsible, in each case, for maintaining the southerly valve, and, depending on the location of the Interconnection, Norton Shores or Fruitport (i.e., the local unit within which the northerly valve of the Interconnection is located) shall be responsible, in each case, for maintaining the northerly valve. Spring Lake Township, on the one hand, and Norton Shores or Fruitport (depending on the local unit within which the relevant water mains are located) on the other hand, shall each be responsible for maintaining the water mains which lead to these valves. Spring Lake Township shall provide routine maintenance for the southerly valves (opening them, closing them, and inspecting them) and Norton Shores or Fruitport shall provide the same routine maintenance for the northerly valves, all without charge. Should a southerly valve require a replacement of parts, seals, etc., or other maintenance beyond routine matters, then all costs and expenses of such maintenance shall be paid by Ottawa County and allocated among Spring Lake Township, Spring Lake Village and Ferrysburg pro rata, based on their retail water usage for the previous fiscal year. Should a northerly valve require a replacement of parts, seals, etc., or other maintenance beyond routine matters, then all costs and expenses of such maintenance shall be shared by Norton Shores or Fruitport (i.e., the local unit within which the northerly valve of the Interconnection is located). Should a pipeline between the southerly and northerly valves require repair or replacement, as determined by Spring Lake Township and Norton Shores or Fruitport (i.e., the local unit within which the northerly valve of the Interconnection is located),

then all costs and expenses for such work shall be divided equally by Norton Shores or Fruitport (i.e., the local unit within which the northerly valve of the Interconnection is located) and Ottawa County. Ottawa County shall allocate its share of the cost among Spring Lake Township, Spring Lake Village and Ferrysburg pro rata, based on their retail water usage for the previous fiscal year.

Notification shall be given by personal delivery, by telephone, by facsimile transmission, by e-mail, or by ordinary mail in advance of undertaking maintenance, repair and/or replacement, or construction that may prompt a request to open an Interconnection. For such maintenance, repair and/or replacement, or construction to be performed by Spring Lake Township, Spring Lake Township shall give notice to Muskegon in all cases and, in addition, for Interconnection B, Fruitport, and for Interconnections C, D, and E, Norton Shores. For maintenance, repair and/or replacement, or construction to be performed by Fruitport for Interconnection B, Fruitport shall give notice to Ottawa County and Spring Lake Township. For maintenance, repair and/or replacement, or construction to be performed by Norton Shores for Interconnections C and D, Norton Shores shall give notice to Ottawa County and Spring Lake Township. If possible, notice shall be given at least 3 days in advance of the commencement date of the maintenance, repair and/or replacement, or construction.

Section 3. Use of Interconnections. The Interconnections may be utilized as provided in this Contract in the event of an emergency situation that results in the loss of water supply or threatens the loss of water pressure, quantity, or quality of water service to any or all of the parties (a "Water Emergency"). The Interconnections also may be utilized as provided in this Contract in the event of scheduled maintenance or scheduled construction of the water system of a party.

If any or all of the Northwest Ottawa Parties desire to utilize one or more of the Interconnections, a request shall be made to the Water and Sewer Superintendent of Norton Shores (or his or her designee) or to the Director of Public Utilities of Fruitport (or his or her designee), depending on the location of the Interconnection(s). This request shall be made by Spring Lake Township. The request shall include the reason for the request, the time during which the Interconnection(s) would be opened, the estimated flow rate through the

Interconnection(s), the estimated duration that the Interconnection(s) would be open and the person who would be in charge of the Interconnection(s) opening and his/her phone number. The party to whom the request is made (i.e., either Norton Shores or Fruitport) shall immediately contact the Muskegon Filtration Plant Superintendent (or his or her designee) to discuss the request and either approve or deny the request. (As noted in the preamble to this Contract, the parties recognize that there is no entitlement or right to insist on interconnection but the parties nevertheless will strive to accommodate such a request when reasonably possible and when doing so will not pose an unacceptable risk to the operation of another water system.) Upon completion of the use of the Interconnection, the person in charge of the Interconnection opening shall complete a "Valve Operation Report" and serve and transmit a copy, in the manner provided in Section 8, to both Ottawa County and Muskegon. A sample of the report is included as Exhibit G. If any of the Muskegon Parties desire to use the Interconnection(s), a request shall be made to the Director of Public Works of Spring Lake Township (or his or her designee). This request may be made by any or all of the Muskegon Parties. The request shall include the reason for the request, the time during which the Interconnection(s) would be opened, the estimated flow rate through the Interconnection(s), the estimated duration that the Interconnection(s) would be open and the person who will be in charge of the Interconnection(s) opening and his/her phone number. Spring Lake Township shall immediately contact the Water Facilities Manager of the Northwest Ottawa Water Treatment Plant or his/her designee to discuss the request and either approve or deny the request. (Again, as noted in the preamble to this Contract, the parties recognize that there is no entitlement or right to insist on interconnection but the parties nevertheless will strive to accommodate such a request when reasonably possible and when doing so will not pose an unacceptable risk to the operation of another water system.) Upon completion of the use of the Interconnection, the person in charge of the Interconnection opening shall complete a "Valve Operation Report" and serve and transmit a copy, in the manner provided in Section 8, to both Ottawa County and Muskegon. A sample of the report is included as Exhibit G.

Interconnection E will be the preferred interconnection to use if it meets the needs of the parties, as this connection can be metered.

The terms and conditions of this Contract apply only to the use of the Interconnection(s) in the event of a Water Emergency situation, scheduled maintenance, or scheduled construction as described above. This is not a water supply agreement. Use of an Interconnection for any other reason, including lack of water quantity due to high water demand and/or lack of adequate system infrastructure, is not covered by this Contract. In the event the parties desire to utilize the Interconnection(s) for any other reason(s), the terms of that use and rates charged for water used shall be negotiated separately.

Section 4. Water Usage. If an Interconnection valve is opened, water usage shall be estimated by the party supplying the water, recognizing that both the supplying party and the requesting party (or parties) may need to communicate and exchange information in order to make the estimate as accurate as possible within reason. If Interconnection E is used and the meter is utilized, this meter reading shall be the water usage. Spring Lake Township and Norton Shores or Fruitport Township, depending on the location of the water use, shall have the option to bill its counterpart for this water usage if the party supplying the water so elects. If the water supplier elects to render a billing, the billing shall be at the normal wholesale rate. However, if the emergency interconnection use was found to cause or be a significant factor in causing the supplying treatment plant to incur additional electrical costs due to a peak load condition, then a portion or all of these costs shall be allocated to the party receiving the interconnection water. All billings rendered pursuant to this paragraph shall be paid within thirty (30) days of their date.

Section 5. Risk of Loss and Insurance. Fruitport and the Northwest Ottawa Parties shall have equal responsibility for risk of loss for the valve for Interconnection A and the other Interconnection A facilities exclusive of the water mains leading to Interconnection A. Norton Shores or Fruitport (i.e., the local unit within which the northerly valve of the Interconnection is located) Norton Shore or Fruitport (i.e., the local unit within which the northerly valve of the Interconnection is located) shall have sole responsibility for risk of loss to the northerly Interconnection valves for Interconnections B, C, D, and E, respectively, and the Northwest Ottawa Parties shall have sole responsibility for the risk of loss to the southerly Interconnection

valves for these Interconnections. The parties may insure the respective Interconnection valves and facilities for which they have responsibility at their own expense.

Norton Shores or Fruitport (i.e., the local unit within which the northerly valve of the Interconnection is located) Norton Shores or Fruitport (i.e., the local unit within which the northerly valve of the Interconnection is located) and the Northwest Ottawa Parties, respectively, shall have full responsibility for risk of loss to the water main that each is required to maintain as is provided in Section 2 except that with respect to the water pipelines between the southerly and northerly valves for Interconnections B and C, respectively, Norton Shores or Fruitport (i.e., the local unit within which the northerly valve of the Interconnection is located) Norton Shores or Fruitport (i.e., the local unit within which the northerly valve of the Interconnection is located) and the Northwest Ottawa Parties shall have equal responsibility for risk of loss.

Section 6. Term. This Contract shall be effective as of July 1, 2019, and shall continue until October 31, 2042. The Interconnection Contract between the parties dated December 1, 1981 and May 1, 2003 are revoked, as are all other contracts and agreements which pertain to the Interconnections that are the subject of this Contract, except for the provisions of those Contracts which contemplate performance after termination including, but without limitation, the indemnification provisions.

Section 7. Miscellaneous. Neither this Contract nor any rights under it may be assigned nor may any duty be delegated (except as is provided in this Contract) without the prior written consent of all of the non-assigning or non-delegating parties. Any attempt to assign or delegate rights or duties without prior written consent shall be void. This Contract shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

All notices and other documents to be served and transmitted hereunder shall be in writing and addressed to the designated contact persons for the respective parties hereto at the addresses stated on page 1 of this Contract or such other address or addresses as shall be specified by the parties hereto from time to time and may be served or transmitted by personal delivery, by facsimile transmission, by e-mail, or by ordinary or certified mail properly addresses

with sufficient postage. This is an integrated Contract. It contains the full understanding of the parties and supersedes all other understandings, agreements or conditions, written or oral, regarding the subject matter of this Contract. This Contract has been executed in the State of Michigan and shall be governed by Michigan law. The waiver by any party hereto of a breach or violation of any provision of this Contract shall not be a waiver of any subsequent breach of the same or any other provision of this Contract. If any section or provision of this Contract is unenforceable for any reason, the unenforceability thereof shall not impair the remainder of this Contract, which shall remain in full force and effect. It is contemplated that this Contract will be executed in multiple counterparts, all of which together shall be deemed to be one Contract. The captions in this Contract are for convenience only and shall not be considered as part of this Contract or in any way to amplify or modify the terms and provisions hereof. This Contract shall be enforceable only by the parties hereto and their successors in interest by virtue of an assignment which is not prohibited under the terms of this Contract and no other person shall have the right to enforce any of the provisions contained herein. All exhibits attached hereto are incorporated herein by reference as though fully stated herein. No amendment, modification or waiver shall be effective unless in writing and signed by all parties. All rights and remedies set forth in this Contract are cumulative and are in addition to any other legal or equitable rights and remedies.

IN WITNESS WHEREOF, the parties have executed this Contract.

Witnessed as to both signatures by:

_____

_____

CITY OF MUSKEGON

By:_____

Its:_____

By:_____

Its:_____

Dated:_____

Witnessed as to both signatures by:

CITY OF NORTON SHORES

_____

By:_____

Its:_____

_____

By:_____

Its:_____

Dated:_____

Witnessed as to both signatures by:

CHARTER TOWNSHIP OF FRUITPORT

_____

By:_____

Its:_____

_____

By:_____

Its:_____

Dated:_____

Witnessed as to both signatures by:

MUSKEGON COUNTY

By:_____

Its:_____

By:_____

Its:_____

Dated:_____

Witnessed as to both signatures by:

COUNTY OF OTTAWA, by its Board of County Road Commissioners

_____

By:_____

Its:_____

_____

By:_____

Its:_____

Dated:_____

Witnessed as to both signatures by:

_____

_____

TOWNSHIP OF SPRING LAKE

By:_____

Its:_____

By:_____

Its:_____

Dated:_____

Witnessed as to both signatures by:

VILLAGE OF SPRING LAKE

_____

By:_____

Its:_____

_____

By:_____

Its:_____

Dated:_____

Witnessed as to both signatures by:

CHARTER TOWNSHIP OF GRAND HAVEN

_____

By:_____

Its:_____

_____

By:_____

Its:_____

Dated:_____

Witnessed as to both signatures by:

CITY OF FERRYSBURG

_____

By:_____

Its:_____

_____

By:_____

Its:_____

Dated:_____

Witnessed as to both signatures by:

CITY OF GRAND HAVEN

_____

By:_____

Its:_____

_____

By:_____

Its:_____

Dated:_____

Witnessed as to both signatures by:

WEST MICHIGAN REGIONAL WATER AUTHORITY

_____

By:_____

Its:_____

_____

By:_____

Its:_____

Dated:_____

EXHIBIT A

Interconnection A

On the North line of Section 1, Town 8 North, Range 16 West of Spring Lake Township, which is the South line of Section 36, Town 9 North, Range 16 West of Fruitport Township (the Village of Fruitport), at a point in the Fruitport Road right-of-way 420 feet south of the intersection of the centerline of Fruitport Road and Apple Drive as shown on Exhibit B.

Interconnection B

430 feet north of North line of Section 2, Town 8 North, Range 16 West of Spring Lake Township, which is the South line of Section 35, Town 9 North, Range 16 West of Fruitport Township, at points in the Judson Road right-of-way a valve 30 feet North and a valve 35 feet North of the centerline of Claire Lane as shown on Exhibit C.

Interconnection C

On the North line of Section 4, Town 8 North, Range 16 West of Spring Lake Township, which is the South line of the City of Norton Shores, at points in the 174th Avenue (Grand Haven Road) right-of-way a valve 5 feet South and a valve 36.5 feet North of the centerline of Wilson Road as shown on Exhibit D.

Interconnection D

On the North line of Section 6, Town 8 North, Range 16 West of Spring Lake Township, which is the South line of the City of Norton Shores, at points in the Palm Drive (Black Lake Road) right-of-way a valve 18 feet South and a valve 12 feet North of the Ottawa County – Muskegon County line as shown on Exhibit E.

Interconnection E

Located at the NW ¼ of Section 3, T8N, R16W of Spring Lake Township, which is the South line of Fruitport Township, at points in the Harvey Street (168th Avenue) right of way a valve 9 feet and a valve 18 feet North of the Ottawa County – Muskegon County line as shown on Exhibit F.

EXHIBIT G

Muskegon County – Ottawa County Emergency Water Supply Interconnection

Valve Operation Report

1. Reason for opening: _____ Emergency _____ Scheduled Maintenance /Construction

Explanation:_____

_____

_____

_____

2. Date and time opened:_____

3. Opened by: Name_____ Title_____

Unit of Government_____

Opening authorized by: (if opened by other than designated operator)

Name_____ Title_____

Unit of Government_____

4. Date and time closed:_____

5. Closed by: Name_____ Title_____

Unit of Government_____

6

Remarks:_____

_____

_____

_____

_____

_____

_____

_____

Signature

EXHIBIT B

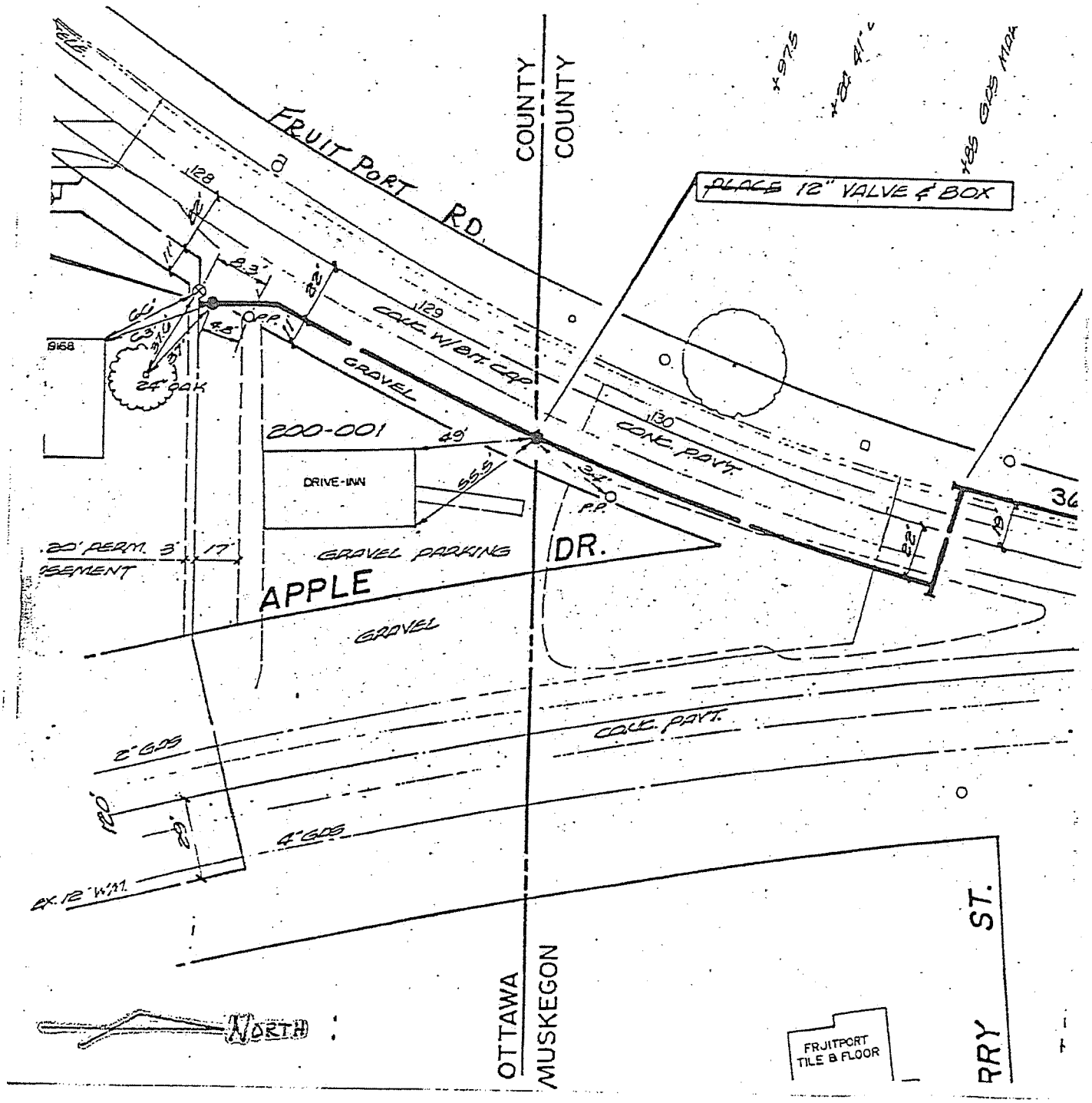

FRUIT PORT RD.
COUNTY
COUNTY
PLACE 12" VALVE & BOX
128
129
CONC. W/BIT. CAP
GRAVEL
200-001
DRIVE-IN
130
CONC. PAVT.
GRAVEL PARKING
DR.
APPLE
GRAVEL
CONC. PAVT.
2" GDS
4" GDS
EX. 12" W.M.
NORTH
OTTAWA
MUSKEGON
ST.
RRY
FRUITPORT
TILE & FLOOR

EXHIBIT C

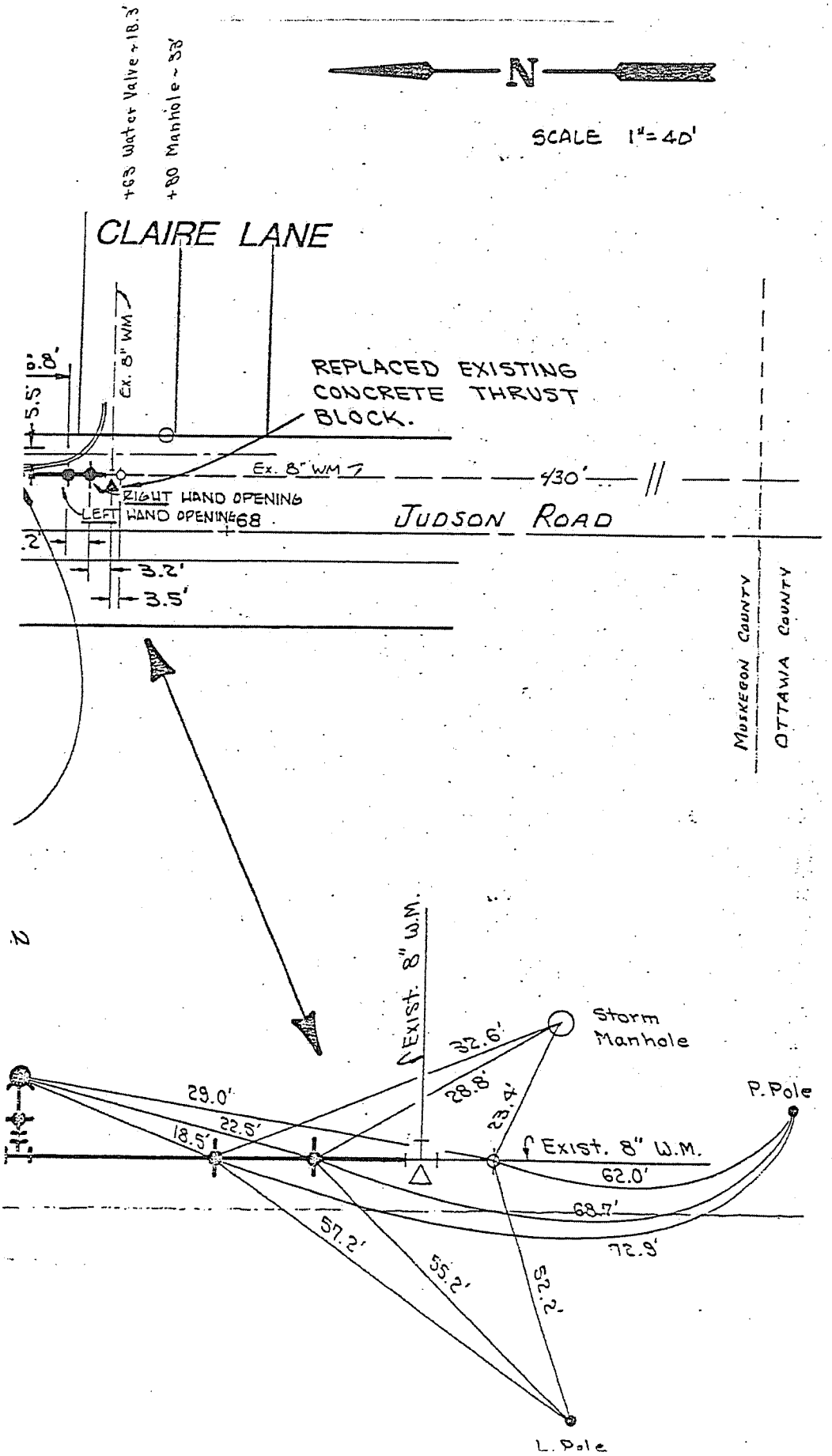

+63 Water Valve ~ 18.3'
+80 Manhole ~ 38'
N
SCALE 1"=40'
CLAIRE LANE
Ex. 8" WM
REPLACED EXISTING CONCRETE THRUST BLOCK.
Ex. 8" WM
4/30'
RIGHT HAND OPENING
LEFT HAND OPENING
68
JUDSON ROAD
MUSKEGON COUNTY
OTTAWA COUNTY
5.5'
8.8'
.2'
3.2'
3.5'
Exist. 8" W.M.
Storm Manhole
32.6'
28.8'
23.4'
29.0'
22.5'
18.5'
Exist. 8" W.M.
P. Pole
62.0'
68.7'
72.9'
57.2'
55.2'
52.2'
L. Pole

EXHIBIT D

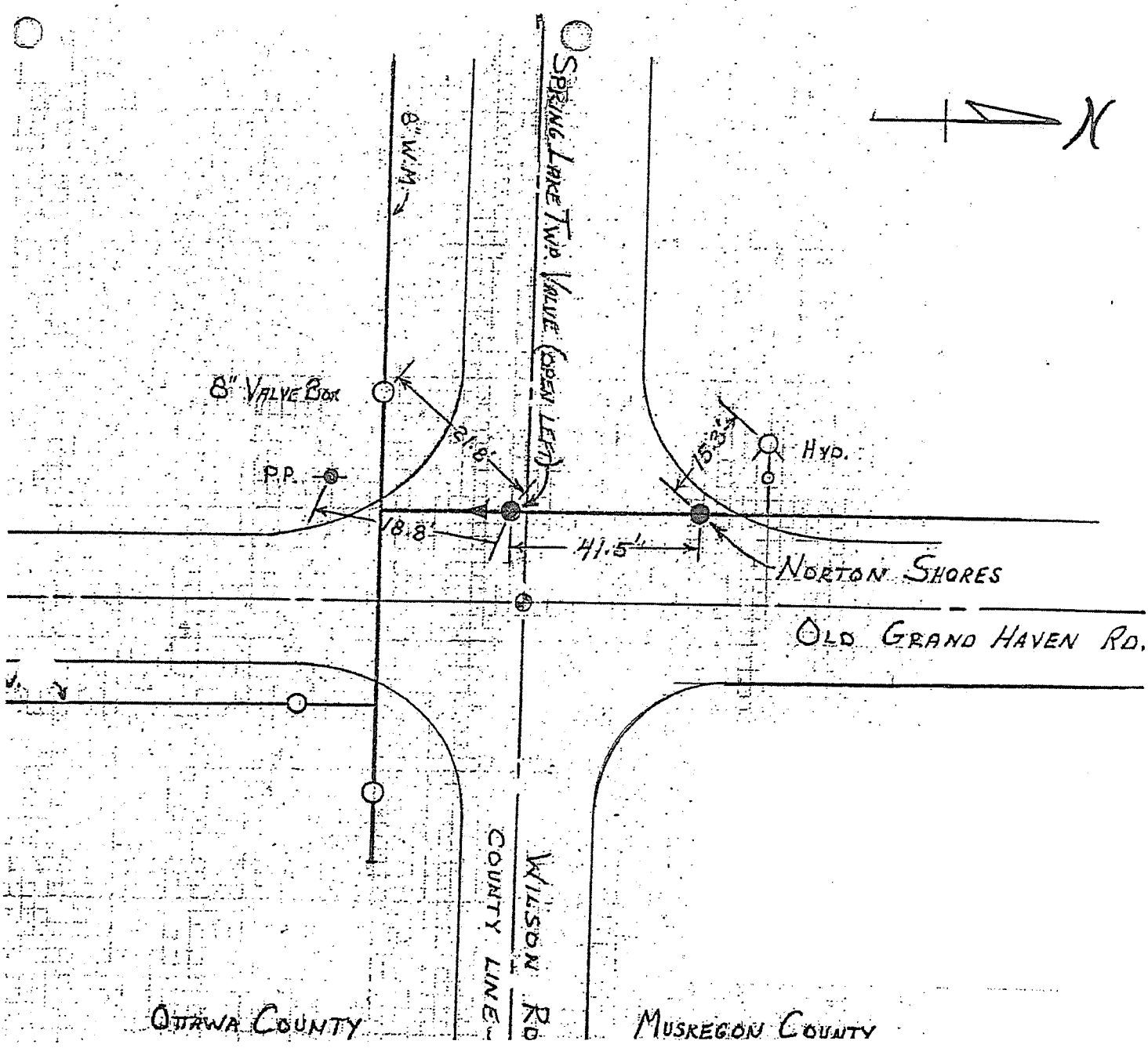
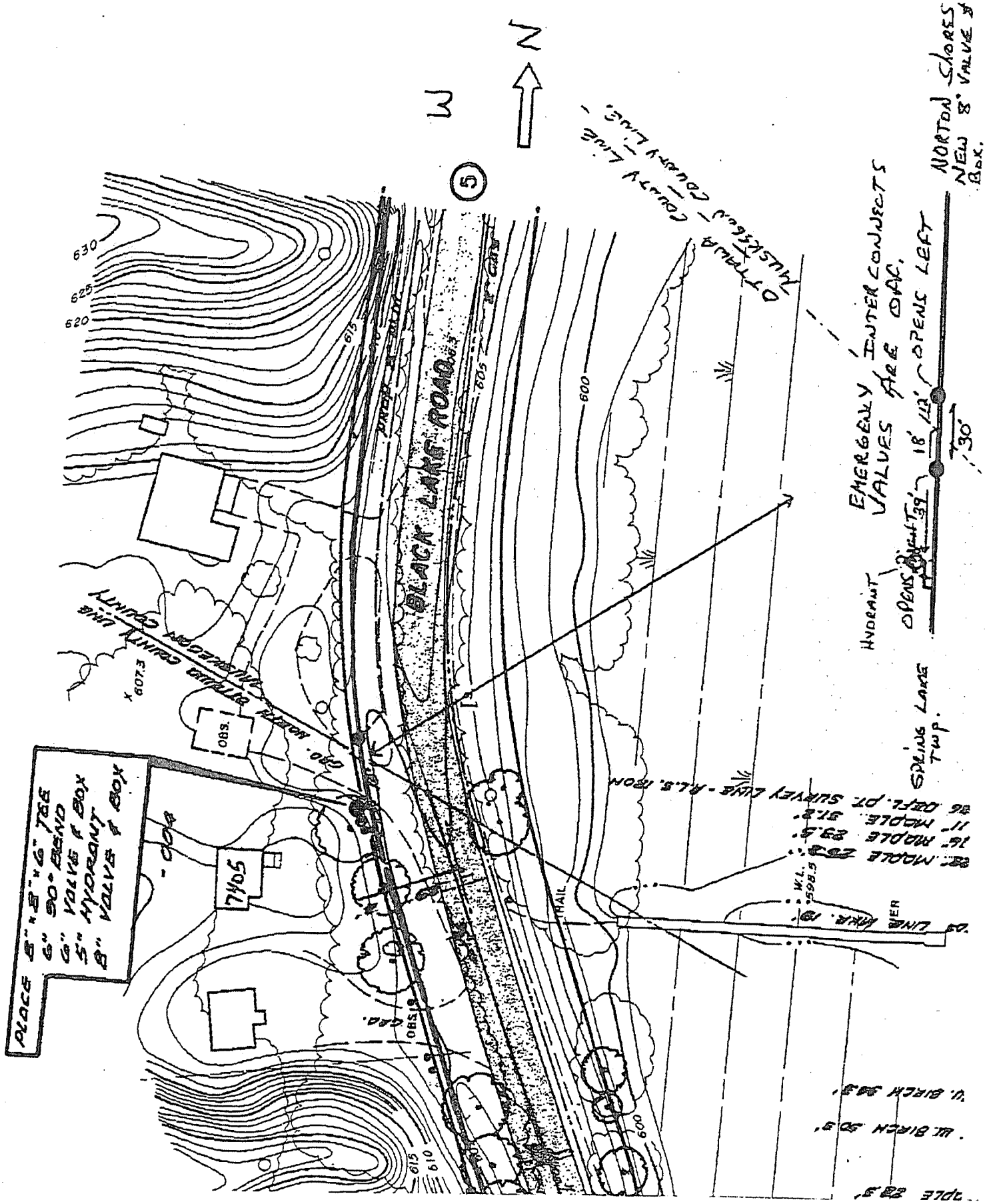
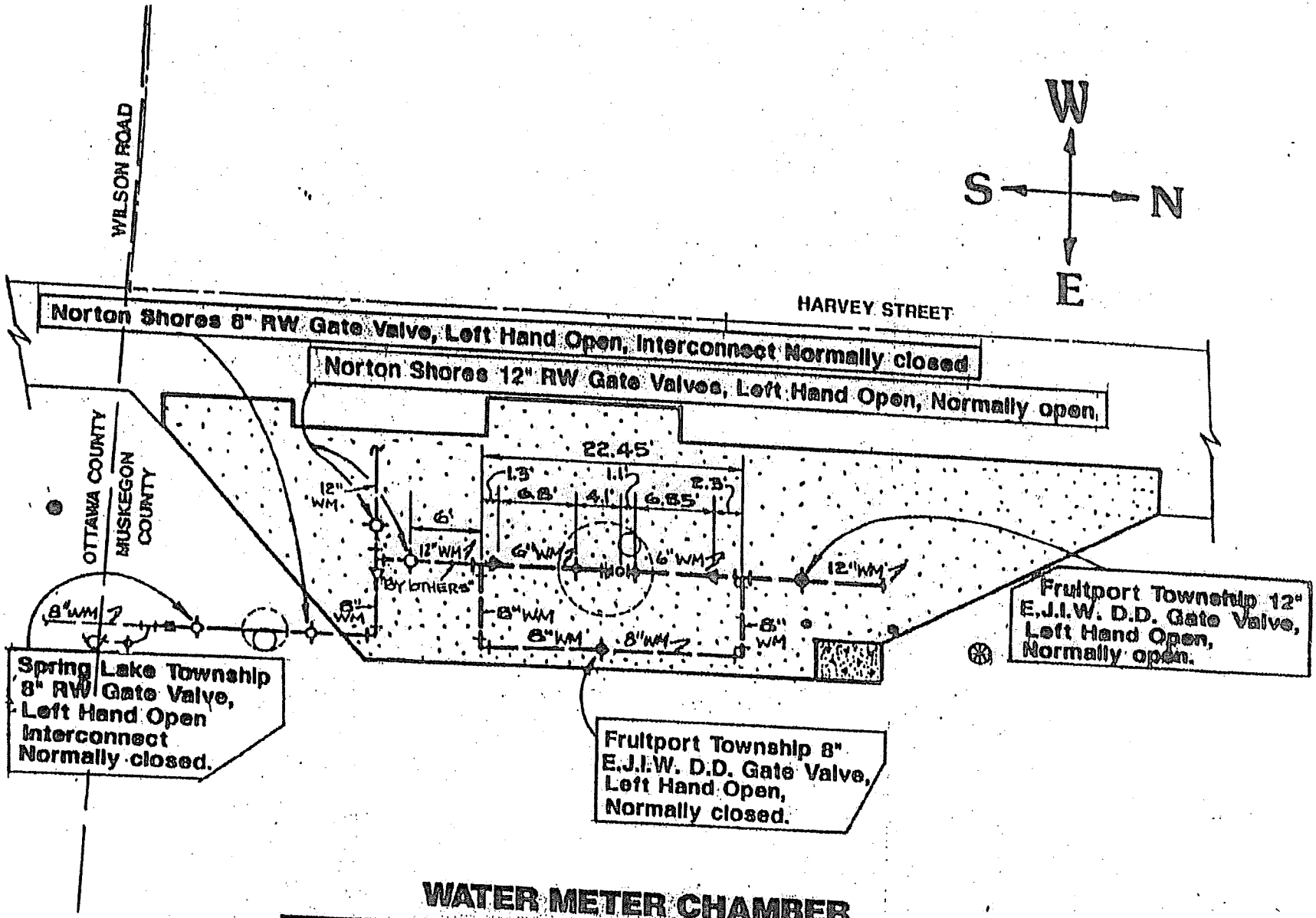

8" W.M.
SPRING LAKE TWP. VALVE (OPEN LEFT)
8" VALVE BOX
P.P.
21.8'
18.8'
41.5'
15.2'
HYD.
NORTON SHORES
OLD GRAND HAVEN RD.
WILSON RD.
COUNTY LINE
OTTAWA COUNTY
MUSKEGON COUNTY

EXHIBIT E


N
W
5
BLACK LAKE ROAD
OTTAWA COUNTY / MUSKEGON COUNTY LINE
OTTAWA COUNTY LINE
MUSKEGON COUNTY LINE
EMERGENCY INTERCONNECTS VALVES ARE OPEN.
NORTON SHORES NEW 8" VALVE & BOX.
HYDRANT
OPENS RIGHT
OPENS LEFT
18' 1/2'
30'
39'
SPRING LAKE TWP.
PLACE 8"x8"x6" TEE
6" 90° BEND
6" VALVE & BOX
5" HYDRANT
8" VALVE & BOX
7405
OBS.
CAP
TRAIL
W.L. 598.5
LINE RIVER
MAPLE 23.3'
MAPLE 23.3'
MAPLE 23.3'
MAPLE 23.3'
BLACK 23.3'
BLACK 23.3'
BLACK 23.3'
SURVEY LINE - R.L.S. FROM
26 DEPT. PT.
630
625
620
615
610
605
600
607.3



WATER METER CHAMBER

FRUITPORT TOWNSHIP, MUSKEGON COUNTY, MICHIGAN

EXHIBIT F

Date: April 23rd, 2019

To: Honorable Mayor and City Commissioners

From: Department of Public Works

RE: City Hall Elevator Repairs

SUMMARY OF REQUEST:

Award a contract for elevator repairs at City Hall to the low bidder Otis Elevator Company. The elevator is currently not functioning properly and is often times only accessible from the basement.

Two contractors submitted bids for this project as follows:

Otis Elevator Company	$69,861 (Base) + $9,850 (Alternate) = $79,711 Total
KONE, Inc.	$89,850 (Base) + $24,470 (Alternate) = $114,320 Total

The base bids include functionality repairs to the elevator including new power units, sensors, control panels, buttons, and chimes. The alternate bid provided by Otis includes rehabilitation of the cab interior with new walls, handrails, ceiling and lighting.

FINANCIAL IMPACT:

$79,711.00

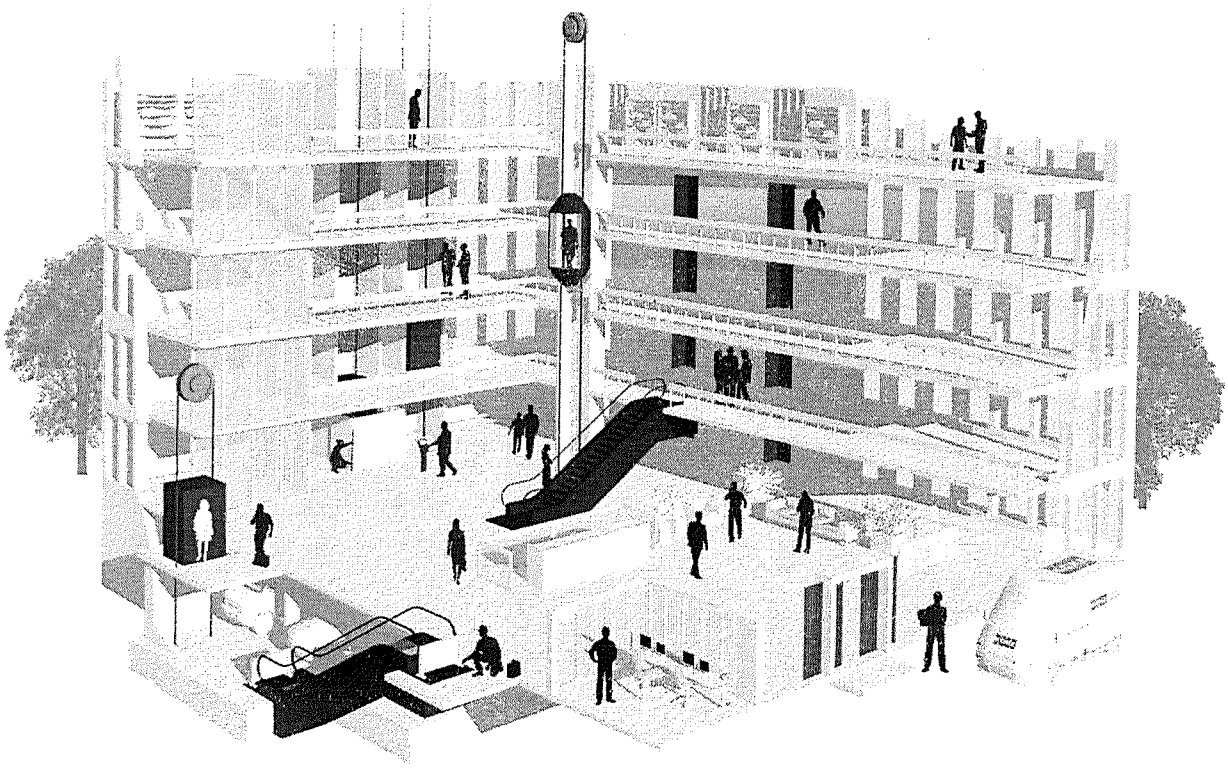
BUDGET ACTION REQUIRED:

None. To be addressed in a future reforecast.

STAFF RECOMMENDATION:

Award the project including the alternate to the low bidder Otis Elevator Company.

Dedicated to People Flow™ KONE



KONE People Flow - Solution for You

- Eco-efficient
- Reliable
- Attractive

03/25/2019

03/25/2019

KONE Inc.
Elevators & Escalators

5300 Clay Avenue SW
Wyoming, Michigan, 49548
Mobile (616) 291-9689
Work (616) 534-3300
paul.brady@kone.com
www.kone.us

Dear Terry Spyke,

We are pleased to enclose, for your review and consideration, KONE's proposal to modernize your equipment located at the following address for the amount of $89,850.00 (excl. tax):

Muskegon City Hall: 933 Terrace Street; Muskegon, MI; 49440

In addition to a quality modernization project, we would be excited to discuss KONE 24/7 Connected Services with you and the continuing benefits KONE could bring to your business. KONE is leading the industry with KONE 24/7 Connected Services using the latest intelligent elevator technology allowing us to predict issues and take action before a shutdown occurs. Predictive maintenance allows fewer shutdowns, less cali-outs, and improved up-time of equipment - all leading to a better user experience! Please know that we are available to assist you in coordinating the work by others as further described in our "Bid Attachment B".

Should you have any questions or require additional information, please feel to contact me directly.

We look forward to hearing from you and working together on this project.

Yours sincerely,

Paul Brady
Sr. Sales Consultant
KONE Inc.

1 Solution Specification

Technical Equipment Data / - - Solution 1.

Equipment number	13754
Address	933 Terrace Street; Muskegon, MI; 49440
Rated load	3500 lbs
Rated speed	125 fpm
Travel height	24 ft 0 in
Number of floors	3

Offered Components

Door Panels

New door panel(s) shall be provided where applicable. New door(s) shall be UL fire rated 1 1/2 hour.

ReNova Door Operator

A closed loop permanent magnet PWM high-performance door operator shall be provided to open and close the car and hoistway doors simultaneously. Door movement shall be cushioned at both limits of travel. An electric contact shall be provided on the car at each car entrance to prevent the operation of the elevator unless the car door is closed. The door operator shall be arranged so that, in case of interruption or failure of electric power, the doors can be readily opened by hand from within the car, in accordance with applicable code.

Emergency devices and keys for opening doors from the landing shall be provided as required by the local code. Doors shall open automatically when the car has arrived at or is leveling at the respective landings. Door shall close after a predetermined time interval or immediately upon pressing of a car button. A door open button shall be provided in the car. Momentary pressing of this button shall reopen the doors and reset the time interval. Door hangers and tracks shall be provided for each car door. Tracks shall be contoured to match the hanger sheaves. The hangers shall be designed for power operation with provisions for vertical and lateral adjustment. Hanger sheaves shall have polyurethane tires and pre-lubricated sealed-for-life bearings.

Curtain of Light

The elevator car shall be equipped with an electronic protective device extending the full height of the car. When activated, this sensor shall prevent the doors from closing or cause them to stop and reopen if they are in the process of closing. The doors shall remain open as long as the flow of traffic continues and shall close shortly after the last person passes through the door opening.

KCM831 Hydraulic Controller

KONE KCM831 is a modular modernization solution for elevator control and electrical systems, based on the latest in control technology. This replaces outdated technology such as relays and older electronic systems, improving the levels of performance, reliability, safety and energy efficiency of your elevator. The modular structure of KONE KCM831 is designed to correctly interface with many types of existing elevator components, thus ensuring a swift, trouble-free installation for the building users.

A new microprocessor-based control system shall be provided to perform the functions of safe elevator motion. Included shall be all of the hardware required to connect, transfer and interrupt power, and to protect the motor against overloading. Each controller cabinet containing memory equipment shall be properly shielded from line pollution. The microcomputer system shall be designed to accept reprogramming with minimum system down time. All high voltage (110V or above) contact points inside the controller cabinet shall be protected from accidental contact in a situation where the controller doors are open. The microprocessor-based control system shall utilize on-board diagnostics for servicing, trouble-shooting, and adjusting without requiring the use of an outside service tool.

Hydraulic Power Unit

A hydraulic power unit, especially designed and manufactured for this service, will be furnished. The motor and pump will be submersed under the oil inside the tank in order to provide for sound isolation. A muffler, designed to reduce pulsation and noise which may be present in the flow of hydraulic oil, will be provided in the oil line at the top of the pump.

Control valves, including safety check valve, up direction valve with high pressure relief including up leveling and soft stop features, lowering valve including down leveling and manual leveling feature, will be mounted in a compact unit assembly. A valve, designed to shut off the flow of oil between the cylinder and the Power Unit, will be provided in the oil line in the machine room. Automatic two-way leveling will be provided to automatically stop and maintain the car approximately level with the landing, regardless of change in load.

An up traveling car will automatically descend to the lower terminal landing if the hydraulic system does not have a sufficient reservoir of oil. Power operated car and hoistway doors will automatically open at the lowest terminal landing permitting passenger egress. The doors will then automatically close and all control buttons, except the Door Open Button in the car operating panel, will be made ineffective.

Two (2) manual shut off valves will also be provided.

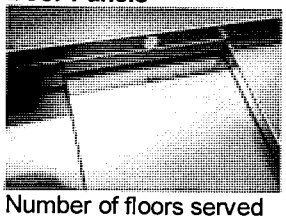
ReVive 500, 600

New KONE car & hall signalization shall be provided.

2 DETAILED SPECIFICATION

/ - - Solution 1

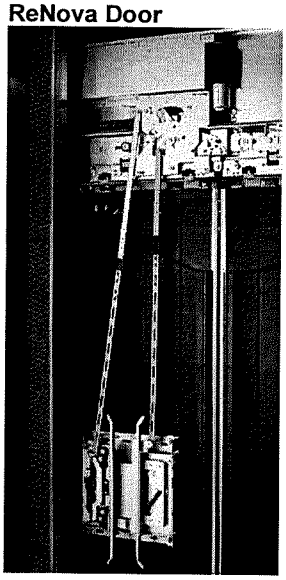
Door Panels



New door panel(s) shall be provided where applicable. New door(s) shall be UL fire rated 1 1/2 hour.

Number of floors served	3
Car Panel Finishing Material	New car door panel(s) shall be provided where applicable. New door(s) shall be UL fire rated 1 ½ hour. Finish will be #4 stainless steel.
Door type	Single speed center opening
Door width [in]	42
Door Height (Inches)	84
Hatch Panel Finishing Material	New hatch door panel(s) shall be provided where applicable. New door(s) shall be UL fire rated 1 ½ hour. Finish will be #4 stainless steel.
Qty of sets of Car door panel (per car)	2
Qty of sets of Hatch door panel (per car)	2

ReNova Door

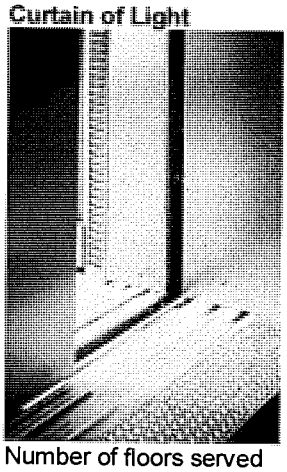


A closed loop permanent magnet PWM high-performance door operator shall be provided to open and close the car and hoistway doors simultaneously. Door movement shall be cushioned at both limits of travel. An electric contact shall be provided on the car at each car entrance to prevent the operation of the elevator unless the car door is closed. The door operator shall be arranged so that, in case of interruption or failure of electric power, the doors can be readily opened by hand from within the car, in accordance with applicable code.

Emergency devices and keys for opening doors from the landing shall be provided as required by the local code. Doors shall open automatically when the car has arrived at or is leveling at the respective landings. Door shall close after a predetermined time interval or immediately upon pressing of a car button. A door open button shall be provided in the car. Momentary pressing of this button shall reopen the doors and reset the time interval. Door hangers and tracks shall be provided for each car door. Tracks shall be contoured to match the hanger sheaves. The hangers shall be designed for power operation with provisions for vertical and lateral adjustment. Hanger sheaves shall have polyurethane tires and pre-lubricated sealed-for-life bearings.

Number of floors served	3
Hoistway NEMA Rating	Hoistway rating is NEMA 1.
Front/rear entrances	Front entrances only
Number of front openings	3
Door type	Single speed center opening
Door width [in]	42

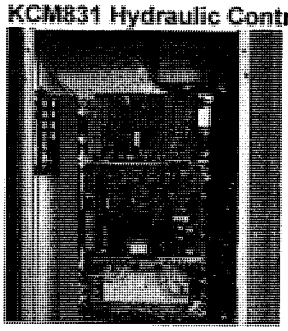
Curtain of Light



The elevator car shall be equipped with an electronic protective device extending the full height of the car. When activated, this sensor shall prevent the doors from closing or cause them to stop and reopen if they are in the process of closing. The doors shall remain open as long as the flow of traffic continues and shall close shortly after the last person passes through the door opening.

Number of floors served	3
Hoistway NEMA Rating	Hoistway rating is NEMA 1.
Front/rear entrances	Front entrances only

KCM831 Hydraulic Controller



KONE KCM831 is a modular modernization solution for elevator control and electrical systems, based on the latest in control technology. This replaces outdated technology such as relays and older electronic systems, improving the levels of performance, reliability, safety and energy efficiency of your elevator. The modular structure of KONE KCM831 is designed to correctly interface with many types of existing elevator components, thus ensuring a swift, trouble-free installation for the building users.

A new microprocessor-based control system shall be provided to perform the functions of safe elevator motion. Included shall be all of the hardware required to connect, transfer and interrupt power, and to protect the motor against overloading. Each controller cabinet containing memory equipment shall be properly shielded from line pollution. The microcomputer system shall be designed to accept reprogramming with minimum system down time. All high voltage (110V or above) contact points inside the controller cabinet shall be protected from accidental contact in a situation where the controller doors are open. The microprocessor-based control system shall utilize on-board diagnostics for servicing, trouble-shooting, and adjusting without requiring the use of an outside service tool.

Elevator Group Size	Simplex
Number of floors served	3
Travel (in)	288
Speed [FPM]	125
Hoistway NEMA Rating	Hoistway rating is NEMA 1.
Machine Room NEMA Rating	Machine room rating is NEMA 1.
Power supply voltage [V]	208
Pit depth (in)	48
Overhead height (in)	156
Machine Room Duct	KONE will remove all existing wiring, conduit and duct from the machine room. New conduit and duct properly sized and constructed for the job requirements will be installed (in

	accordance with applicable codes)
Existing Motor Size (hp)	30
New Motor Size	40
Motor Starts per Hour	80 Standard
Front/rear entrances	Front entrances only
Number of front openings	3
Signalization Type	Serial
COP quantity	1
Hoistway Duct	KONE will remove all existing wiring, conduit and duct from the hoistway. New conduit and duct properly sized and constructed for the job requirements will be installed (in accordance with applicable codes)
New Minimum Fusetron Size	150

Hydraulic Power Unit

A hydraulic power unit, especially designed and manufactured for this service, will be furnished. The motor and pump will be submersed under the oil inside the tank in order to provide for sound isolation. A muffler, designed to reduce pulsation and noise which may be present in the flow of hydraulic oil, will be provided in the oil line at the top of the pump.

Control valves, including safety check valve, up direction valve with high pressure relief including up leveling and soft stop features, lowering valve including down leveling and manual leveling feature, will be mounted in a compact unit assembly. A valve, designed to shut off the flow of oil between the cylinder and the Power Unit, will be provided in the oil line in the machine room. Automatic two-way leveling will be provided to automatically stop and maintain the car approximately level with the landing, regardless of change in load.

An up traveling car will automatically descend to the lower terminal landing if the hydraulic system does not have a sufficient reservoir of oil. Power operated car and hoistway doors will automatically open at the lowest terminal landing permitting passenger egress. The doors will then automatically close and all control buttons, except the Door Open Button in the car operating panel, will be made ineffective.

An automatic Safety Valve will be supplied in the oil line at the jack unit (pit) designed to shut off the flow of oil from the cylinder and bring the car to rest in case the car attains excessive down speed.

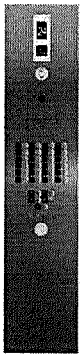
Two (2) manual shut off valves will also be provided.

Travel (in)	288
Capacity [LBS]	3500
Speed [FPM]	125
Existing Motor Size (hp)	30
New Motor Size	40
Motor Starts per Hour	80 Standard
Existing Piston Diameter [in.]	4
Control Valve OEM	Maxton
Empty Car Weight [lbs]	4000
Field Pipe Length (in)	240
Field Pipe Size	2"
FL Working Pressure at Pump	676.599936

Jack location	Inground
Jack type	Single Stage
Load Class	Passenger
NL Static Pressure [Single Stage]	342.99071
Piston Wall	0.4375
Qty Jacks per Car	1
Front/rear entrances	Front entrances only
Car Top Handrail	A top of car handrail will be provided as required by code.
Toe Guard	A new code compliant toe guard will be provided.

ReVive 500, 600

New KONE car & hall signalization shall be provided.



Elevator Group Size	Simplex
Number of floors served	3
Code year	2010
Capacity [LBS]	3500
Hoistway NEMA Rating	Hoistway rating is NEMA 1.
Front/rear entrances	Front entrances only
Number of front openings	3
Car fixture display color	The Car Operating Panel will incorporate a car position indicator showing car position in the hoistway with single or dual numeral and/or letter floor designations along with an arrow corresponding to the direction of car travel.
Car fixture material	Car fixture material finish will be #4 stainless steel.
Car fixture mounting	Car fixtures will be a surface mount design style.
Car position indicator type	Dot Matrix
COP quantity	1
Hall fixture display color	Amber
Hall fixture material	Hall fixture material finish will be #4 stainless steel.
Hall fixture mounting	Hall fixtures will be a surface mount design style.
Qty of hall stations (6.6" X 12.9")	3
Qty of car direction lanterns	1
Fire keyswitch type	FEO-K1 National Code
Jamb braille	New code compliant elevator jamb braille will be provided.
Qty of hoistway access switches	2

Handover date	Mutually agreeable project schedule will be determined at time of proposal acceptance. Current delivery lead time is 8-10 weeks from order receipt, deposit and approval of drawings.
Downtime period	3-4 weeks per unit

Price Overview

Proposal pricing is based on the scope of work as defined herein. Any additional work required will be performed only upon purchaser's approval of a mutually agreeable change proposal. Any other deficiencies revealed in the progress of the work will be promptly reported to the purchaser with recommendations and cost for corrective action.

Total Sales Price	$89,850.00
Pricing Conditions	This offer is valid for 90 days.

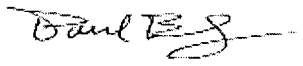
Component Overview	
Equipment number	
Door Panel(s)	
ReNova Door Equipment	
Curtain of Light	
KCM831	
Power unit	
ReVive 500/600	
Sales price	**$ 89,850.00**
Total Sales Price, excl. tax	**$ 89,850.00**

3 Tender Approval

Receiver:
KONE Inc.
Paul Brady
5300 Clay Avenue SW
Wyoming, Michigan, 49548
paul.brady@kone.com

Sender:
Terry Spyke
CITY OF MUSKEGON
933 TERRACE ST
Michigan, MUSKEGON, 49440-1348

Submitted by:



Paul Brady
Sr. Sales Consultant
03/25/2019

We accept the offer constituted by this proposal (total sales price of $89,850.00, excl. tax) and agree to the conditions contained therein.

Approved by KONE Corporate Officer

Signature: _____

Printed Name:

Title:

Date:

Approved by Purchaser

Signature: _____

Printed Name:

Title:

Company Name:

Date:

Clarifications

• Contract terms between KONE Inc. and Purchaser shall be based on our Proposal and Attachments. (See Attachment "A" and "B")

• All new elevator equipment provided shall meet applicable ASME A17.1 code requirements. Any provisions of codes applicable to out-of-scope items shall be the Purchaser's responsibility. Cost of any future code changes adopted prior to permitting and completion are excluded.

• The existing cab and entrance dimensions, which may not meet current ADA or stretcher access rules, will be retained as is.

• Our proposal includes inspections and testing as required by the AHJ. However, any re-testing required due to other trades' failures to complete their work or tests in a timely manner will be billed at our regular billing rates.

• No costs for preventive maintenance services are included in this capital improvement pricing.

• The ASME code limits changes to the empty car weight + capacity of each elevator to 5% of the originally installed value. If past or proposed changes result in a change to the weight or system pressure (for hydraulic) greater than 5% above the original design values, the cost of any engineering and of any required modifications to the elevator system or structure shall be extra to this proposal scope and pricing. If this situation is discovered during the engineering process, KONE will notify purchaser and recommend an alternate design or other changes.

• In order to provide best pricing, proposal excludes any extra demobilizations and remobilizations. If we must demobilize from the jobsite for any reason outside our control, we shall be compensated at our regular billing rates.

• Proposal pricing is based on the scope of work as defined herein. Any additional work required will be performed only upon Purchaser's approval of a mutually agreeable change proposal. Any other deficiencies revealed in the progress of the work will be promptly reported to purchaser with recommendations and cost for corrective action.

• Asbestos: Notwithstanding anything contained to the contrary within this bid or contract, KONE's work shall not include any abatement or disturbance of asbestos containing material (ACM) or presumed asbestos containing materials (PACM). Any work in a regulated area as defined by Section 1910 or 1926 of the Federal OSHA regulations is excluded from KONE's scope of work without an applicable change order to reflect the additional costs and time. In accordance with OSHA requirements, the Customer shall inform KONE and its employees who will perform work activities in areas which contain ACM and/ or PACM of the presence and location of ACM and/or PACM in such areas which may be contacted during work before entering the area. Other than as expressly disclosed in writing, Customer warrants that KONE's work area at all times meets applicable OSHA permissible exposure limits (PELs). KONE shall have the right to discontinue its work in any location where suspected ACM or PACM is encountered or disturbed. Any asbestos removal or abatement, or delays caused by such, required in order for KONE to perform its work shall be the Customer's sole responsibility and expense. After any removal or abatement, customer shall provide documentation that the asbestos has been abated from the KONE work area and air clearance reports shall be made available upon request prior to the start of KONE's work.

• Purchaser shall provide any security, escort or other building service support personnel required during demolition, installation, testing, and inspections.

• For hydraulic elevators, we can assume no responsibility for unusual conditions such as hole cave in and complete hydraulic cylinder assembly embedded in concrete. The excavation of the hole to accommodate the new hydraulic cylinder assembly is based on encountering soil free of rocks, boulders, building construction members, sand, water, quicksand, underground caves and/or any other obstructions or unusual conditions. Should such obstructions or unusual conditions be encountered, additional time above or beyond the working days estimated to complete this project may be required. We will proceed with this portion of the project on a time and material basis, based on our normal billing rates.

Bid Attachment "A" / KONE Inc. General Terms and Conditions (Modernization)

1. APPLICATION OF THESE TERMS

The parties agree to be bound by the terms and conditions contained in the Bid Letter, this Bid Attachment A and Bid Attachment B, including the documents incorporated herein by reference (collectively, the "Proposal").

2. SPECIAL PURCHASING REQUIREMENTS

This Proposal is made without regard to compliance with any special sourcing and/or manufacturing requirements including, but not limited to, Buy America, Buy American, U.S. Steel, FAR clauses, minority / disadvantaged supplier requirements or similar federal and/or state procurement laws. Should such requirements be applicable to this Project, KONE reserves the right to modify and/or withdraw its Proposal.

3. PROPOSAL CONDITIONS

The Proposal shall be open for acceptance within the period stated in the Bid Letter or, when no period is stated, for a period of 30 days from the date of the Bid Letter. Prior to commencing manufacture of the equipment described in the Bid Letter ("Equipment"), KONE must have (i) a fully executed contract; (ii) a schedule acceptable to KONE identifying the Equipment installation start date, or alternatively, KONE's letter specifying the ship date ("Ship Date Letter") signed by Customer, which, as applicable, is incorporated by reference herein; (iii) the first payment in Section 4 herein; and (iv) fully approved KONE layouts.

4. PAYMENT TERMS

Payment of the total Price is due within 30 days from invoice date, based on benchmarks as follows:

- 30% of the Price for engineering, site management, and overhead, billable and due upon execution of this Proposal or receipt of the subcontract;
- 50% of the Price for material and shipping, billable and due upon delivery of material to the jobsite or KONE Distribution Center;
- 20% of the Price for Equipment installation, billable and due at the billing cycle following the start of installation.

KONE reserves the right to delay, suspend, or stop the work, including manufacturing, delivery, installation and/or Equipment turnover, for non-payment, without liability to KONE or being held in default. Simple interest at 1.5% per month shall be charged on amounts not paid when due. Payments to KONE are not contingent on any third party payments to Customer. Customer shall reimburse KONE for all costs of collection, including courts costs and reasonable attorneys' fees.

Prior to turnover, KONE must be paid in full, less 10% maximum retention, the Price including all change orders. Retention shall be due and payable within 30 days of execution of the Uniform Final Acceptance or Equipment turnover, whichever occurs first.

If certified payroll reporting is required, KONE will submit the requested reporting in the format of the U.S. Department of Labor form WH 347 & WH 348. The Price does not include Textura or any other special billing requirements, which can be added via change order at a rate of 0.3% of the Price.

5. INSTALLATION

Customer shall be responsible for procurement and cost of all permits, except permits related to installation of the Equipment. Where KONE's scope of work or other responsibilities include the obligation to utilize materials and/or finishes resembling or identical to those pre-existing in the building, KONE shall use reasonable efforts to procure such materials and Customer acknowledges and accepts that the materials and/or finishes reasonably available may not be in all respects identical to those pre- existing in the building. This Proposal is conditioned upon KONE using its standard installation method. The installation of the Equipment shall start after Customer has completed all work set forth in Bid Attachment B and any other documents describing site requirements ("Site Requirements"), all of which are incorporated by reference herein. Within two (2) weeks prior to the scheduled delivery date for KONE's materials, KONE shall conduct a standard visual site survey to verify that the Site Requirements are complete and notify Customer if there are outstanding deficiencies preventing KONE from beginning installation. KONE's site survey may include, but is not limited to, inspection of site access, working and safety conditions on site, wear and tear of any existing structures or surfaces, and planning of any dismantling or removal of existing equipment, components and materials, where applicable. KONE shall not be deemed to have surveyed any hidden structures, latent defects, subsurface conditions, or other non-visible matters, including but not limited to searching for hazardous substances and/or materials, which shall be subject to Section 16. If KONE's site survey reveals any deficiencies, KONE shall be entitled to delay the start of installation and Customer shall be responsible for all additional costs incurred by KONE, including without limitation, costs associated with: labor reallocation, re- directing materials to and storage in a KONE Distribution Center, additional labor for double handling of materials, and additional trucking, freight and insurance. Once the Site Requirements are completed, the start of installation shall be subject to the availability of labor and the delivery of material, if applicable.

KONE's work shall be performed during regular union working hours of regular working days, Monday to Friday, statutory holidays excluded. If overtime is mutually agreed upon and performed, the additional costs for such work shall be added to the Price at KONE's standard overtime rates. If the installation cannot be performed in an uninterrupted manner for any reason beyond KONE's control, Customer shall store the Equipment at Customer's cost and compensate KONE for any costs caused by such delay including, but not limited to, double handling of Equipment and demobilization.

KONE shall not be required to perform overtime or any Customer directed change to its work ("Extra Work") without an executed change order. No action by KONE, including but not limited to, performing Extra Work without an executed change order, shall be a waiver of KONE's right to seek payment for Extra Work performed. KONE shall be entitled to an extension of time and an equitable adjustment in the Price, including but not limited to, any increased costs of labor, including overtime, resulting from any change of schedule, re-direction of KONE personnel to another work area, acceleration, or out of sequence work.

KONE shall take reasonable methods to protect its work-in-place while KONE is actively on site and until execution of a KONE Uniform Final Acceptance, which is incorporated by reference herein. Should damage occur to KONE property, material or work-in- place by fire, water, theft or vandalism, Customer shall compensate KONE for said damages. Additionally, the Customer is solely responsible for ensuring that the equipment maintenance contractor, if not KONE, does not disturb, delay or interfere with KONE's work. KONE shall abide by Customer's safety policies and procedures to the extent such policies and procedures are not in conflict with KONE's Safety Policy. Testing and/or security features of Equipment must be completed before Equipment turnover. KONE is not responsible for damages, either to Equipment or the building, or for any personal injury or death, arising out of or resulting from any code required safety tests performed on Equipment or hoistway access granted by Customer to other trades.

6. TEMPORARY USE

Temporary use of certain types of Equipment may be permitted, provided the use period allows adequate time for Equipment restoration for final turnover and Customer executes KONE's Temporary Use Agreement. Temporary use shall be invoiced separately and subject to payment terms in Section 4 herein. At the end of temporary use, Customer shall return the Equipment to KONE in "like new" condition.

7. HAZARDOUS MATERIALS

KONE's work shall not include any abatement or disturbance of asbestos containing material ("ACM"), presumed asbestos containing materials ("PACM"), or other hazardous materials (i.e. lead, PCBs) (collectively "HazMat"). KONE shall have the right to discontinue its work in any location where suspected HazMat is encountered or disturbed. Any HazMat removal or abatement, or delays caused by such, required in order for KONE to perform its work shall be Customer's sole responsibility and expense. Should any HazMat abatement occur within the shaft or machine room, Customer shall execute KONE's Hoistway or Pit Access Request. If any HazMat is known to be present on site before the start of work, HazMat removal or abatement shall be completed prior to KONE scheduling installation and delivering material.

8. TITLE AND RISK TO EQUIPMENT

Title to and ownership of all Equipment intended for incorporation in KONE's work, whether installed or stored on or off site, shall remain with KONE until final payment is made and, in the case of suspension or termination for non-payment, the parties agree that KONE may retake possession and remove any or all of KONE's works, Equipment or apparatus without material damage to the property and irrespective of the manner in which the same is attached or affixed. Risk of loss in KONE's work and Equipment passes to Customer upon delivery to the site or off-site storage.

Any tools, devices, or other equipment that KONE uses to perform its work or monitor the Equipment remains the sole property of KONE. If this Proposal terminates or expires for any reason, Customer will give KONE access to the premises to remove such tools, devices or equipment at KONE's expense.

9. TURNOVER

Prior to turnover, KONE must receive a final punchlist. Upon turnover, KONE requires a signed Uniform Final Acceptance. KONE shall provide its standard electronic O&M manuals with CD-ROMs in electronic format, if applicable, upon execution of the Uniform Final Acceptance. Standard KONE samples shall be provided upon request. No mock-ups or video training are included in the Price.

10. DELAY

KONE shall not be liable for any loss, damage, claim, or delay due to any cause beyond KONE's control, including, but not limited to, acts of government (including a change in law), strikes, lockouts, work interruption or other labor disturbance, delays caused by others, fire, explosion, theft, floods, inclement weather, riot, civil commotion, war, malicious mischief, or acts of God. In the event of such delays,

KONE shall be entitled to an extension in time equal to the length of such delay and an equitable adjustment in the Price. Customer shall compensate KONE for labor and material cost escalations resulting from Project delays not caused by KONE, which extend completion of KONE's work beyond the end of the current calendar year. Customer is on notice that IUEC labor rates increase annually.

11. LIMITED WARRANTY

For one (1) year after the acceptance date set forth in the signed Uniform Final Acceptance, date of Equipment turnover, or date of Customer's use of Equipment (unless such use is pursuant to the Temporary Use Agreement), whichever occurs first, KONE warrants Equipment against defect in workmanship and material. The warranty excludes remedy for damage or defect caused by abuse, misuse, vandalism, neglect; repairs, alteration or modifications not executed by KONE; improper or insufficient maintenance, improper operation, characteristics of the building such as electrical power or security features, natural or other catastrophe such as flood, fire, or storm, or normal wear and tear and normal usage. The warranty excludes training or instruction in the proper operation or maintenance of Equipment. Specific noise ratings and energy efficiencies cannot be guaranteed due to different building characteristics and ambient noise levels. Customer's remedy is limited to repair or replacement of a defective part, in KONE's sole discretion, and excludes labor. KONE DISCLAIMS ANY OTHER WARRANTY OF ANY KIND, EITHER EXPRESSED OR IMPLIED, INCLUDING WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR NON- INFRINGEMENT.

12. IDEMNIFICATION

KONE shall only indemnify and hold Customer harmless for claims, damages, losses or expenses, but excluding loss of use ("Claims") due to bodily injury, including death, or tangible property damage (other than the Project or KONE's work itself) to the extent caused by KONE's negligent acts or omissions. KONE shall not indemnify Customer for any other Claims. Customer agrees to indemnify and hold KONE harmless from any Claim for bodily injury, including death, or tangible property damage in connection with the use or operation of the Equipment. Each party shall defend itself in the event of a Claim.

13. INTELLECTUAL PROPERTY

KONE shall retain title and ownership of all intellectual property rights relating (directly or indirectly) to the Equipment provided by KONE, including but not limited to software or firmware (whether in the form of source code, object code or other), drawings, technical documentation, or other technical information delivered under the Proposal. KONE grants Customer a non-exclusive and non-transferable license and right to use the software and firmware in connection with the use and maintenance of the Equipment. Customer shall not use any drawings, technical documentation or other technical information supplied by or on behalf of KONE for any purposes other than those directly related to the Proposal or to the use and maintenance of the Equipment. Customer shall not in any form copy, modify or reverse engineer the software, or give access to the software for such use to any third party without KONE's prior written consent. KONE shall not provide any information such as KONE's internal manuals, manufacturing drawings, source codes, or other proprietary and confidential information, all of which are excluded from the Proposal.

14. INSURANCE

In lieu of any Customer insurance requirements, KONE shall provide its standard certificate of insurance, which shall be deemed to satisfy all insurance requirements for this Project. KONE shall not provide loss runs, insurance rate information, copies of its insurance policies or any other information which KONE considers confidential. KONE shall not provide coverage for professional (E&O) liability, pollution liability, data privacy/security, or no-fault medical payments. If the Project is covered by a Wrap Up Insurance Program, KONE agrees to participate provided there is no cost to KONE, no reduction in the Price, and subject to KONE's review of the proposed program. The insurance requirements contained in the wrap up insurance program's manual shall govern as the

only insurance requirements for this Project. In the event that the wrap up insurance program is terminated before completion of KONE's Work, KONE will provide its standard insurance certificates which shall satisfy the insurance requirements for this Project. This shall apply to the project specific Wrap Up Insurance Program's Manual and any applicable enrollment documents. If KONE's primary limits are sufficient to satisfy insurance coverage requirements, excess/umbrella liability will not be required or if excess/umbrella is required, KONE's excess coverage does not follow form although typically provides broader coverage than KONE's primary policies. The excess coverage is not AM Best Rated nor licensed to do business within the jurisdiction although the carrier has strong Standard & Poor's and Moody's financial ratings that may be evidenced upon request.

15. LIMITATION OF LIABILITY

In no event shall either party be liable to the other party for any consequential, special, punitive, exemplary, liquidated, incidental, or indirect damages (including, but not limited to, loss of profits or revenue, loss of goodwill, loss of use, increase in financing costs) (collectively, "Consequential Damages") that arise out of or relate to this Proposal even if such party has been advised of the possibility of such Consequential Damages. The limitation set forth in this section shall apply whether the claim is based on contract, tort or other theory.

16. CONCEALED OR UNKNOWN CONDITIONS

If during the course of its work, KONE encounters conditions at the site that are subsurface, differ materially from what is represented in the contract documents, or otherwise concealed physical conditions, KONE shall be entitled to an extension of time and additional costs for the performance of its work, which shall not be subject to any payment conditions or contingencies.

17. TECHNICAL SURVEY

KONE's Price and obligations under this Proposal are subject to a technical survey to be performed on Customer's existing units within 90-days of the effective contract start date. If a safety hazard or code violation is identified during KONE's technical survey, Customer shall immediately remove the unit from service until repairs are performed. KONE is not obligated to perform tests, correct outstanding violations or deficiencies that were not addressed by the prior service provider and/or the owner, or make related necessary repairs or component replacements on the unit. If additional work is necessary, KONE shall provide a separate proposal or recommendation for such work. Customer agrees to indemnify, defend, and hold KONE harmless for any claims arising out of Customer's failure to comply with KONE's recommendations and proposal, and any obligation on the part of KONE to indemnify or defend Customer with regard to such claim shall be null and void. If Customer does not immediately approve KONE's proposal or recommendation, KONE reserves the right to terminate this Proposal/contract without penalty.

18. TERMINATION

If a party materially breaches this Proposal, the other party shall provide written notice of the breach and a reasonable time to cure the breach, but in no event less than 30 days. If the breaching party fails to cure the breach within the specified time period, the non-breaching party may terminate the Proposal upon 15 days written notice to the other party. If KONE notifies Customer of a material breach pursuant to this paragraph, KONE may temporarily suspend its work without liability.

19. GOVERNING LAW AND DISPUTE RESOLUTION

The parties agree that this Proposal shall be governed by the laws of the state where the Project is

located, and venue for disputes shall be located in that state. KONE does not agree to participate in arbitration proceedings.

20. PRICE ADJUSTMENT

KONE shall be entitled to an equitable adjustment in the Price, including but not limited to, any increased costs of materials, resulting from any change in law (by legislation, executive order, treaty or other similar means), or a change in law that imposes tariffs on raw materials or finished goods.

21. MISCELLANEOUS

This Proposal, including the documents incorporated herein by reference, constitutes the entire agreement of the parties and supersedes all prior negotiations, understandings, and representations whether written or oral in relation to the subject matter hereof. Where a conflict or ambiguity exists between this Proposal and any other contract document (including but not limited to, Customer's drawings and specifications), the terms and conditions of this Proposal shall control. This Proposal may be amended only in writing by the duly authorized representative of both parties. This Proposal may be executed in one or more counterparts. Each counterpart shall be considered an original and all of the counterparts shall constitute a single agreement binding all the parties as if all had signed a single document. For purposes of executing this Proposal, a document signed by electronic means is to be treated as an original document. The failure of either party to insist upon performance or strict performance of any of the terms or conditions of this Proposal shall not be deemed a waiver of any rights or remedies that such party may have or a waiver of any subsequent breach or default under this Proposal. Neither party may assign or transfer the benefit or burden of this Proposal without prior written consent of the other party.

Bid Attachment "B" / Site Requirements & Work by Other Trades

The work described below is a summary of work to be performed by others ("Work by Other Trades") that may be required in conjunction with the elevator modernization performed by KONE (the "Work"). Purchaser shall provide any and all building electrical, structural and mechanical system upgrades required for code compliance, life safety, and proper equipment installation and operation. The Authorities Having Jurisdiction (AHJ) may require additional remedial or preparatory work. All required remedial or preparatory work shall be performed by properly licensed trade contractors in compliance with applicable codes and based on a schedule of performance that allows for uninterrupted progress of the Work. Under no circumstances shall KONE be responsible for any cost associated with the performance of remedial work by others.

Purchaser shall provide the following unless specifically included in KONE's Work:

Electrical

- A properly rated three phase fused disconnect switch, externally operable and lockable in the open position, located as required by code. Accommodate any increases in motor size or feeder loads.
- A dedicated 110 VAC fused disconnect switch, externally operable and lockable in the open position adjacent to the machine room door for cab lighting and ventilation, located as required by code
- Shunt-trip disconnect if fire sprinklers are present in machine room or hoistway.
- GFI 120 VAC convenience outlets in machine room and pit.
- Separate outlet in the pit area if a sump pump is installed.
- Telephone line service brought to the elevator machine room for emergency communication device.
- Any required RF shielding of TV or radio transmitters, antennae and/or wave-guides.
- Conduit with pull boxes from each elevator bank to any remote fire control or communication panels specified
- If required by building code, standby/emergency power , sufficiently sized to provide power of permanent characteristics to each elevator's disconnect, simultaneously, upon loss of regular power, including feeders, transfer switches and auxiliary contact signal outputs to elevator controllers.

Machine Room

- A code-compliant machine room. Provide or maintain fire rating as required by building code.
- Fire-rated door for access into the machine room. Door shall be self-closing and self-locking, operable from inside the room without the use of a key.
- Independent ventilation or an air conditioning system for the elevator machine room, to assure temperature is maintained between 65 degrees and 95 degrees Fahrenheit.
- Fire extinguisher inside machine room.
- Minimum clear machine room height of 7'-0".
- Suitable lighting that provides a minimum of 19 ftc at floor.
- Removal of any non-elevator related equipment and materials from within the machine room and proper disposal of oil and other hazardous or non-hazardous substances and materials.

Hoistway

- A code-compliant hoistway, constructed in accordance with KONE's requirements and specifications. Provide or maintain fire rating as required by building code.
- Patching of all holes in hoistway walls with fire rated material.
- Beveling all ledges within hoistway measuring over 4".
- Removal of any non-elevator related equipment and materials from within the hoistway and proper disposal of oil and other hazardous or non-hazardous substances and materials.
- A guarded light fixture and light switch in pit. Switch must be located 42" above the lowest landing floor level.
- A means of displacing water located in the pit and containing and disposing of oil, chemicals, and other substances in compliance with environmental laws and regulations (KONE assumes no responsibility for discharge of oil, chemicals, and other substances into storm water systems, sanitary

sewer systems, retention ponds, etc.).
• Elevator hoistway ventilation to the outside atmosphere as required by building code

Fire Service
• Fire alarm smoke detectors with wiring and relays in the machine room terminating at elevator controller.
• Fire alarm initiating devices must be located in front of each elevator entrance as well as in the machine room and at the top of the hoistway.
• Where sprinklers exist in the machine room and/or hoistway, a fire alarm initiating device within 12" of each sprinkler head.

Access Integration/Security
• Our proposal includes KONE logic and provisions for the specified Touchscreen(s), Keypad Destination Operating Panel(s), Monitoring System(s) and Multi-Media Equipment.
• Card Readers and/or any additional required hardware & software for proper functionality of access control/security system(s) shall be furnished and installed by others.
• Any required software to ensure proper communication between KONE control system(s) and building system(s) shall be the responsibility of others.
• A designated 115V 15A circuit is required at each of the remote monitoring stations.
• KONE recommends a minimum 100 Mbit/s Ethernet for each of the following application(s): Integrated Touchscreen/Keypad Destination Operating Panels, Monitoring System, Multi-Media Equipment, and Card Readers.

Counterweighting
• Pricing is based upon the existing car to counterweight weight ratio being consistent with elevator industry standards. This is defined as the counterweight weight being equal to the empty car weight plus 40%. The actual assemblies will be weighed during the modernization process. If modifications are required to correct the existing weight balance, these modifications will be provided at additional cost.

RK1 Fuses and Circuit Breakers
• Fuses are to be current limiting class RK1 or equivalent. Circuit breakers are to have current limiting characteristics equivalent to RK1 fuses. Provisions of these fuses are the responsibility of others, not KONE.

General
• Access to the building to perform the Work and for deliveries with dry, protected storage adjacent to the hoistway.
• Cutting of existing walls, floors and finishes, together with all repairs made necessary by such cutting or changes, e.g. cutting of lobby walls for flush hall fixtures and removal of encroaching lobby features such as wall-mounted ashtrays. Removal, replacement, and/or repair of any mirrors, millwork, plaster, stone or other special hall finishes.
• All work of other trades must be complete and ready at time of first elevator inspection, or elevator will not be released for operation by the AHJ. If the AHJ does allow temporary operation under a Temporary Operating Inspection (TOI), any associated costs shall be Purchaser's responsibility.
• Our tender is based on suitable site conditions, material and tooling storage space, and bathroom access being available on site.
• Safe working environment must be provided and supported by provision for adequate entrance protection, means of hoisting, hoistway dividing screens, and protection of floors walls and doors etc.
• Emergency evacuation procedures to be clearly defined where required. Subject to site survey and actions agreed.
• Any portion of the Work that is subject to the permissions of local authorities beyond the elevator permits must be identified to KONE. Responsibility for permits to be agreed. Permits and appropriate signage indicating any changes to pedestrian access routes for building users must be in place prior

to start of the Work.
• Elevator installation methods requires the integrity of the existing Safety Gear and Overspeed protection devices, and are therefore subject to verification of suitability prior to commencement of the work. Any remedial work required or alternative solution is not included in this tender.

KONE Inc. Proposal

Elevators Escalators

KONE Inc.
5300 Clay SW
Grand Rapids, MI 49548
Tel (616) 534-3300
Fax (616) 534-1181
www.kone.com
paul.brady@kone.com

March 25, 2019

City of Muskegon - City Hall
933 Terrace St.
Muskegon, MI 49440

Attn: Mr. Terry Spyke
Re: Elevator Cab Upgrade Proposal for City Hall Passenger Elevator

Description of Work:

We propose to furnish and install the necessary labor, permit, materials, tools and supervision to perform the following work on the one (1) hydraulic passenger elevator, State ID # 13754, during regular time:

New Cab Panels:

- We will furnish and install hung laminate panels on the two side walls and rear wall of the cab. The panels are fire rated, elevator code and LEED compliant. Panels will be faced with owner's choice of one standard Wilsonart plastic laminate, with 1/8" black shadow lines set into the surface.
- We will Furnish and install Toe Kicks & Reveals on two side walls and rear wall. This includes satin stainless steel corner and front reveals and satin stainless steel toe kicks with aluminum toe kick binders at the base of the panels, allowing for ventilation. An aluminum top cap will be installed with integrated pad hook channel above the panels.

New Cab Handrail:

- KONE will Furnish and install a handrail on the back wall of the elevator. This will be 1.5" wide x 3/8" thick solid flat bar, with returned ends, in a satin stainless steel finish. They will measure 32 AFF unless requested otherwise

New Cab Ceiling:

- Furnish and install Economy Frame Ceilings (translucent diffusers) in the cab. The suspended ceiling is fire rated, elevator code and LEED compliant, with a heavy-duty brushed T aluminum frame. The ceilings come with twin wall polycarbonate translucent light diffusers and a removable section for access to the escape hatch.

New Cab Lighting:

- KONE will furnish and install a fluorescent light kit in the elevator cab. This includes 40 Watt fluorescent T8 lights, side mount fixtures with ballasts and 20' of metal clad #12 wire. .

Price:

Our total price to perform the above-mentioned work amounts to: **$24,470.00 (TWENTY FOUR THOUSAND FOUR HUNDRED SEVENTY and 00/100 dollars).**

Our price includes applicable labor, material and permit fees. This proposal is not binding on KONE until approved by an authorized KONE representative. Pricing is subject to KONE's attached Terms and Conditions for tendered repairs and, by signing below, Purchaser hereby agrees to these Terms and Conditions. Price is valid for 30 days from date of this proposal.

During the course of our work, should deficiencies, code violations, or other issues be discovered, we will promptly notify Purchaser and provide a separate quotation to correct these issues.

Down Payment

The above quoted price is based on a thirty percent (30%) Down Payment due before commencement of proposed labor and material. Work shall not commence until applicable Down Payment is received.

*Please advise if an invoice is needed for the 30% down payment.

ACCEPTANCE: The foregoing Agreement is hereby signed and accepted in duplicate on behalf of City of Muskegon – City Hall

_____
(Signature)

_____
(Print Name)

_____
(Print Title)

Date: _____ / _____ / _____

Respectfully submitted by,
KONE Inc.

_____
Paul Brady, Sr. Sales Consultant

_____
(Approved By) Authorized Representative

_____
Title

Date: _____ / _____ / _____

TERMS AND CONDITIONS

This proposal is subject to the following terms and conditions, all of which are hereby agreed to:

Purchaser agrees to pay the amount of any tax imposed by any existing law, or by any law enacted after the date of this Agreement, based upon the transfer, use, ownership or possession of the equipment involved in the services rendered herein. KONE reserves the right to discontinue our work at anytime until we have assurance, satisfactory to us, that payments will be made as agreed. Final payment shall become due and payable upon completion of the work described in this Agreement. Failure to pay any sum due to KONE within thirty (30) days of the invoice will be a material breach. A delinquent payment charge calculated at the rate of 1½ % per month, or if such rate is usurious then at the maximum rate under applicable law, shall be applied to the delinquent payments. In the event of default on the payment provisions herein, Purchaser agrees to pay, in addition to any defaulted amount, all attorney fees, collection cost or court costs in connection therewith. The machinery, implements and apparatus furnished hereunder remain KONE's personal property and KONE retains title thereto until final payment is made, with right to retake possession of the same at the cost of the Purchaser if default is made in any of the payments, irrespective of the manner of attachment to the realty, the acceptance of notes, or the sale, mortgage or lease of the premises.

The states requiring notice prior to filing a lien, this notice requirement is hereby complied with.

KONE shall not be liable for damage or delay caused directly or indirectly by accidents, embargoes, strikes, lockouts, work interruption or other labor dispute, fire, theft, floods, or any cause beyond KONE's control. Regardless of the type of delay, KONE shall not be liable for any indirect, consequential, or special damages including but not limited to fines, penalties, loss of profits, goodwill, business or loss of use of equipment or property.

Purchaser agrees to provide safe access to the equipment and machine room areas. Should conditions develop beyond KONE's control, making the building or premises in which KONE's personnel are working unsafe, KONE reserves the right to discontinue work until such unsafe conditions are corrected. Should damage occur to KONE's material or work on the premises, by fire, theft or otherwise, Purchaser shall compensate us therefore.

KONE undertakes to perform this work in conformity with the usual applied codes and standards, however, no guarantee can be made that all code violations or defects have been found. This work is not intended as a guarantee against failure or malfunction of equipment at any future time.

It is agreed and understood that KONE is not responsible for damages, either to the vertical transportation equipment or to the building, or for any personal injury or death, arising from or resulting from any code required safety tests performed on this equipment.

Nothing in this agreement shall be construed to mean that KONE assumes any liability of any nature whatsoever arising out of, relating to or in any way connected with the use or operation of the equipment described above. Purchaser shall be solely responsible for the use, repair and maintenance of the equipment and for taking such steps including but not limited to providing attendant personnel, warning signs and other controls necessary to ensure the safety of the user or safe operation of the equipment.

Neither KONE nor its affiliates, subsidiaries or divisions shall be responsible or liable for any damages, claims, suits, expenses and payments on account of or resulting from any injury, death or damage to property arising or resulting from the misuse, abuse or neglect of the equipment herein named or any other device covered by this contract.

Purchaser shall at all times and at Purchaser's own cost, maintain a commercial general liability policy covering bodily injury and property damage with the limits of liability Purchasers customarily carry (naming KONE as additional insured) arising out of the services provided under this Authorization and/or the ownership, maintenance, use or operation of the equipment described herein.

It is agreed and understood that Purchaser is solely responsible for ongoing maintenance and care of the equipment described above. IT IS EXPRESSLY UNDERSTOOD, IN CONSIDERATION OF OUR PERFORMANCE OF THIS WORK THAT PURCHASER ASSUMES ALL LIABILITY FOR THE USE, MAINTENANCE OR OPERATION OF THE EQUIPMENT DESCRIBED ABOVE AND FOR ANY INJURY, INCLUDING DEATH, TO ANY PERSON OR PERSONS AND FOR DAMAGE TO PROPERTY OR LOSS OF USE THEREOF, ON ACCOUNT OF OR RESULTING FROM THE PERFORMANCE OF THE WORK TO BE DONE HEREIN, AND AGREES TO THE EXTENT PERMITTED BY LAW TO DEFEND, INDEMNIFY AND HOLD HARMLESS KONE, ITS OFFICERS, DIRECTORS AND EMPLOYEES FROM ALL DAMAGES, CLAIMS, SUITS, EXPENSES AND PAYMENTS ON ACCOUNT OF OR RESULTING FROM ANY SUCH INJURY, DEATH OR DAMAGE TO PROPERTY, EXCEPT THAT RESULTING FROM THE SOLE NEGLIGENCE OF KONE INC. Purchaser hereby waives any and all rights of recovery, arising as a matter of law or otherwise, which Purchaser might now or hereafter have against KONE Inc.

KONE warrants the materials and workmanship of the equipment for 90 days after completion. Purchaser's remedy is limited to repair or replacement of a defective part, in KONE's sole discretion. The warranty is limited to the replacement or repair of the part itself, and excludes labor. In no event shall KONE be responsible for damage due to normal wear and tear, vandalism, abuse, misuse, neglect, work or repairs or modifications by others, or any other cause beyond the control of KONE. KONE disclaims any other warranty of any kind; either expressed or implied, including without limitation the implied warranties of merchantability or fitness for a particular purpose, or noninfringement.

Unless otherwise agreed, it is understood that the work shall be performed during regular working hours of regular working days of the elevator trade. If overtime work is mutually agreed upon and performed, the additional price, at KONE's usual rates for such work, shall be added to the contract price herein named.

It is expressly understood and agreed all prior agreements written or verbal regarding the subject matter herein are void and the acceptance of this Agreement shall constitute the contract for the material and work specified in this Agreement. Any changes to this Agreement must be made in writing and signed by both parties.

The terms and conditions set forth herein shall constitute the complete agreement for any work performed, AND shall prevail over and supersede any terms and conditions contained in any documents provided by the Purchaser.

The Purchaser does hereby agree the exclusive venue for any dispute between the parties shall be in the county of Rock Island, IL.

OTIS

United Technologies

OTIS MODERNIZATION

DATE: 01/15/2019

TO:
City of Muskegon
933 Terrace St
Muskegon, MI 49443

FROM:
Otis Elevator Company
1095 Third Street
Muskegon, MI 49440

Brian Eikenberry
Phone: (269) 353-6480
Fax: (860) 998-4545

EQUIPMENT LOCATION:
Muskegon City Hall
933 Terrace St
Muskegon, MI 49443

PROPOSAL NUMBER: BEK190115143643

MACHINE NUMBER(S) : D07807 (City Hall)

We will provide labor and material to furnish and install on the above referenced machine(s) the following:

SECTION I. SYSTEM OPERATING FEATURES

DUTY

The present capacity of 3500 pounds at 125 feet per minute will be retained.

TRAVEL

The present travel and rise will be retained.

STOPS AND OPENINGS

The present stops and openings will be retained.

NEW AUTOMATIC SELF-LEVELING

The elevator shall be provided with automatic self-leveling that shall typically bring the elevator car level with the floor landings + ¼" regardless of load or direction of travel.

NEW FIREFIGHTERS' EMERGENCY OPERATION (FEO)

Special Emergency Service operation shall be provided in compliance with the latest applicable revision of the ASME/ANSI A17.1 Code.

Firefighters' Emergency Operation Phase I to return the elevator(s) non-stop to a designated floor shall be initiated by an elevator smoke detector system or a key switch provided in a lobby fixture.

The smoke detector system, if required, is to be furnished by others. The elevator contractor shall provide contacts on the elevator controller to receive signals from the smoke detector system.

A FEO cabinet shall be installed in the Car Operating Panel with a key switch for in-car control of each elevator when on Phase II of FEO.

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If an elevator is on independent service when the elevator(s) are recalled on Phase I operation, a buzzer shall sound in the car and a jewel shall be illuminated, subject to applicable codes.

SECTION II. MACHINE ROOM EQUIPMENT

CONTROLLER

A microprocessor-based HydroAccel™ control system shall be provided to perform all the functions of safe elevator motion and elevator door control. This shall include all the hardware required to connect, transfer and interrupt power, and protect the motor against overloading. The system shall also perform group operational control.

Each controller cabinet containing memory equipment shall be properly shielded from line pollution. The microcomputer system shall be designed to accept reprogramming with minimum system downtime.

OPERATION - ONE CAR

Operation shall be automatic by means of the car and landing buttons. Stops registered by momentary actuation of the car or landing buttons shall be made in the order in which the landings are reached in each direction of travel after the buttons have been actuated. All stops shall be subject to the respective car or landing button being actuated sufficiently in advance of the arrival of the car at that landing to enable the stop to be made. The direction of travel for an idle car shall be established by the first car or landing button actuated.

"UP" landing calls shall be answered while the car is traveling in the up direction and "DOWN" landing calls shall be answered while the car is traveling down. The car shall reverse after the uppermost or lowermost car or landing call has been answered, then proceed to answer car calls and landing calls registered in the opposite direction of travel.

If the car without registered calls arrives at a floor where both up and down hall calls are registered, it shall initially respond to the hall call in the direction that the car was traveling. If no car call or hall call is registered for further travel in that direction, the car shall close its doors and immediately reopen them in response to the hall call in the opposite directions. Direction lanterns, if furnished, shall indicate the change of direction when the doors reopen.

An independent service switch shall be provided in the car operating panel which, when actuated, shall cancel previously registered car calls, disconnect the elevator from the hall buttons and allow operation from the car buttons only.

POWER SUPPLY (RETAINED)

The present power supply of TBD volts, 3 phase, 60 hertz, alternating current will be retained and the new equipment will be arranged for this power supply.

SOFT STARTER (NEW)

A new solid-state starter will be provided. It will be of the same power requirement and starting configuration as presently exists.

POWER UNIT (NEW)

The existing power unit will be replaced with a new power unit. The new power unit consists of a positive displacement pump, motor, integral 4-coil control valve, oil tank and muffler. The pump and motor are submerged and are mounted to the tank with rubber isolators to reduce vibration and noise. The pump and motor are externally mounted and are belt driven. A muffler is provided to dissipate pulsations and noise

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from the flow of hydraulic fluid. The valve consists of up, up leveling, down and down leveling controls along with manual lowering and a pressure relief valve.

INDEPENDENT SERVICE

When the Independent Service switch in the car operating panel is actuated, it shall cancel previously registered car calls, disconnect the elevator from the hall buttons, and allow operation from the car buttons only. Door operation shall occur only after actuation of the "DOOR CLOSE" button.

HOISTWAY ACCESS SWITCH (NEW)

An enabling keyswitch shall be provided in the car operating panel to render all car and hall buttons inoperative and to permit operation of the elevator by means of an access keyswitch adjacent to the hoistway entrance at the access landing. The movement of the car away from access landing, other than the lower terminal, by means of the access keyswitch at the landing shall be limited in travel and direction to that as specified for the upper landing in the latest revisions of the ASME/ANSI A17.1 Code.

SECTION III. DOOR EQUIPMENT

CLOSED LOOP DOOR OPERATOR (NEW)

Install a new closed loop door operator. Car and hoist way doors shall be power operated by means of a closed loop door operator mounted on top of the car designed to give consistent door performance with changes in temperature, wind or minor obstruction in the door track. The system continually monitors door speed and position and adjusts it accordingly to match the pre-determined profile.

DOOR-PROTECTION DEVICE (NEW)

Install a new solid state, infrared passenger protection device on the car door. Elevator doors shall be provided with a reopening device that will stop and reopen the car door(s) and hoistway door(s) automatically should the door(s) become obstructed by an object or person.

Door protection shall consist of a two dimensional, multi-beam array projecting across the car door opening.

INTERLOCKS (NEW)

New interlocks will be installed. The interlocks shall prevent operation of the elevator unless all doors for that elevator are closed and shall maintain the doors in their closed position while the elevator is away from the landing. Emergency access to the hoistway as required by governing codes shall be provided.

CAR DOOR HANGER (RETAINED)

The present car door hanger will be retained and inspected for proper alignment. Any adjustment required will be accomplished.

SEPARATE CAR AND HALL STOP DOOR OPEN TIME

After a stop is made, the doors shall remain open for a time interval to permit passenger transfer, after which the doors shall close automatically. This interval shall be different for a car call stop than for a hall call stop or a coincident car/hall call stop.

SECTION IV. HOISTWAY EQUIPMENT

HOISTWAY OPERATING DEVICES (NEW)

Normal terminal stopping devices shall be provided to slow down and stop the car automatically at the terminal landings and to automatically cut off the power and apply the brake, should the car travel beyond the terminal landings.

CAR GUIDES (RETAINED)

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The existing car guides shall be retained. They shall be thoroughly inspected. Any worn parts will be replaced by the original manufacture parts or equal.

CAR FRAME (RETAINED)

The existing car frame shall be retained.

PLATFORM (RETAINED)

The current platform will be retained.

HOISTWAY ENTRANCES (RETAINED)

The present hoistway entrances will be retained.

PIT SWITCH (NEW)

An emergency stop switch shall be located in the pit accessible from the pit access door.

SPRING BUFFERS (RETAINED)

The existing spring buffers shall be retained.

HOISTWAY DOOR HANGER (RETAINED)

The present hoistway door hanger will be retained and inspected for proper alignment. Any adjustment will be required.

SECTION V. FIXTURES AND AESTHETICS

NEW APPLIED CAR OPERATING PANEL

Provide a new applied Car Operating Panel containing all push buttons, key switches, and message indicators for elevator operation. The car operating panel shall have a satin stainless steel finish. It shall contain a bank of round satin stainless steel/bronze, LED illuminated mechanical buttons. Flush mounted to the panel and marked to correspond to the landings served. All buttons to have raised numerals and Braille markings.

The car operating panel shall be equipped with the following features:

1. Raised markings and Braille to the left hand side of each push-button.
2. Car Position Indicator at the top of and integral to the car operating panel.
3. Door open and door close buttons.
4. Inspection key-switch.
5. Help Button/Hands-Free phone: The help button shall initiate two-way communication between the car and a location inside the building, switching over to another location if the call is unanswered, where personnel are available who can take the appropriate action. Visual indicators are provided for call initiation and call acknowledgement.
6. Landing Passing Signal: A chime bell shall sound in the car to signal that the car is either stopping at or passing a floor served by the elevator.

NEW HALL BUTTONS

Provide new stainless steel hall buttons and faceplates at each landing, with an up button and a down button at each intermediate landing and a single button at each terminal landing. Faceplates shall be applied surface mounted to wall.

A call shall be registered by momentary pressure of a landing button. The button shall become illuminated and remain illuminated until the call is answered. All buttons, when applicable, to be long life LED illumination.

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(NEW) IN CAR LANTERN AND CHIME

Install in the car entrance, a new car lantern with chime indicating directional lantern visible from the corridor. When the car stops and the doors are opening, the lantern shall indicate the direction in which the car is to travel and a chime will sound.

(OPTIONAL) CAB INTERIORS (INCLUDED WITH ALTERNATE)

Otis will renovate the above referenced elevators with the Interiors Package. The renovation shall include the following:

New cab interior panels – The existing elevators shall have the (existing panels removed, interior walls prepared) to accommodate the Interiors Package. This shall include a modular horizontal panel system that spans the full width of the wall sections. Satin stainless steel reveals shall be installed in the corners and against the return and strike jamb portions of the interior. Panels shall be finished in WilsonArt laminate as selected from our Modern I or Classic I laminate selections. The base shall be finished in satin stainless steel.

Handrail – New satin stainless steel handrails shall be mounted to the new interior panels on the rear wall, and/or side walls in accordance with ADA requirements and local governing codes.

(OPTIONAL) CEILING SELECT CEILING DESIGN (INLCLUDED IN ALTERNATE PRICE)

Ceiling – We shall furnish and install a new ceiling assembly. The existing lighting shall be modified for proper illumination. We shall install an aluminum frame assembly with lay in panels made of translucent panels with new LED lighting above.

EMERGENCY CAR LIGHTING (NEW IN COP)

An emergency power unit employing a 12-volt sealed rechargeable battery and a totally static circuit shall be provided. The power unit shall illuminate the elevator car and provide current to the alarm bell in the event of normal power failure. The equipment shall comply with the requirements of the latest revision of the ASME/ANSI A17.1 Code.

CAR ENCLOSURE (RETAINED)

The present car enclosure shall be retained.

SECTION VI. REMOTE SERVICES

NEW OTIS ELITE SERVICE CAPABLE (NOT YET AUTHORIZED BY THE STATE OF MICHIGAN)

Provide a microprocessor system that provides capabilities to enable a remote expert to create a live, interactive connection with the elevator system 24-hour per day, year-round basis to enable the following functions:

Faster Response – Rapid Diagnosis and Remote Resolution Technology

We will collect data on the equipment condition, including door operation, leveling and whether the operation of a unit has been interrupted. That information will be used to tailor the Otis Maintenance Management SystemSM preventive maintenance program for the Unit(s). If the operation of the unit has been interrupted, the system will notify our ELITE experts. Utilizing Otis' most advanced remote diagnostic and resolution methods, the Elite Expert will be able to resolve your Unit's maintenance issues as they happen without lengthy downtime for repairs.

If the expert cannot resolve an issue remotely, they will dispatch a mechanic and provide him with the real-time diagnosis, often including the tools and parts required to repair the elevator, minimizing the time required

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to repair the Unit. Dispatching of our personnel for emergency minor adjustment callback service will occur during regular working hours of our regular working days.

Provide real-time status updates via email

Otis Elite Service provides you with a new level of communication. You will receive real-time status updates on the progress made in handling your issue. You will receive an email upon: receipt of your service request, resolution of your issue, and, if remote resolution is not possible, an alert that a mechanic has been dispatched to your property.

Remotely make changes to selected elevator functions including:

Control building traffic: Restrict floor access, remove car from group operation, shut down elevator, select up peak/down peak mode, and activate independent service

- Conserve energy: Activate cab light and fan energy save mode and/or shut down car(s)
- Improve passenger experience: Extend door open times, change parking floor, activate auto car full, activate anti-nuisance, advance door opening, door nudging, extend specific floor extended opening time, release trapped passengers

SECTION VII. GENERAL REQUIREMENTS

WIRING

All wiring and electrical interconnections shall comply with governing codes. Insulated wiring shall have flame retardant and moisture-proof outer covering and shall be run in conduit, tubing or electrical wire ways. Traveling cables shall be flexible and suitably suspended to relieve strain on individual conductors.

ENGINEERING DESIGN

All new material furnished shall be specifically designed to operate with the original Otis equipment being retained, thus assuring maximum performance and eliminating any divided responsibility.

SUPERSEDED MATERIAL

All material, removed or unused, not required in the modification will become the property of Otis Elevator Company and we reserve the right to remove and retain it.

PERMITS AND INSPECTIONS

The elevator contractor shall furnish all licenses and permits and shall arrange for and make all required inspections and tests.

CODE

The elevator equipment shall be furnished and installed in accordance with the applicable version of the ASME/ANSI A17.1/ CS-B44 Safety Code for Elevators and Escalators, An American National Standard, including the latest Supplement, and the Americans with Disabilities Act.

ARBITRATION

Subcontractor agrees to submit to Non-Binding Arbitration by the American Arbitration Association but does not waive its rights to pursue other remedies available at law and equity.

PAYMENT AND SCHEDULE OF VALUES

You agree to be bound and pay in accordance with the supplied schedule of values. We shall be paid for our material delivery invoice prior to starting work. We shall be paid in full for all change orders and the base contract amount prior to scheduling an inspection and/or turnover of the elevators to you for use. Otis reserves the right to discontinue work or not turn over elevators unless payments are current.

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A. Our quoted price is based on the "Initial Payment" equaling sixty percent (60%) of contract award. This amount, PLUS a fully executed subcontract must be received prior to releasing equipment for manufacturing or scheduling any other work. Refer to the "Schedule of Values" below.

B. Otis will start the installation process after the "Installation Payment" is received.

C. The "Turnover Payment" is due upon completion of the modernized elevator. The elevator will not be turned over until this payment is received. Any agreed upon punch-list items will be corrected within a mutually agreeable timeframe.

D. All change orders must be executed and paid prior to scheduling a final inspection and turn over to customer.

E. Otis will not agree to any language referencing or implying "pay when paid." This contract is between Otis Elevator and referenced entity. The attached payment schedule ("Schedule of Values") is not contingent upon said entity's ability to be paid by others or any other factor or event not described above.

F. Schedule of Values

SCHEDULE OF VALUES: BASE PRICE

		SCHEDULE OF VALUES		
	Base Contract Amount:	**$69,861.00**		
Due Dates	**Description**	**Percentage**	**Amount To Be Paid**	**Amount Paid To Date**
Upon Project Award	"Initial Payment"	60%	$41,917.00	$41,917.00
To Start Installation	"Installation Payment"	30%	$20,958.00	$62,875.00
Elevator Turnover	"Turnover Payment"	10%	$6,986.00	$69,861.00

ALTERNATE SCHEDULE OF SCHEDULE OF VALUES INCLUDING: CAB INTERIOR AND CEILING

		SCHEDULE OF VALUES		
	Base Contract Amount:	**$79,711.00**		
Due Dates	**Description**	**Percentage**	**Amount To Be Paid**	**Amount Paid To Date**
Upon Project Award	"Initial Payment"	60%	$47,827.00	$47,827.00
To Start Installation	"Installation Payment"	30%	$23,913.00	$71,740.00
Elevator Turnover	"Turnover Payment"	10%	$79,711.00	$79,711.00

PLEASE SIGN AND DATE BELOW TO APPROVE THE ALTERNATE SCHEDULE OF VALUES

SIGNATURE:_____ **DATE:**_____

Due to current market conditions the availability of elevator installation labor is limited. If this proposal is not accepted within 30 days, prior to acceptance of any award Otis reserves the unilateral right to decline the award based on a review of the project schedule and our labor availability/commitments.

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This proposal is bid with the understanding that materials will be ordered with sufficient lead time (as outlined in our approvals package) to allow delivery prior to November 1st, 2019. If Otis is unable to order materials in a timely manner due to delays on behalf of the owner and/or general contractor, or if delivery is requested after January 1st, 2020 the owner and/or general contractor will be responsible for all cost increases incurred by Otis. An extra charge will be assessed for any double handling or re-transportation of elevator material required by the general contractor/owner or agent thereof.

Lead Time and Duration

We anticipate approximately 12-16 weeks manufacturing time from receipt of approvals and down payment. Thereafter, we expect the modernization to take approximately 3 weeks per car

All work will be performed during our regular working hours of our regular working days.

It is agreed that we do not assume possession or control of any part of the equipment but such remains yours exclusively as the owner (or lessee) thereof.

We shall not be liable for any loss, damage or delay due to any cause beyond our reasonable control including, but not limited to, acts of government, strikes, lockouts, fire, explosion, theft, floods, riot, civil commotion, war, malicious mischief or act of God. Under no circumstances shall we be liable for consequential damages.

WARANTY

Otis will provide a one year warranty from day of project completion which will warranty all labor and material that has been modernized under this contract.

SECTION VIII. WORK BY OTHERS – NOT IN CONTRACT

The following items must be performed by others and you agree to provide this work in accordance with the applicable codes and enforcing authorities. All "Work by Others" must either be completed prior to our manning the job or be properly scheduled as to not obstruct the progress of the project.
1. AIR CONDITIONING - Provide suitable ventilation and cooling equipment, if required, to maintain the machine-room temperature between 45oF and 95oF.

2. BUILDING POWER - Provide electrical power for light, tools, hoists, etc. during installation as well as electric current for starting, testing and adjusting the elevator. Power of permanent characteristics to be provided to properly operate all of the elevators concurrently scheduled to be modernized. Power must be a 3-phase 4 wire system with ground and bonded disconnects. Grounded leg delta systems are not acceptable.

3. SMOKE & HEAT SYSTEM - Provide a smoke and heat detector system, located as required with wiring from the sensing devices to each elevator controller.

4. CUTTING & PATCHING - Do any cutting, (including cutouts to accommodate hall signal fixtures, entrances and/or machine room access) patching and painting of walls, floors or partitions.

5. MAIN DISCONNECT - Provide a fused lockable disconnect switch or circuit breaker for each elevator per the National Electrical Code with feeder or branch wiring to the transformer. Size to suit elevator contractor. Provide a SHUNT TRIP disconnect, as required, if sprinklers are being provided. Provide suitable connections from the main disconnect to the elevator control equipment.

6. GROUND WIRE – Provide a properly sized ground wire from the elevator controller(s) to the primary building ground.

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7. CAR LIGHT POWER SUPPLY & DISCONNECT - Provide a 120 volt AC, 15 amp, single-phase power supply with fused SPST disconnect switch for each elevator, with feeder wiring to each controller for car lights.

8. REMOTE MONITORING MAINTENANCE TELEPHONE LINE REQUIREMENTS - Provide one (1) outside telephone line to the elevator machine room that allows data calls to and from a toll-free number at a dispatching center. The telephone line may be either a separate line dedicated to the remote monitoring maintenance equipment or may be an existing line that is shared between another telephone and the remote monitoring maintenance equipment.

9. STANDBY POWER REQUIREMENTS - Provide a standby power unit and a means for starting it that will deliver sufficient power to the elevator disconnect switches to operate one or more elevators at a time at full-rated speed. Provide a transfer switch for each feeder for switching from normal power to standby (emergency) power and a contact on each transfer switch closed on normal power supply with two wires from this contact to one elevator controller. Provide a means for absorbing power regenerated by the elevator system when running with overhauling loads such as full load down.

10. EMERGENCY RETURN UNIT (ERU) - If an ERU battery operated lowering device is being provided with your traction elevator modernization then others are to provide a separate auxiliary contact that positively opens when the main disconnect is switched OFF in either the existing lockable disconnect (if currently code compliant) or in a new code compliant lockable disconnect. If a Shunt Trip is provided, an additional contact must also be installed to prevent operation of the ERU when the Shunt Trip is activated.

11. LIGHTING - Any modification or installation of lights and/or GFI electrical outlets in the machine room, secondary level and/or pit to be performed by others. Provide sufficient lighting in the buildings common areas to facilitate a safe working environment.

12. PROJECT AREA PREP WORK- Work, as required, to keep the elevator lobbies, hoist way, machine room and storage area in a dry condition meeting all applicable codes for the entire length of the project.

13. MACHINE ROOM ACCESS - Provide a self-locking and self-closing door for the elevator machine room. Access door to be adequately sized to accept our equipment. Modify machine room access, as required, to comply with code and facilitate safe egress of all equipment.

14. FIRE EXTINGUISHER - Provide fire extinguisher in elevator machine room.

15. NON-ELEVATOR MATERIAL IN HOISTWAY - Remove or encapsulate, as required, any non-elevator related pipes or wiring located in the elevator machine room or hoist way.

16. HOISTWAY VENTILATION - Provide code compliant hoist way ventilation. Code requires a means to prevent the accumulation of hot air and gasses at the top of the hoist way. Pressurizing the hoist ways, or providing vents from the top of the hoist way to the outside of the building usually accomplishes this. Vents shall not be less than 3 1/2% of the area of the hoist way or less than 3 sq. ft. for each elevator car, whichever is greater. You may not vent the hoist way to the machine room. If the hoist way vents must run through the machine room, they must be enclosed in a fire rated structure and not violate clearances around our equipment.

17. WORK BY OTHERS SCHEDULING – All "Work by Others" must either be completed prior to our manning the job or be properly scheduled as to not obstruct the progress of the project.

18. ASBESTOS – Should any asbestos be found to be present in the building which is related to any of our work, it shall be the responsibility of others to abate, contain or prepare the workplace as safe for our employees to work within or about. Otis will not be responsible for working with asbestos which may be disturbed or uncontained. Otis will not be responsible for any costs associated with delay of the job should asbestos be detected or require addressing by others for us to proceed. This includes but is not limited to re-mobilization charges which may be applied.

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19. STORAGE - Provide dry, protected and secure storage space adjacent to the hoist way(s). Otis shall be compensated for material delivered that is stolen or removed from the jobsite.

20. DISPOSAL- The disposal of removed elevator components; machines, controllers, ropes, hydraulic fluid, oils, buffers and packing materials from the new equipment and any and all related materials shall be the sole responsibility of the Owner. If a dumpster is provided on site, we will deposit waste materials in the dumpster or at an agreed upon on-site location for removal by the owner.

21.HOISTWAY LEDGES - Provide a 75-degree angle constructed of a non-combustible material on all ledges that are 2" are greater in the hoist way, excluding multi-hatch divider beams.

22. PIT LADDERS - Provide a pit ladder, as required, in each pit that does not have walk in access doors. Ladder shall extend 48" above first landing access door.

23. OPERATING ELEVATORS FOR OTHER TRADES – If we are required to operate an elevator to facilitate the work of other trades (i.e. sprinklers, smoke sensors, ledges, etc.) then we shall be compensated for this lost time and the project schedule shall also be modified.

PRICE: **$ 69,861.00**
Sixty-nine thousand eight hundred sixty-one dollars and zero cetns

This price is based on a sixty percent (60 %) downpayment in the amount of $ 41,917.
This proposal, including the provisions printed on the last page(s), and the specifications and other provisions attached hereto shall, when accepted by you below and approved by our authorized representative, constitute the entire contract between us, and all prior representations or agreements not incorporated herein are superseded.

Submitted by: Brian Eikenberry
Title: Account Manager
E-mail: brian.eikenberry@otis.com

Accepted in Duplicate

CUSTOMER Approved by Authorized Representative		**Otis Elevator Company** Approved by Authorized Representative	
Date:	_____	Date:	_____
Signed:	_____	Signed:	_____
Print Name:	- _____	Print Name:	Megan Yaksic
Title	- _____	Title	General Manager
E-mail:	- _____		
Name of Company	- _____		

□ Principal, Owner or Authorized Representative of Principal or Owner

□ Agent: _____
(Name of Principal or Owner)

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OTIS MODERNIZATION

TERMS AND CONDITIONS

1. This quotation is subject to change or withdrawal by us prior to acceptance by you.

2. The work shall be performed for the agreed price plus any applicable sales, excise or similar taxes as required by law. In addition to the agreed price, you shall pay to us any future applicable tax imposed on us, our suppliers or you in connection with the performance of the work described.

3. Payments shall be made as follows: A down payment of - percent (- %) of the price shall be paid by you upon your signing of this document. Full payment shall be made on completion if the work is completed within a thirty day period. If the work is not completed within a thirty day period, monthly progress payments shall be made based on the value of any equipment ready or delivered, if any, and labor performed through the end of the month less a five percent (5%) retainage and the aggregate of previous payments. The retainage shall be paid when the work is completed. We reserve the right to discontinue our work at any time until payments shall have been made as agreed and we have assurance satisfactory to us that subsequent payments will be made when due. Payments not received within thirty (30) days of the date of invoice shall be subject to interest accrued at the rate of eighteen percent (18%) per annum or at the maximum rate allowed by applicable law, whichever is less. We shall also be entitled to reimbursement from you of the expenses, including attorney's fees, incurred in collecting any overdue payments.

4. Our performance is conditioned upon your securing any required governmental approvals for the installation of any equipment provided hereunder and your providing our workmen with a safe place in which to work. Additionally, you agree to notify us if you are aware or become aware prior to the completion of the work of the existence of asbestos or other hazardous material in any elevator hoistway, machine room, hallway or other place in the building where Otis personnel are or may be required to perform their work. In the event it should become necessary to abate, encapsulate or remove asbestos or other hazardous materials from the building, you agree to be responsible for such abatement, encapsulation or removal, and in such event Otis shall be entitled to delay its work until it is determined to our satisfaction that no hazard exists and compensation for delays encountered if such delay is more than sixty (60) days. In any event, we reserve the right to discontinue our work in the building whenever in our opinion this provision is being violated.

5. Unless otherwise agreed in writing, it is understood that the work shall be performed during our regular working hours of our regular working days. If overtime work is mutually agreed upon and performed, an additional charge therefore, at our usual rates for such work, shall be added to the contract price. The performance of our work hereunder is conditioned on your performing the preparatory work and supplying the necessary data specified on the front of this proposal or in the attached specification, if any. Should we be required to make an unscheduled return to your site to begin or complete the work due to your request, acts or omissions, then such return visits shall be subject to additional charges at our then current labor rates.

6. Title to any material to be furnished hereunder shall pass to you when final payment for such material is received. In addition, we shall retain a security interest in all material furnished hereunder and not paid for in full. You agree that a copy of this Agreement may be used as a financing statement for the purpose of placing upon public record our interest in any material furnished hereunder, and you agree to execute a UCC -1 form or any other document reasonably requested by us for that purpose.

7. Except insofar as your equipment may be covered by an Otis maintenance or service contract, it is agreed that we will make no examination of your equipment other than that necessary to do the work described in this contract and assume no responsibility for any part of your equipment except that upon which work has been done under this contract.

8. Neither party shall be liable to the other for any loss, damage or delay due to any cause beyond either parties reasonable control, including but not limited to acts of government, strikes, lockouts, other labor disputes, fire, explosion, theft, weather damage, flood, earthquake, riot, civil commotion, war, mischief or act of God.

9. We warrant that all services furnished will be performed in a workmanlike manner. We also warrant that any equipment provided hereunder shall be free from defects in workmanship and material. Our sole responsibility under this warranty shall be at our option to correct any defective services and to either repair or replace any component of the equipment found to be defective in workmanship or material provided that written notice of such defects shall have been given to us by you within ninety (90) days after completion of the work or such longer period as may be indicated on the front of this form. All defective parts that are removed and replaced by us sball become our property. We do not agree under this warranty to bear the cost of repairs or replacements due to vandalism, abuse, misuse, neglect, normal wear and tear, modifications not performed by us, improper or insufficient maintenance by others, or any causes beyond our control. We shall conduct, at our own expense, the entire defense of any claim, suit or action alleging that, without further combination, the use by you of any equipment provided hereunder directly infringes any patent, but only on the conditions that (a) we receive prompt written notice of such claim, suit or action and full opportunity and authority to assume the sole defense thereof, including settlement and appeals, and all information available to you for such defense; (b) said equipment is made according to a specification or design furnished by us; and (c) the claim, suit or action is brought against you. Provided all of the foregoing conditions have been met, we shall, at our own expense, either settle said claim, suit or action or shall pay all damages excluding consequential damages and costs awarded by the court therein and, if the use or resale of such equipment is finally enjoined, we shall, at our option, (i) procure for you the right to use the equipment, (ii) replace the equipment with equivalent noninfringing equipment, (iii) modify the equipment so it becomes noninfringing but equivalent, or (iv) remove the equipment and refund the purchase price (if any) less a reasonable allowance for use, damage and obsolescence.

THE EXPRESS WARRANTIES SET FORTH IN THIS ARTICLE 9 ARE THE EXCLUSIVE WARRANTIES GIVEN; WE MAKE NO OTHER WARRANTIES EXPRESS OR IMPLIED, AND SPECIFICALLY MAKE NO WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR ANY PARTICULAR PURPOSE; AND THE EXPRESS WARRANTIES SET FORTH IN THIS ARTICLE ARE IN LIEU OF ANY SUCH WARRANTIES AND ANY OTHER OBLIGATION OR LIABILITY ON OUR PART.

10. Under no circumstances shall either party be liable for special, indirect, liquidated, or consequential damages in contract, tort, including negligence, warranty or otherwise, notwithstanding any indemnity provision to the contrary. Notwithstanding any provision in any contract document to the contrary, our acceptance is conditioned on being allowed additional time for the performance of the Work due to delays beyond our reasonable control. Your remedies set forth herein are exclusive and our liability with respect to any contract, or anything done in connection therewith such as performance or breach thereof, or from the manufacture, sale, delivery, installation, repair or use of any equipment furnished under this contract, whether in contract, in tort (including negligence), in warranty or otherwise, shall not exceed the price for the equipment or services rendered.

11. To the fullest extent permitted by law, you agree to hold us harmless, and defend us and indemnify us against any claim or suit for personal injury or property damage arising out of this contract unless such damage or injury arises from our sole negligence.

12. It is agreed that after completion of our work, you shall be responsible for ensuring that the operation of any equipment being furnished hereunder is periodically inspected. The interval between such inspections shall not be longer than what may be required by the applicable governing safety code. Notwithstanding any other provisions hereof, if any part delivered hereunder incorporates software, the transaction is not a sale of such software; rather, you are hereby granted merely a license to use such software solely for operating the equipment for which such part was ordered. By accepting delivery of such part, you agree not to copy or let others copy such software for any purpose whatsoever, to keep such software in confidence as a trade secret, and not to transfer possession of such part to others except as a part of a transfer of ownership of the equipment in which such part is installed, provided that you inform us in writing about such ownership transfer and the transferee agrees in writing to abide by the above license terms.

13. Our work shall not include the identification, detection, abatement, encapsulation or removal of asbestos, polychlorinated biphenyl (PCB), or products or materials containing asbestos, PCB's or other hazardous substances. In the event we encounter any such product or materials in the course of performing work, we shall have the right to discontinue our work and remove our employees from the project until you have taken the appropriate action to abate, encapsulate or remove such products or materials, and any hazards connected therewith, or until it is determined that no hazard exists (as the case may require). We shall receive an extension of time to complete the work hereunder and compensation for delays encountered as a result of such situation.

14. In furtherance of OSHA's directive contained in 29 C.F.R. § 1910.147 (f)(2)(i), which requires that a service provider (an "outside employer") and its customer (an "on-site employer") must inform each other of their respective lock out/tag out ("LOTO") procedures whenever outside servicing personnel are to be engaged in control of hazardous energy activities on the customer's site, Otis incorporates by reference its mechanical LOTO procedures and its electrical LOTO procedures. These procedures can be obtained at www.otis.com by (1) clicking on "The Americas" tab on the left side of the website; (2) choosing "US/English" to take you to the "USA" web page; (3) clicking on the "Otis Safety" link on the left side of the page; and (4) downloading the "Lockout Tagout Policy Otis 6.0" and "Mechanical Energy Policy Otis 7.0," both of which are in .pdf format on the right side of the website page. Customer agrees that it will disseminate these procedures throughout its organization to the appropriate personnel who may interact with Otis personnel while Otis personnel are working on site at Customer's facility.

15. This Agreement constitutes the entire understanding between the parties regarding the subject matter hereof and may not be modified by any terms on your order form or any other document, and supersedes any prior written or oral communication relating to the same subject. Any amendment or modifications to this Agreement shall not be binding upon either party unless agreed to in writing by an authorized representative of each party.

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Date: April 23rd, 2019

To: Honorable Mayor and City Commissioners

From: Department of Public Works

RE: Pere Marquette Park Chalet Request

SUMMARY OF REQUEST:

3rd Coast Rentals provided staff with a proposal to construct and operate a chalet at Pere Marquette Park for a three year period to begin in 2019. Details of the proposal are attached as well as a summary of staff comments.

FINANCIAL IMPACT:

Loss of revenue estimated at $1,500/Year for three years.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Authorize staff to finalize an agreement with 3rd Coast Rentals to construct and operate a chalet at Pere Marquette Park.

Date: April 23rd, 2019

To: Honorable Mayor and City Commissioners

From: Department of Public Works

RE: Pere Marquette Park Chalet Staff Summary

Staff Summary:

The proposal was reviewed by staff members from multiple departments and the following topics were discussed:

Building Construction

The owners proposes to construct the chalet themselves. The styling and construction will be similar to the downtown chalets and staff will have input on the design details prior to approval. Any necessary building permits will be the responsibility of the applicant to obtain and satisfy. The approximate size of the chalet will be 14 FT x 16 FT.

Chalet Location

The owner and staff agreed that the site best suited for this was near the current location where 3rd Coast Rentals operated last year. The chalet would be sited on a section of beach that is maintained under our annual grading permit. The chalet would be sited on the beach side of the sidewalk and would have an ADA compliant gangway connecting the chalet to the sidewalk. The site does not cause any significant disruption to other operations at the beach. There is potential for additional structures in the vicinity.

Permitting

Staff from the planning department has engaged with Prism to determine if there are any permit issues associated with construction and operation of this building. It is intended that the building only be on site seasonally and would be relocated by parks staff to one of the adjacent parking lots during the off season. A preliminary opinion from Prism is that a critical dune permit would not be required for a temporary seasonally placed structure.

Cost

This cost to construct the chalet will be borne entirely by 3rd Coast Rentals and is estimated to be approximately $5,000.00. They substantiated this price with a quote from Mast Barns for $7,351.19

for a similarly sized structure. The chalet will be owned by the City of Muskegon from the time it is constructed. In exchange for constructing the chalet 3rd Coast has requested to have their annual fees waived for 3 years (2019, 2020, and 2021). The estimated annual fees for the current operation are as follows:

- Park Rent - $1,050.00/Year
- Commercial Launch Permit #1 - $300.00
- Commercial Launch Permits #2-4 - $150.00
- Estimated Annual Cost to 3rd Coast = $1,500.00

There would be no upfront cost to the city other than minimal staff time to review plans and concepts and to prepare the site during the annual beach grading work. The loss of revenue is proposed to be offset in ownership of the chalet.

For comparison the Western Market chalets currently rent from $1,325 - $2,125 depending on size.

Utilities

DPW Staff will explore options for providing power at the site. Based on preliminary discussions with Consumers Energy it will be difficult to achieve. In preliminary discussion with 3rd Coast they would prefer to have power available but it was not a necessity for their operation.

Leo Evans

From: 3rd Coast Rentals <explore@3rdcoastrental.com>
Sent: Sunday, March 31, 2019 5:52 PM
To: Leo Evans
Subject: PROPOSAL from 3RD COAST
Attachments: Ron Rands.pdf

3rd Coast Rentals Beach Proposal

March 29, 2019

3rd Coast Rentals
4261 Whitehall Rd, Muskegon MI 49445
231-412-7665

Ron & Brenda Rands
4377 Winterwood Shores, Whitehall MI 49461
231-557-5867 / 231-557-2261

3RD COAST RENTALS PROPOSAL at PERE MARQUETTE BEACH

• Build a chalet for renting personal watercraft activity along with keep our temporary 3rd Coast tent up when renting.

• Our cost to build this chalet will be $5,000.00 compared to an estimate from Mast Barns of $7351.00 (estimate attached). To recoup costs, we would like to receive free beach rent for the next 3 years and also receive 4 boat launch permits. This chalet will be owned by the City of Muskegon from the minute it is constructed and placed on the beach.

• Location: we would like the area at the (old boat launch) breakwaters on the beach for the next 3 years (2019, 2020, 2021). This area has been marked out by the parks department.

• We would like have the park department to see if we can get power to the chalet.

• We would like to consider adding the sale of food to the chalet.

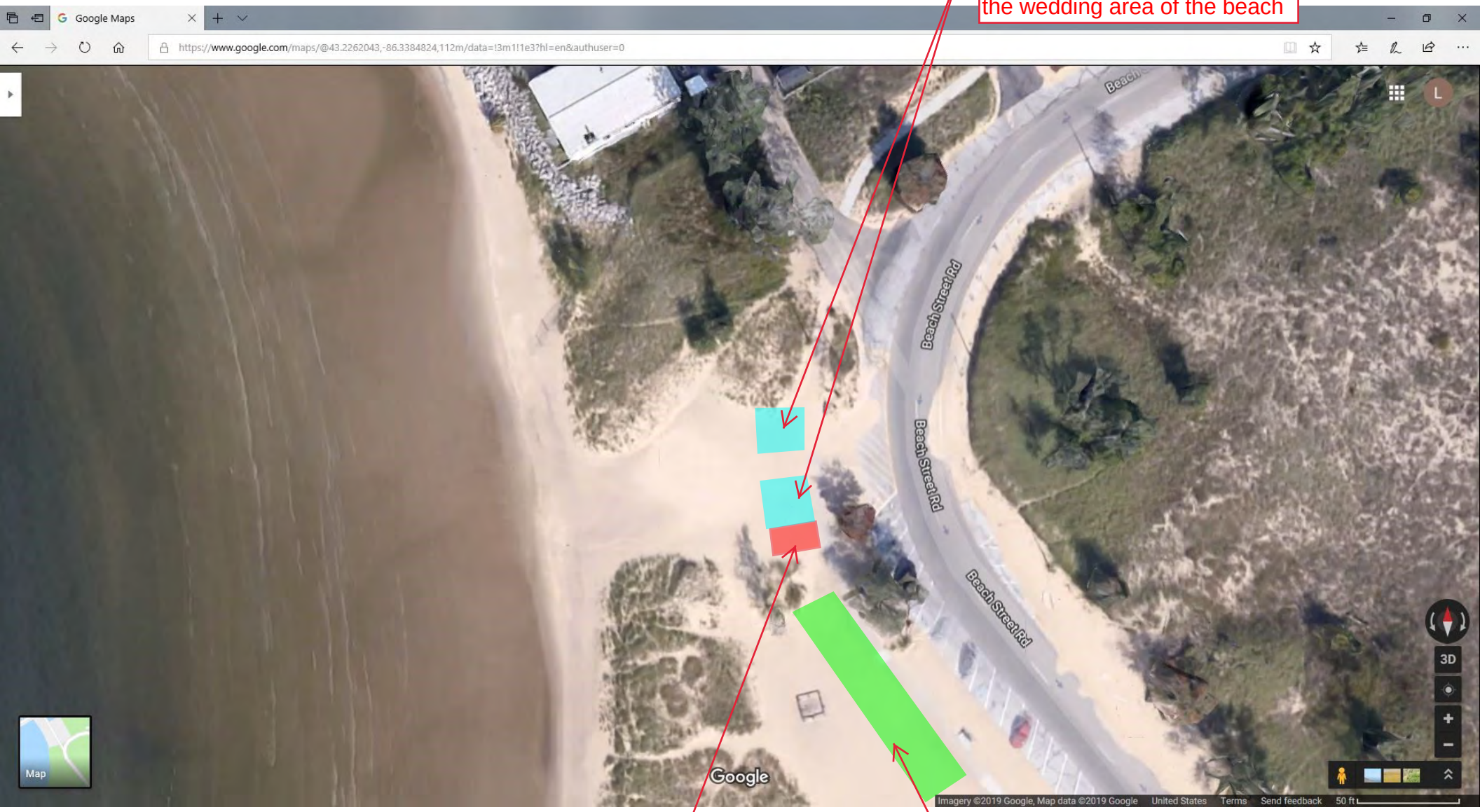
• We plan to bring in and out the water equipment on a pontoon boat every Saturday and Sunday we are renting and during the week on major holidays. (This would mean the pontoon boat would be anchored during the day.)

Ron and Brenda Rands

--

3RD COAST RENTALS
3rdcoastrental.com
231.412-7665

WARNING: This email originated outside of the City of Muskegon email system!
DO NOT CLICK links if the sender is unknown.
NEVER provide your User ID or Password.



Potential other areas, leaving a walkway between to access the wedding area of the beach

Area proposed by Third Coast for a chalet

Catamaran Storage

2019-03-25 13:26 Mast Mini Barns 2319241595 >> +1 888 414 8189

Mast Mini-Barns LLC

Phone: 231-924-5777
kmarstructures@gmail.com

TRUCKER'S NAME

DROP FEE

MILES / ESCORT ☐

☐ CASH SALE ☐ RENT TO OWN EST. DATE 3/22/19 ORDER DATE / /

HOME PHONE ( ) CELL PHONE 231 557-8562

WORK PHONE ( ) FAX NUMBER ( )

E-MAIL ADDRESS ron@mylifechangechurch.tv

SER. #: SITE: SIZE: 16'x14' STYLE: Cottage ☐ ONSITE BUILD 3995.00

SALESMAN / SOLD BY MARVIN DEALER K-Mart

NAME Ron Rands

ADDRESS

CITY ZIP

SERIES:	☐ PRO	☒ PREMIUM	☐ ELITE	
SIDING:	☒ PAINTED	☐ VINYL	☐ VERTICAL B&B	
TRIM PACKAGE:	☐ STANDARD	☒ DELUXE		399.50
SHINGLES:	☐ STANDARD	☒ ARCHITECTURED	☐ STEEL	
FLOOR:	☐ 1/2"	☒ 5/8"	☐ 3/4" TREATED	
ROOF:	☒ 16" OC RAFTERS ☐ 12" OC RAFTERS	☐ 24" OC RAFTERS ☐ BUILT TO ENGINEERS SPECS	☐ PLYWOOD	☒ OSB 119.85

DOUBLE DOORS TO:

FRONT ☐
BACK ☐
DRIVER SIDE ☐
PASSENGER SIDE ☐
MULE DELIVERY ☐

APPROX. DELIVERY DATE

COLORS:

SHINGLES
SIDING
ROOF LINE TRIM
CORNER TRIM
DOOR TRIM
WINDOW TRIM
SHUTTERS
DOOR
VENT COLOR

DOORS

☐ SECTIONAL GARAGE DOORS ☐ DOUBLE DOORS ☐ DURATEMP
☐ FIBERGLASS SLABS ☒ PRE-HUNG ☐ ROLL-UP
☐ DURATEMP W/TRANSOM ☐ WHITE ☐ BROWN ☐ CLAY 8X7 AND 9X7

DOOR SIZE: 2-36"x77 full view Glass 299.00

WINDOWS ☐ WHITE ☐ BROWN

WINDOWS WITH SCREEN & SHUTTERS QUANTITY 4 484.00

☐ 18x27 ☐ 21x27 ☒ 24x36 ☐ 30x36
☐ 24x36 INSULATED* ☐ 10x72 TRANSOM* (*White Only)
☐ 48x36 INSULATED* ☐ 18x72 TRANSOM*

4' Porch Patio 2 posts No Railing 1450.00

ACCESSORIES

☐ FLOWER BOX ____ COLOR ____ ☐ LOFT SIZE ____
☐ RIDGE VENT ____ ft. ☐ 1/2 ROUND VENT ____ ☐ SKYLIGHT ____
☐ WORKBENCH/SIZE ____ ☐ SHELF BELOW/SIZE ____ ☐ RAMP ____
☐ INTERIOR PAINT/COLOR ____

SPECIAL INSTRUCTIONS:

DELIVER TO:

ADDRESS

LOT #

REMARKS:

I agree to purchase the structure detailed in this agreement and accept the terms on the reverse side.

(Customer Signature) Mast Mini Barns Delivery

FLOOR/DOOR/WINDOW DIAGRAM

SUB TOTAL	6747.35
TAX	404.84
16' wide TRUCKING	199.00
LABOR	
TOTAL SALE	7351.19
DEPOSIT	
BALANCE DUE	

Date: April 23rd, 2019

To: Honorable Mayor and City Commissioners

From: Department of Public Works

RE: SP-240 Smith-Ryerson Parking Lot Improvements

SUMMARY OF REQUEST:

To award contract (SP-240) for construction of improvements at the parking lot for Smith-Ryerson Park.

Five contractors submitted bids for this project as follows:

Accurate Excavators $88,668.50
Terra Contractors. .....$89,416.00 (Local Contractor)
Stein Construction.....$105,937.15
Bultsema Construction $108,057.00
Wet Michigan Dirtworks.....$123,396.49

The second low bidder is a local contractor with offices located within the City of Muskegon. The low bidder is not located with the City of Muskegon. The bids are within 1% of each other.

FINANCIAL IMPACT:

$89,416.00

BUDGET ACTION REQUIRED:

None. Project is budgeted for $96,726 of CDBG funds in the 18-19 budget.

STAFF RECOMMENDATION:

Award the project to the second low bidder, Terra Contractors in accordance with the City of Muskegon Policy Regarding Local Preference Purchasing/Contracting.

BID TABULATION

City of Muskegon
Egineering Department

Project Engineer: JDB Date: 4/16/2019
Project Number: SP 240
Project description: SMITH RYERSON PARKING LOT

Line Item	Pay Code	Description	Units	Quantity	Engineers Estimate Unit Price	Engineers Estimate Total	Accurate Excavators Muskegon Unit Price	Accurate Excavators Muskegon Total	Terra Contractors Muskggon Unit Price	Terra Contractors Muskggon Total	Stein Construction Co. Ravenna Unit Price	Stein Construction Co. Ravenna Total	Bultsma Construction Co Byron Center Unit Price	Bultsma Construction Co Byron Center Total	West Michigan Dirtworks Muskggon Unit Price	West Michigan Dirtworks Muskggon Total
1	1500001	Mobilization, Max $8,000	LSUM	1	$ 3,000.00	$ 3,000.00	$ 1,980.00	$ 1,980.00	$ 8,000.00	$ 8,000.00	$ 7,000.00	$ 7,000.00	$ 1,800.00	$ 1,800.00	$ 8,000.00	$ 8,000.00
2	2050016	Excavation, Earth	Cyd	950	$ 10.00	$ 9,500.00	$ 12.00	$ 11,400.00	$ 3.50	$ 3,325.00	$ 18.00	$ 17,100.00	$ 18.87	$ 17,926.50	$ 20.35	$ 19,332.50
3	2080036	Erosion Control, Silt Fence	Ft	400	$ 2.25	$ 900.00	$ 1.45	$ 580.00	$ 2.00	$ 800.00	$ 2.00	$ 800.00	$ 3.10	$ 1,240.00	$ 1.67	$ 668.00
4	2090001	Project Cleanup	LSUM	1	$ 1,000.00	$ 1,000.00	$ 500.00	$ 500.00	$ 1,000.00	$ 1,000.00	$ 1,000.00	$ 1,000.00	$ 1.00	$ 1.00	$ 3,734.42	$ 3,734.42
5	3020001	Aggregate Base	Ton	100	$ 13.00	$ 1,300.00	$ 12.00	$ 1,200.00	$ 25.00	$ 2,500.00	$ 30.00	$ 3,000.00	$ 31.00	$ 3,100.00	$ 31.78	$ 3,178.00
6	3027011	Aggregate Base, 6 inch, Modified	Syd	2,700	$ 3.00	$ 8,100.00	$ 3.15	$ 8,505.00	$ 3.50	$ 9,450.00	$ 2.97	$ 8,019.00	$ 2.92	$ 7,884.00	$ 4.12	$ 11,124.00
7	3057011	Salv Crushed Material, Modified	Syd	2,400	$ 3.00	$ 7,200.00	$ 3.40	$ 8,160.00	$ 2.75	$ 6,600.00	$ 4.00	$ 9,600.00	$ 4.85	$ 11,640.00	$ 7.24	$ 17,376.00
8	5010025	Hand Patching	Ton	5	$ 200.00	$ 1,000.00	$ 103.00	$ 515.00	$ 105.00	$ 525.00	$ 105.00	$ 525.00	$ 123.12	$ 615.60	$ 108.43	$ 542.15
9	5010033	HMA, 13A	Ton	235	$ 80.00	$ 18,800.00	$ 95.80	$ 22,513.00	$ 99.00	$ 23,265.00	$ 96.50	$ 22,677.50	$ 98.80	$ 23,218.00	$ 100.92	$ 23,716.20
10	5010034	HMA, 36A	Ton	235	$ 85.00	$ 19,975.00	$ 103.00	$ 24,205.00	$ 105.00	$ 24,675.00	$ 103.25	$ 24,263.75	$ 105.84	$ 24,872.40	$ 108.43	$ 25,481.05
11	8110078	Pavt Mrkg, Ovly Cold Plastic, Thru Arrow Sym	Ea	4	$ 100.00	$ 400.00	$ 42.00	$ 168.00	$ 50.00	$ 200.00	$ 70.00	$ 280.00	$ 43.20	$ 172.80	$ 44.26	$ 177.04
12	8110294	Pavt Mrkg, Waterborne, for Rest Areas, Parks, & Lots, 4 inch, White	Ft	988	$ 1.00	$ 988.00	$ 0.50	$ 494.00	$ 0.60	$ 592.80	$ 0.60	$ 592.80	$ 0.54	$ 533.52	$ 0.55	$ 543.40
13	8117001	Pavt Mrkg, Waterborne, 4 inch, Blue	Ft	387	$ 1.00	$ 387.00	$ 0.50	$ 193.50	$ 0.60	$ 232.20	$ 0.60	$ 232.20	$ 0.54	$ 208.98	$ 0.55	$ 212.85
14	8117050	Pavt Mrkg, Waterborne, Handicap, Sym, Blue	Ea	5	$ 150.00	$ 750.00	$ 42.00	$ 210.00	$ 50.00	$ 250.00	$ 80.00	$ 400.00	$ 43.20	$ 216.00	$ 44.26	$ 221.30
15	8120170	Minor Traf Devices	LSUM	1	$ 500.00	$ 500.00	$ 160.00	$ 160.00	$ 500.00	$ 500.00	$ 750.00	$ 750.00	$ 756.00	$ 756.00	$ 553.18	$ 553.18
16	8120250	Plastic Drum, High Intensity, Furn	Ea	20	$ 25.00	$ 500.00	$ 11.00	$ 220.00	$ 15.00	$ 300.00	$ 30.00	$ 600.00	$ 25.92	$ 518.40	$ 26.55	$ 531.00
17	8120251	Plastic Drum, High Intensity, Oper	Ea	20	$ 5.00	$ 100.00	$ 1.00	$ 20.00	$ 2.00	$ 40.00	$ 10.00	$ 200.00	$ 27.00	$ 540.00	$ 5.53	$ 110.60
18	8160028	Mulch Blanket, High Velocity	Syd	250	$ 1.50	$ 375.00	$ 1.50	$ 375.00	$ 2.50	$ 625.00	$ 2.25	$ 562.50	$ 3.80	$ 950.00	$ 1.78	$ 445.00
19	8160062	Topsoil Surface, Furn, 4 inch	Syd	1,260	$ 3.00	$ 3,780.00	$ 3.25	$ 4,095.00	$ 2.25	$ 2,835.00	$ 2.44	$ 3,074.40	$ 5.34	$ 6,728.40	$ 3.39	$ 4,271.40
20	8167011	Hydroseeding	Syd	1,260	$ 0.50	$ 630.00	$ 1.25	$ 1,575.00	$ 1.35	$ 1,701.00	$ 1.00	$ 1,260.00	$ 3.15	$ 3,969.00	$ 0.28	$ 352.80
21	8257001	Force Main, HDPE, 2 inch	Ft	80	$ 40.00	$ 3,200.00	$ 20.00	$ 1,600.00	$ 25.00	$ 2,000.00	$ 50.00	$ 4,000.00	$ 14.58	$ 1,166.40	$ 35.32	$ 2,825.60
22								$ -		$ -		$ -		$ -		$ -
					Totals:	$ 82,385.00		**$ 88,668.50**		**$ 89,416.00**		**$ 105,937.15**		**$ 108,057.00**		**$ 123,396.49**

= apparent low bidder

AGENDA ITEM NO. _____
CITY COMMISSION MEETING _____

TO: Honorable Mayor and City Commissioners

FROM: Frank Peterson, City Manager

DATE: April 8, 2019

RE: Purchase Agreement – 1067 Grand Avenue

SUMMARY OF REQUEST:
City staff is seeking permission to enter into a purchase agreement with Jonathan and Melissa Wilson for city-owned home located at 1067 Grand. The purchase price is $143,000.

FINANCIAL IMPACT:
$143,000 minus closing costs deposited into the City's Public Improvement Fund.

BUDGET ACTION REQUIRED:
None at this time.

STAFF RECOMMENDATION:
To authorize the city manager to enter into a sales agreement to sell the property at 1067 Grand Avenue for $143,000 with Jonathan and Melissa Wilson.

COMMITTEE RECOMMENDATION:

REAL ESTATE PURCHASE AGREEMENT

This Real Estate Purchase Agreement ("Agreement") is made April 23, 2019, by and between the **City of Muskegon,** a municipal corporation, with offices at 933 Terrace Street, Muskegon, Michigan 49440 ("Seller"), and **Melissa Wilson** and **Jonathan Wilson**, of 930 Washington Avenue, Unit 5C, Muskegon, MI 49441 ("Buyer") (collectively the "Parties").

1. **General Agreement and Description of Property.** Seller agrees to sell, and Buyer agrees to buy the real estate and all improvements thereon, with all beneficial easements, and with all of Seller's right, title, and interest in all adjoining public ways, commonly known as 1067 Grand Avenue, Muskegon, Michigan 49440, situated in the City of Muskegon, Muskegon County, Michigan ("Property"), and legally described in **Exhibit A**, subject to the reservations, restrictions, and easements of record, provided said reservations, restrictions, and easements of record are reasonably acceptable to Buyer upon disclosure and review of the same.

2. **Purchase Price and Manner of Payment.** The purchase price for the Property shall be One Hundred Forty Three Thousand Dollars and 00/100 ($143,000.00). If the appraised value of the Property is determined to be at least Five Thousand Dollars ($5,000.00) less than the purchase price, the Parties agree to reduce the purchase price to an amount no more than Five Thousand Dollars ($5,000.00) above the appraised value of the Property; provided, however, if the appraised value is below $125,000.00, the Parties agree to negotiate a new purchase price. The purchase price shall be payable as follows:

   a. Upon execution of this Agreement, Buyer will deliver to Seller a cashier's check payable to Seller in the amount of $1,000 (the "Earnest Money"), to be held by the Title Company. If the transaction contemplated by this Agreement closes, the Earnest Money will be applied against the purchase price. If the transaction fails to close as a result of a breach by Buyer or Buyer otherwise failing to comply with the terms of this Agreement, Seller shall have the right to retain the Earnest Money.

   b. At Closing, Buyer will pay the remaining balance of the purchase price in full to Seller, by wire transfer, certified or cashier's check.

3. **Title Insurance.** Seller, at Seller's expense, will obtain a commitment for title insurance issued by Transnation Title Agency ("Title Company"), for an amount not less than the purchase price, guaranteeing title on the conditions required in this Agreement. In the event the reservations, restrictions, or easements of record disclosed by said title commitment are, in the reasonable discretion of Buyer, deemed unreasonable, Seller shall have 20 days from the date Seller is notified in writing of such unreasonableness of restriction and such unmarketability of title, to remedy such objections. If Seller resolves such restrictions and remedies the title (by obtaining satisfactory title insurance or otherwise) within the time specified, Buyer agrees to complete this sale as provided in this Agreement, within 10 days of written notification from Seller. If Seller fails to resolve such restrictions or remedy the title within the time above specified or fails to obtain satisfactory title insurance, this Agreement shall terminate. The premium for the owner's title policy, if any, shall be paid by Buyer.

4. **Property Taxes and Assessments.** Real estate taxes and assessments due and payable prior to Closing shall be the responsibility of Seller. Real estate taxes that become due and payable after the date of Closing will be the responsibility of Buyer.

5. **Personal Property and Fixtures.** All fixtures and appliances are included in this sale at no additional cost to Buyer, except as specifically listed below. These items include, without limitation,

the following: plumbing, heating and lighting fixtures; all drapery and curtain hardware; all window shades and blinds; all kitchen appliances; wall-to-wall carpeting, if attached; all attached mirrors and bathroom mirrors; stationary laundry tubs; washer and electric dryer, water softener, water heater; heating and air conditioning equipment (window units excluded); ceiling fans; built-in gas grills; water pump and pressure tank; TV antenna; screens and storm windows and doors; awnings; mailbox; all plantings; garage door openers and controls; fireplace screens and grates; locks and keys; and all personal property located on the Property as of Closing. All such fixtures and other personal property included in the sale are being sold "AS-IS". The following items of personal property shall be excluded from the sale:

_____

_____

6. **Survey.** Seller will provide Buyer with any existing surveys of the Property. Buyer, at Buyer's own expense, may obtain a survey of the Property, and Buyer or Buyer's surveyor or other agents may enter the Property for that purpose prior to Closing; provided, however, Buyer must order such survey within 7 days following the full execution of this Agreement. If no survey is obtained, Buyer agrees that Buyer is relying solely upon Buyer's own judgment as to the location, boundaries and area of the Property and improvements thereon without regard to any representations that may have been made by Seller or any other person. In the event that a survey by a registered land surveyor made prior to Closing discloses a material encroachment or substantial variation from the presumed land boundaries or area, Buyer will notify Seller of such encroachment or variation within 5 days following receipt of the survey, and Seller shall have the option of effecting a remedy within 10 days after disclosure and paying the cost of such survey, or this Agreement shall terminate at the election of either party. Buyer may elect to purchase the Property subject to said encroachment or variation.

7. **Inspections by Buyer and Condition of Property.** Upon completion of Seller's renovations to the Property, including construction of an attached garage, Seller shall provide Buyer with a Certificate of Final Completion. For a period of fourteen (14) calendar days following Buyer's receipt of Seller's Certificate of Final Completion ("Inspection Period"), Buyer has the right to inspect all or any portion of the Property at Buyer's sole cost and expense. These inspections may include, without limitation, the soil and groundwater; all structures; pest inspections; municipal inspections as described below; well and septic, if necessary; and the plumbing, heating, ventilating, air conditioning, and electrical systems. All such inspections shall be on prior notice to Seller and be done at reasonable times. Buyer shall indemnify, defend and hold Seller harmless from and against any damage to or injury to persons or property caused by Buyer or Buyer's agents in conducting such inspections. Buyer shall have the right to terminate this Agreement prior to the end of the Inspection Period if the inspections are not acceptable to Buyer, in Buyer's reasonable discretion, by giving Seller written notice prior to the end of the Inspection Period, in which case Buyer would be entitled to return of the Earnest Money. If Buyer does not exercise Buyer's right to terminate prior to the end of the Inspection Period, the right to terminate shall be deemed to have been waived and Buyer will be deemed to have accepted the Property, improvements thereon, and all fixtures in their present, AS-IS condition.

8. **Condition of Property.** No implied warranties of habitability, quality, condition, fitness for a particular purpose, or any other implied warranties shall operate between Seller and Buyer, and Buyer expressly waives any and all such implied warranties. Buyer understands and agrees that the Property and the personal property are taken **"AS IS"**. Buyer further represents and warrants that Buyer is not purchasing the Property based on any representations made by or on behalf of Seller.

9. **Lead-Based Paint.** Buyer acknowledges receiving a Lead Paint Disclosure from Seller, a copy of which is attached as **Exhibit B**.

10. **Seller's Disclosure Statement.** Upon issuing a Certificate of Final Inspection to Buyer, Seller shall simultaneously provide Buyer with a completed Seller's Disclosure Statement.

11. **Real Estate Commission.** Buyer and Seller both acknowledge and agree that no agent, broker, salesperson, or other party is entitled to a real estate commission upon the Closing of this sale. Buyer and Seller both agree to indemnify and hold the other harmless from any liability, including reasonable attorney fees, occasioned by reason of any person or entity asserting a claim for a real estate commission arising from actions taken by the other party.

12. **Closing.** The closing date of this sale shall be as mutually agreed by the parties, but in no event later than July 30, 2019 ("Closing"). The Closing shall be conducted at the Title Company or at such other location as the parties mutually agree.

13. **Costs.** The costs associated with this Agreement and the Closing shall be paid as follows: (i) Seller shall pay the state and county transfer taxes in the amount required by law; (ii) Buyer shall be responsible to pay for the recording of any instrument that must be recorded to clear title to the extent required by this Agreement; (iii) Buyer shall pay for the cost of recording the quit-claim deed; and (iv) Seller shall pay any Closing fees charged by the Title Company.

14. **Deliveries.** At Closing, Seller shall execute and deliver a quit-claim deed for the Property to Buyer. The parties shall execute and deliver such other documents reasonably required to close the transaction.

15. **Possession.** Possession of the Property will be delivered to Buyer at Closing; provided, however, after full execution of this Agreement, Seller will reasonably permit Buyer to enter certain areas of the Property to store certain items in the Property while construction on the Property is being completed. If Buyer chooses to keep personal items at the Property prior to Closing, Seller shall not be responsible for the loss, damage, or theft of Buyer's items kept on the Property. Seller agrees that the Property shall be vacant prior to Closing.

16. Default.

a. ***By Seller.*** If Seller for any reason does not perform the material terms and conditions of this Agreement, Buyer may, at Buyer's option, elect to enforce the performance of this Agreement or be entitled to terminate this Agreement.

b. ***By Buyer***. If Buyer for any reason does not perform the terms and conditions of this Agreement, Seller, at Seller's option and in addition to any and all legal and equitable remedies available under Michigan law, may elect to enforce the performance of this Agreement, or be entitled to terminate this Agreement and retain the Earnest Money as liquidated damages.

17. **Risk of Loss.** Until the time of Closing, risk of loss because of the damage to or destruction of any improvements located on the Property shall be solely that of Seller; provided, however, that if such loss or damage to any improvements on the Property was caused by Buyer prior to the time of Closing, Buyer shall be solely responsible for such risk of loss. In the event the improvements located on the Property are damaged at the fault of Seller prior to the date of Closing, and are not repaired by Seller prior to Closing, Buyer may elect to terminate this Agreement; or Buyer may elect to continue this Agreement in which event Seller shall assign to Buyer any insurance proceeds to be received by Seller because of said damage or other destruction to the Property.

18. **Notice.** All notices and other deliveries required under this Agreement shall be made and given to the appropriate party, or the office of the party, at the address set forth above or at such other address as may hereafter be specified by such parties by written notice from time to time. Notices shall be effective on the date of receipt, if given by hand, express delivery or recognized courier service. Notices given by certified mail shall be deemed effective five business days after the date of deposit in an authorized postal facility, as shown by its receipt for certified mail.

19. Miscellaneous.

a. ***Governing Law.*** This Agreement will be governed by and interpreted in accordance with the laws of the state of Michigan.

b. ***Entire Agreement.*** This Agreement constitutes the entire agreement of the parties and supersedes any other agreements, written or oral, that may have been made by and between the parties with respect to the subject matter of this Agreement. All contemporaneous or prior negotiations and representations have been merged into this Agreement.

c. ***Amendment.*** This Agreement shall not be modified or amended except in a subsequent writing signed by all parties.

d. ***Binding Effect.*** This Agreement shall be binding upon and enforceable by the parties and their respective legal representatives, permitted successors, and assigns.

e. ***Counterparts.*** This Agreement may be executed in counterparts, and each set of duly delivered identical counterparts which includes all signatories, shall be deemed to be one original document.

f. ***Full Execution.*** This Agreement requires the signature of all parties. Until fully executed, on a single copy or in counterparts, this Agreement is of no binding force or effect and if not fully executed, this Agreement is void.

g. ***Non-Waiver.*** No waiver by any party of any provision of this Agreement shall constitute a waiver by such party of any other provision of this Agreement.

h. ***Severability.*** Should any one or more of the provisions of this Agreement be determined to be invalid, unlawful, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions of this Agreement shall not in any way be impaired or affected.

i. ***No Reliance.*** Each party acknowledges that it has had full opportunity to consult with legal and financial advisors as it has been deemed necessary or advisable in connection with its decision to knowingly enter into this Agreement. Neither party has executed this Agreement in reliance on any representations, warranties, or statements made by the other party other than those expressly set forth in this Agreement.

j. ***Assignment or Delegation.*** Except as otherwise specifically set forth in this Agreement, neither party shall assign all or any portion of its rights and obligations contained in this Agreement without the express or prior written approval of the other party, in which approval may be withheld in the other party's sole discretion.

k. ***Venue.*** 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 that Muskegon County is the exclusive venue.

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

Seller: City of Muskegon

By: _____
Name: Stephen Gawron
Title: Mayor
Date: _____

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

Buyer: Jonathan Wilson

By: _____
Name: Jonathan Wilson
Title: Purchaser
Date: _____

By: _____
Name: Melissa Wilson
Title: Purchaser
Date: _____

Exhibit A

The following described Property situated in the City of Muskegon, County of Muskegon, State of Michigan:

CITY OF MUSKEGON REVISED PLAT OF 1903 BLK 484 LOT 4 & S 16 1/2 FT OF GRAND AVE ABUTTING SAME

Parcel No.: 61-24-205-484-0004-00
Commonly known as: 1067 Grand Avenue, Muskegon, Michigan 49441

Exhibit B
Lead Disclosure Form
DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT
AND/OR LEAD-BASED PAINT HAZARDS

Lead Warning Statement
Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller's Disclosure
(a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):
(i) ___ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).
_____
_____

(ii) ___ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.
(b) Records and reports available to the seller (check (i) or (ii) below):
(i) ___ Seller has provided the Buyer with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).
_____
_____

(ii) ___ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Buyer's Acknowledgment (initial)
(c) ___ Buyer has received copies of all information listed above.
(d) ___ Buyer has received the pamphlet *Protect Your Family from Lead in Your Home.*
(e) ___ Buyer has (check (i) or (ii) below):
(i) ___ received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or
(ii) ___ waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgment (initial)
(f) ___ Agent has informed the seller of the seller's obligations under 42 USC 4852d and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy
The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

Seller – City of Muskegon **Buyer –**

Stephen Gawron, Mayor	Date	Jonathan Wilson * Melissa Wilson	Date

Commission Meeting Date: April 23, 2019

Date: April 18, 2019

To: Honorable Mayor and City Commissioners

From: Planning & Economic Development

RE: Approval of a Neighborhood Enterprise Zone Certificate

SUMMARY OF REQUEST:

An application for a Neighborhood Enterprise Zone (NEZ) certificate has been received from Christopher & Elizabeth Beck for the new construction of a home at 324 Terrace Point. The applicant has met local and state requirements for the issuance of the NEZ certificate.

FINANCIAL IMPACT:

Taxation will be 50% of the State average for the next 12 years.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Approval of the NEZ certificate.

COMMITTEE RECOMMENDATION:

None

Resolution No. _____

MUSKEGON CITY COMMISSION

RESOLUTION TO APPROVE THE ISSUANCE OF A NEIGHBORHOOD ENTERPISE ZONE CERTIFICATE

WHEREAS, an application for a Neighborhood Enterprise Zone Certificate has been filed with the City Clerk by Christopher & Elizabeth Beck to construct a new home at 324 Terrace Point in the Terrace Point Condominium neighborhood, and;

WHEREAS, the applicant has satisfied both the local and state eligibility criteria for a Neighborhood Enterprise Zone Certificate;

WHEREAS, the local unit of government is allowing the six (6) month grace period after construction commencement to apply, which is allowed under the law;

WHEREAS, the Neighborhood Enterprise Zone Certificate has been approved for twelve (12) years;

NOW, THEREFORE, BE IT RESOLVED that the application for a Neighborhood Enterprise Zone Certificate for the new construction of a home by Christopher & Elizabeth Beck be approved.

Adopted this 23rd day of April, 2019.

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 April 23, 2019.

By: _____
Ann Meisch
City Clerk

Commission Meeting Date: April 23, 2019

Date: April 18, 2019

To: Honorable Mayor and City Commissioners

From: Planning & Economic Development

RE: Approval of a Neighborhood Enterprise Zone Certificate

SUMMARY OF REQUEST:

An application for a Neighborhood Enterprise Zone (NEZ) certificate has been received from Dennis Atkinson for the new construction of a home at 343 Terrace Point. The applicant has met local and state requirements for the issuance of the NEZ certificate.

FINANCIAL IMPACT:

Taxation will be 50% of the State average for the next 12 years.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Approval of the NEZ certificate.

COMMITTEE RECOMMENDATION:

None

Resolution No. _____

MUSKEGON CITY COMMISSION

RESOLUTION TO APPROVE THE ISSUANCE OF A NEIGHBORHOOD ENTERPISE ZONE CERTIFICATE

WHEREAS, an application for a Neighborhood Enterprise Zone Certificate has been filed with the City Clerk by Dennis Atkinson to construct a new home at 343 Terrace Point in the Terrace Point Condominium neighborhood, and;

WHEREAS, the applicant has satisfied both the local and state eligibility criteria for a Neighborhood Enterprise Zone Certificate;

WHEREAS, the local unit of government is allowing the six (6) month grace period after construction commencement to apply, which is allowed under the law;

WHEREAS, the Neighborhood Enterprise Zone Certificate has been approved for twelve (12) years;

NOW, THEREFORE, BE IT RESOLVED that the application for a Neighborhood Enterprise Zone Certificate for the new construction of a home by Dennis Atkinson be approved.

Adopted this 23rd day of April, 2019.

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 April 23, 2019.

By: _____
Ann Meisch
City Clerk

Commission Meeting Date: April 23, 2019

Date: April 16, 2019

To: Honorable Mayor and City Commission

From: Community and Neighborhood Services Department

RE: Public Hearing for the 2019 Action Plan

SUMMARY OF REQUEST: To conduct a public hearing on April 23, 2019 to receive comments from the public concerning the 2019 Action Plan developed and proposed by the Community and Neighborhood Services department.

After the public hearing, all comments received during the 30 day comment period (April 15- May 14) will be documented and included in the plan as required.

FINANCIAL IMPACT: The City is required to submit the Annual Action Plan to receive 2019 allocations of CDBG and HOME Investment Partnership Programs.

BUDGET ACTION REQUIRED: Approve a 2019 Budget at the May 14th Commission meeting at the conclusion of the comment period.

STAFF RECOMMENDATION: To direct staff to gather comments from the public for the 2019 Action Plan until May 13, 2019 – end of comment period.

CDBG Organization/Agency	Activity	2018 Budget	Proposed 2019
COM - Finance	Youth Opportunities/Summer Internships	$ 55,000.00	
COM - CNS	CDBG Admin **	$ 187,531.34	$ 197,690.20
COM - CNS	Priority Home Repair	$ 125,000.00	
COM - CNS	Services Delivery	$ 75,000.00	$ 75,000.00
COM - CNS	Residential Façade Program	$ 50,000.00	
COM - Finance	Fire Station Bond Repayment	$ 133,400.66	$ 254,166.66
COM - Inspections	Dangerous Bldgs - Demolition	$ 50,000.00	
COM - Inspections	Dangerous Bldgs - Board-Ups	$ 10,000.00	
COM - Leisure Services	Youth Recreation*	$ 90,000.00	
COM - Planning	Code Enforcement Staff	$ 25,000.00	
COM - Engineering	Smith Ryerson Park	$ 96,726.00	
COM - Engineering	Neighborhood Beautification - 3rd St Sidewalks	$ 40,000.00	
COM - CNS	**Economic Development**	**Staff**	
COM - CNS	**Youth Center**	**Staff**	
COM - CNS	**Sidewalks - ADA**	**CDC**	
COM - CNS	**Skate Park**	**CDC**	
	TOTAL	**$ 937,658.00**	**$ 526,856.86**

Allocated Amount:
$ 973,451.00

HOME Organization/Agency	Activity	2018 Budget	2019 Proposed
CHDO Allocation	Housing Affordable Units****	$ 50,000.00	$ 50,222.70
CHDO Administration	Administration	$ 5,000.00	
COM - CNS	HOME Administration***	$ 32,768.00	$ 33,481.80
COM - CNS	Rental Rehab		$ 20,000.00
COM - CNS	HOME Rehab Construction *	$ 239,913.00	$ 231,113.50
	TOTAL	**$ 327,681.00**	**$ 334,818.00**

Allocated Amount:
$ 334,818.00

Date: 04/23/2019

To: Honorable Mayor and City Commissioners

From: Department of Public Works

RE: Public Hearing for DWRF Project Plan

SUMMARY OF REQUEST:

Conduct a public hearing related to the DWRF Project Plan that was posted for public comment on March 23rd, 2019 and approve the Resolution to adopt the plan.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Conduct public hearing and approve the resolution.

A RESOLUTION ADOPTING A FINAL PROJECT PLAN FOR WATER SYSTEM IMPROVEMENTS AND DESIGNATING AN AUTHORIZED PROJECT REPRESENTATIVE

WHEREAS, the City of Muskegon recognizes the need to make improvements to its existing water distribution system; and

WHEREAS, the City of Muskegon authorized Prein&Newhof to prepare a Project Plan, which recommends improvements to provide a more reliable and resilient water distribution system, upgrades to the water filtration plant, replace aging water mains and lead service lines, which can cause elevated lead concentrations in homes; and

WHEREAS, said Project Plan was presented at a Public Hearing held on April 23, 2019 and all public comments at the hearing or written comments submitted during the public comment period have been considered and addressed.

NOW THEREFORE BE IT RESOLVED, that the City of Muskegon formally adopts said Project Plan and agrees to implement the selected FY 2020 projects based on the selected alternatives for those projects.

BE IT FURTHER RESOLVED, that the Director of Public Works, a position currently held by Leo Evans, is designated as the authorized representative for all activities associated with the project referenced above, including the submittal of said Project Plan as the first step in applying to the State of Michigan for a Drinking Water Revolving Fund Loan to assist in the implementation of the selected alternative.

Yeas:

Nays:

I certify that the above Resolution was adopted by the City Commission of the City of Muskegon on April 23, 2019.

BY: Ann Meisch, City Clerk

_____

Signature Date

Date: April 23, 2019

To: Honorable Mayor and City Commissioners

From: Jeffrey Lewis, Director of Public Safety

RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #EN1900280DB

SUMMARY OF REQUEST:

This is to request that the City Commission concur with the findings of the Housing Board of Appeals that the structure located at 1873 Franklin St. (between W. Laketon Ave. and Windsor Ave.) is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder or staff may issue infraction tickets to the owner, agent, or responsible party if they do not demolish the structure.

Staff Correspondence: A Dangerous Building Inspection was conducted on March 1, 2019.The Notice and Order to Repair or Remove was issued on March 12, 2019. On April 4, 2019 the HBA declared the structure substandard and dangerous. The Notice and Order to Demolish was issued on April 5, 2019.

FINANCIAL IMPACT:

CDBG Funds

BUDGET ACTION REQUIRED:

None

STATE EQUALIZED VALUE:

$23,300.00

Estimated cost to repair:

$ 55,000.00

STAFF RECOMMENDATION:

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

Case

1

EN1900280DB – 1873 Franklin St.

Brenda Taylor
1873 Franklin St.
Muskegon, MI 49441

Information:

On January 5, 2019 the Muskegon Police Dept. report # 2019-00293 responded to an open door complaint. The responding officer files a "Health & Safety" report regarding the condition of the home.
The home has been 50% gutted to the bare wall. There is an excessive amount of garbage and debris inside the home and garage. There is animal feces throughout the home. A cancelled Building Permit from 2011 is the only permit history for this property

Complaint Notice

February 19, 2019 a DB complaint letter was sent.
March 1, 2019 a DB inspection report was sent.
March 11, 2019 Notice & Order to Repair or Remove was sent.
April 5, 2019 Notice & Order to Demolish was sent.

Notice & Order:

On March 11, 2019 the Notice & Order was sent and posted.
On March 20, 2019 A ten day Notice was sent and posted for the April 4, 2019 HBA hearing.
April 5,2019 Notice & Order to Demolish was sent

All notices are sent First Class and Certified Mail and posted on the property in question.

Additional Information:

- This a 1 ½ -story, 1090 square foot single family residential structure with a basement and a detached garage.

- Built in 1937

- Property taxes are delinquent with 2017 and 2018 taxes due totaling $3514.46

- 2019 SEV $23,000.00

- Staff estimates cost to repair at $55,000.00

- 9 enforcement actions since 2014 for trash and grass including board up request In January 2019

- The structure is located in the Campbell Neighborhood

CITY OF MUSKEGON INSPECTIONS

COMPLAINT NOTICE

02/19/2019

TAYLOR BRENDA
1873 FRANKLIN ST
MUSKEGON, MI 49441

RE: 1873 FRANKLIN ST

Notice Issued By: Lance Bonifield

Dear Property Owner:

We have received a complaint that there are certain unsatisfactory conditions at the above address. If these conditions exist, they are a violation of the City Code. Please note the following violations:

Foundation failing, Mortar missing / failing , windows failing / leaking or rotten , windows are broken out / boarded up , boarded up windows are to be painted to match color of residence, covered porch roof frame is rotten / collapsing, Complaint from Muskegon Police Department regarding this residence, filth and unsanitary condition of residence, public nuisance Complaint

Please contact this office no later than 03/05/2019 to provide a plan of abatement. The necessary permits must be obtained prior to any repairs or before demolition is planned as required under City ordinance and State law.

If the code violations exist after this period, a complete inspection of the property may be made, a Civil Infraction ticket could be issued or both. Civil Infraction tickets carry a fine ranging from $100 for the first offense to $500 for each subsequent offense. Each day an infraction continues to exist, is a separate offense.

In addition, a hearing will be scheduled with the City of Muskegon Housing Board of Appeals (HBA) for a formal determination and resolution to this notice.

Sincerely,

Lance Bonifield (231) 724-3900
Building Inspector / Dangerous Building Inspector
City of Muskegon
SAFEbuilt

CITY OF MUSKEGON BUILDING DEPT.

DANGEROUS BUILDING INSPECTION REPORT
03/01/2019

Owner TAYLOR BRENDA
1873 FRANKLIN ST
MUSKEGON, MI 49441
Enforcement # EN1900280
Property Address: 1873 FRANKLIN ST
Parcel # 24-480-002-0023-00

Date completed: 3-1-2019

DEFICENCIES:
Foundation failing, mortar missing or crumbling, wall framing @ windows is rotten, windows leaking or rotten, covered porch roof frame is rotten/ collapsing, siding / trim rotten/ failing paint is peeling, windows are broken out/boarded up, boarded windows to be painted color of house, Complaint from MPD regarding this residence, filth, unsanitary conditions of residence, Public nuisance complaint

City Code violations are but not limited to the following: Article III 10-61. 1,3,5,6,7 including sub- sections a,b,d&e,8,11,14,15,16,18

Lance Bonifield,
Building Inspector/ Dangerous Building Inspector

3-1-2019
Date

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

SECTION 116.3 Notice (UNSAFE STRUCTURES AND EQUIPMENT)
If an unsafe condition is found, the *building official* shall serve on the owner, agent or person in control of the structure, a written notice that describes the condition deemed unsafe and specifies the required repairs or improvements to be made to abate the unsafe condition, or that requires the unsafe structure to be demolished within a stipulated time. Such notice shall require the person thus notified to declare immediately to the *building official* acceptance or rejection of the terms of the order.

CITY OF MUSKEGON INSPECTIONS

NOTICE AND ORDER TO REPAIR OR REMOVE (DEMOLISH) A STRUCTURE

DATE: 03/11/2019

PROPERTY ADDRESS: 1873 FRANKLIN ST

TO: TAYLOR BRENDA, 1873 FRANKLIN ST, MUSKEGON,MI 49441

The City of Muskegon has determined that the structures above described are dangerous, substandard, and constitute a nuisance in violation of the Dangerous Buildings Ordinance of the City.

You are hereby notified that the City will proceed to demolish or cause the demolition and removal of the said structure or may issue Civil Infractions until the order is complied with, unless you accomplish the actions indicated below within the time limits indicated:

1. By 03/21/2019 obtain a "Trades Inspection" with the Inspections Department to identify the said code violations. Provide a plan of abatement with a reasonable timeline including costs for the repairs to the Building Official. Your approved plan of abatement by the Building Official may forgo a HBA hearing. If you fail to provide a plan of abatement or if the plan of abatement is not approved by the Building Official, a hearing will be scheduled with the Housing Board of Appeals (HBA) at their next scheduled meeting. You will be notified of the date, time, and location of the meeting so you or your representative may attend the meeting and answer any questions. Provided the HBA approves the submitted timeline with cost estimates; you will need to obtain permits and commence work within 30 days of the HBA meeting. All repairs shall be accomplished within the times set forth in the permits.

2. Obtain the issuance of the appropriate permit for the demolition of structures within 30 days, and accomplish the demolition thereof within 60 days of this notice. The conditions which cause the said structures to be dangerous, substandard and a nuisance are listed in the attached schedule.

FAILURE TO COMPLY

After 30 days from mailing this notice, if you have not complied with this notice, a hearing will be scheduled before the City of Muskegon Housing Board of Appeals for the purpose of enforcing this notice and order and instituting City action to remove the structure. You will receive notice of that hearing. You may appear and present any relevant evidence to the Housing Board of Appeals and have counsel of your choice present, if you desire. You will have the opportunity to "show cause" why the structure shall not be ordered demolished.

SCHEDULE OF CONDITIONS

The following conditions are present at the structure at 1873 FRANKLIN ST Muskegon, Michigan and cause said structure to be a dangerous or substandard building and a public nuisance.

Please contact Inspector Lance Bonifield at 231-724-3900 or email lbonifield@safebuilt.com with any questions or concerns.

CITY OF MUSKEGON INSPECTION DEPARTMENT

Jeffrey Lewis, Director of Public Safety

CITY OF MUSKEGON INSPECTIONS

CITY OF MUSKEGON HOUSING (BUILDING) BOARD OF APPEALS

Date: 04/05/2019

To: TAYLOR BRENDA, 1873 FRANKLIN ST, Muskegon, MI. 49441

ORDER TO DEMOLISH STRUCTURE

The Housing Board of Appeals, having received evidence at a scheduled and noticed meeting held on Thursday, April 4,2019 does hereby order that the following structure(s) located at **1873 FRANKLIN ST**, Muskegon, Michigan, shall be demolished for the reason that the said structure or structures are found, based upon the evidence before the Board of Appeals, to be dangerous, substandard and a public nuisance.

The owners or persons interested shall apply for the required permits to demolish the structure(s) within 30 days from the final determination to concur and demolish, if it is made by the City Commission or Infraction Tickets may be issued. Demolition shall be accomplished no later than 60 days after a concurrence by the City Commission.

The Director of Public Safety is ordered to place before the Muskegon City Commission, this order and the record in this case to seek concurrence by the City Commission with the decision of this board, and further to give notice to the owner and interested parties of the date and time when this matter shall be considered by the City Commission.

NOTICE TO OWNER AND INTERESTED PARTIES

Please take notice that this decision of the Housing Board of Appeals will be presented to the City Commission of the City of Muskegon on Tuesday, April 23rd, 2019 at 5:30 p.m. You are hereby notified that you will have an opportunity to appear before the said City Commission at that time and to present any and all evidence or matters relevant to the issue of demolition or repair of the said structures. This order of the Housing Board of Appeals is not final but will become final if and when the City Commission has considered the record and this order and has concurred.

The City Commission may concur with this order or disapprove or modify the order.

FOR THE HOUSING BOARD OF APPEALS:

Jeffrey Lewis, Director of Public Safety

CITY OF MUSKEGON INSPECTIONS

AFFIDAVIT OF MAILING & POSTING

STATE OF MICHIGAN
COUNTY OF MUSKEGON

Jeffrey Lewis, duly sworn states that he/she delivered or mailed by certified mail a copy of the attached order for demolition entered by the Housing Board of Appeals with notice of City Commission hearing to the owners and interested parties set forth in the order, the said order dated April 5,2019 by certified mail. The date of mailing was April 9, 2019

Jeffrey Lewis, Director of Public Safety

Also, the undersigned states that he/she posted a copy of the above order to the said structure located at **1873 FRANKLIN ST,** on this 9th day of April, 2019.

Lance Bonifield

Subscribed and sworn to before me this

Carrie Kotchka
Notary Public
Kent County, Michigan
My Comm. Expires January 26, 2023
Acting in the County of Muskegon

Notary Public, Muskegon County, Michigan

2.18.2019

2.18.2019

2. 18. 2019 15

2.18.2019 15

2.18.2019

Date: April 23, 2019

To: Honorable Mayor and City Commissioners

From: Jeffrey Lewis, Director of Public Safety

RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #EN1900293

SUMMARY OF REQUEST:

This is to request that the City Commission concur with the findings of the Housing Board of Appeals that the structure located at 190 Wood St. (between Adams Ave. and Shoreline Dr.) is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder or staff may issue infraction tickets to the owner, agent, or responsible party if they do not demolish the structure.

Staff Correspondence: A Dangerous Building Inspection was conducted on March 1, 2019.The Notice and Order to Repair or Remove was issued on March 11, 2019. On April 4, 2019 the HBA declared the structure substandard and dangerous. The Notice and Order to Demolish was issued on April 5, 2019.

FINANCIAL IMPACT:

General Funds

BUDGET ACTION REQUIRED:

None

STATE EQUALIZED VALUE:

$74,800.00

ESTIMATED COST TO REPAIR:

$ 250,000.00

STAFF RECOMMENDATION:

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

Case

2

EN1900293 – 190 Wood St.

Donald L. Balcom Trust
3764 4 Mile Rd.
Traverse City, MI 49686

Information:

On December 7, 2018, the Muskegon Police Dept., report # 2018-25021, responded to a suspicious activity complaint. The responding officer files a "Incident / Investigation Report and a Health and Safety report regarding the condition of the commercial property.

The commercial buildings have been 50% gutted to the bare walls. There is a total of three dilapidated buildings built and connected to each other at this address with two small outbuildings. Signs of deterioration and neglect throughout the property has caused a considerable amount of damage to the structures. Wall and roof frame collapsing and or collapsed, foundations are cracked and failing. Evidence of people living on property, Excessive amounts of filth / feces and debris. Exposed wiring throughout the buildings. There are three abandoned semi- trailers on property with obvious signs of people living in them.

No permit history for this property.

Complaint Notice:

June 3, 2011, Complaint sent
February 19, 2019, Complaint sent.
March 1, 2019, Dangerous Building inspection report sent

Notice & Order:

On January 3, 2019 the Notice & Order was sent and posted. The HBA hearing was moved to April

On March 20, 2019 a ten day notice was sent and posted for the April 4, 2019 HBA hearing.

On April 5, 2019 Notice & Order to Demolish was sent

All notices are sent First Class and Certified Mail and posted on the property in question.

Additional Information:

- This a 1 -story, 22,407 square foot commercial structure without a basement.
- Built in 1947
- Property taxes are current

- 2019 SEV $74,800
- Staff estimates cost to repair in excess of $250,000

- 6 enforcement actions since 2014 for trash and grass

- The structure is located in the Jackson Hill Neighborhood

- August 4, 2011 HBA declared this a Dangerous Building

- November 1, 2012 City Commission concurred

CITY OF MUSKEGON INSPECTIONS

CITY OF MUSKEGON HOUSING (BUILDING) BOARD OF APPEALS

Date: 04/05/2019

To: BALCOM DONALD L TRUST, 3764 4 MILE RD N, Traverse City MI, 49686

ORDER TO DEMOLISH STRUCTURE

The Housing Board of Appeals, having received evidence at a scheduled and noticed meeting held on Thursday, April 4, 2019 Does hereby order that the following structure(s) located at **190 WOOD ST**, Muskegon, Michigan, shall be demolished for the reason that the said structure or structures are found, based upon the evidence before the Board of Appeals, to be dangerous, substandard and a public nuisance.

The owners or persons interested shall apply for the required permits to demolish the structure(s) within 30 days from the final determination to concur and demolish, if it is made by the City Commission or Infraction Tickets may be issued. Demolition shall be accomplished no later than 60 days after a concurrence by the City Commission.

The Director of Public Safety is ordered to place before the Muskegon City Commission, this order and the record in this case to seek concurrence by the City Commission with the decision of this board, and further to give notice to the owner and interested parties of the date and time when this matter shall be considered by the City Commission.

NOTICE TO OWNER AND INTERESTED PARTIES

Please take notice that this decision of the Housing Board of Appeals will be presented to the City Commission of the City of Muskegon on Tuesday, April 23, 2019 at 5:30 p.m. You are hereby notified that you will have an opportunity to appear before the said City Commission at that time and to present any and all evidence or matters relevant to the issue of demolition or repair of the said structures. This order of the Housing Board of Appeals is not final but will become final if and when the City Commission has considered the record and this order and has concurred.

The City Commission may concur with this order or disapprove or modify the order.

FOR THE HOUSING BOARD OF APPEALS:

Jeffrey Lewis, Director of Public Safety

MUSKEGON
West Michigan's Shoreline City
www.shorelinecity.com

CITY OF MUSKEGON INSPECTIONS

AFFIDAVIT OF MAILING & POSTING

STATE OF MICHIGAN
COUNTY OF MUSKEGON

Jeffrey Lewis, duly sworn states that he/she delivered or mailed by certified mail a copy of the attached order for demolition entered by the Housing Board of Appeals with notice of City Commission hearing to the owners and interested parties set forth in the order, the said order dated April 5, 2019 by certified mail. The date of mailing was April 9th, 2019

Jeffrey Lewis, Director of Public Safety

Also, the undersigned states that he/she posted a copy of the above order to the said structure located at **190 WOOD ST**, on this 9th day of April, 2019.

Lance Bonifield

Subscribed and sworn to before me this

Carrie Kotchka
Notary Public
Kent County, Michigan
My Comm. Expires January 26, 2023
Acting in the County of Muskegon

Notary Public, Muskegon County, Michigan

Sent 1-7-19

MUSKEGON
West Michigan's Shoreline City
www.shorelinecity.com

CITY OF MUSKEGON INSPECTIONS

NOTICE AND ORDER TO REPAIR OR REMOVE (DEMOLISH) A STRUCTURE

DATE: 1/3/2019

PROPERTY ADDRESS: 190 Wood St. Muskegon MI. 49442

TO: Donald L. Balcom Trust , MUSKEGON,MI 49442
[Names & Addresses of Other Interested Parties]

The City of Muskegon has determined that the structures above described are dangerous, substandard, and constitute a nuisance in violation of the Dangerous Buildings Ordinance of the City.

You are hereby notified that the City will proceed to demolish or cause the demolition and removal of the said structure or may issue Civil Infractions until the order is complied with, unless you accomplish the actions indicated below within the time limits indicated:

1. By 1/14/2019 obtain a "Trades Inspection" with the Inspections Department to identify the said code violations. Provide a plan of abatement with a reasonable timeline including costs for the repairs to the Building Official. Your approved plan of abatement by the Building Official may forgo a HBA hearing. If you fail to provide a plan of abatement or if the plan of abatement is not approved by the Building Official, a hearing will be scheduled with the Housing Board of Appeals (HBA) at their next scheduled meeting. You will be notified of the date, time, and location of the meeting so you or your representative may attend the meeting and answer any questions. Provided the HBA approves the submitted timeline with cost estimates; you will need to obtain permits and commence work within 30 days of the HBA meeting. All repairs shall be accomplished within the times set forth in the permits.

2. Obtain the issuance of the appropriate permit for the demolition of structures within 30 days, and accomplish the demolition thereof within 60 days of this notice. The conditions which cause the said structures to be dangerous, substandard and a nuisance are listed in the attached schedule.

FAILURE TO COMPLY

After 30 days from mailing this notice, if you have not complied with this notice, a hearing will be scheduled before the City of Muskegon Housing Board of Appeals for the purpose of enforcing this notice and order and instituting City action to remove the structure. You will receive notice of that hearing. You may appear and present any relevant evidence to the Housing Board of Appeals and have counsel of your choice present, if you desire. You will have the opportunity to "show cause" why the structure shall not be ordered demolished.

SCHEDULE OF CONDITIONS

The following conditions are present at the structure at 190 Wood St. Muskegon, Michigan 49442 and cause said structure to be a dangerous or substandard building and a public nuisance. See police report dated December 10 2018

Please contact Building Inspector Lance Bonifield at 231-724-3900 or email lbonifield@safebuilt.com with any questions or concerns.

CITY OF MUSKEGON INSPECTION DEPARTMENT

Jeffrey Lewis, Director of Public Safety

CITY OF MUSKEGON INSPECTIONS

COMPLAINT NOTICE

02/19/2019

BALCOM DONALD L TRUST
3764 4 MILE RD N
TRAVERSE CITY, MI 49686

Donald L. Balcom
3764 4 Mile Rd n
Traverse City, MI 49686

RE: 190 WOOD ST

Notice Issued By: Lance Bonifield

Dear Property Owner:

We have received a complaint that there are certain unsatisfactory conditions at the above address. these conditions exist. And they are a violation of the City Code. Please note the following violations:

10-61.1	10-61.6	10-61.11 including sub- sections a & b
10-61.3	10-61.7 including sub-sections a,b,d&e	10-61.12
10-60.4	10-61.9	10-61.13 including sub- sections a & b
10-61.5	10-61.10	10-61.15
		10-61.16

Please contact this office no later than 03/07/2019 to provide a plan of abatement. The necessary permits must be obtained prior to any repairs or before demolition is planned as required under City ordinance and State law.

If the code violations exist after this period, a complete inspection of the property may be made, a Civil Infraction ticket could be issued or both. Civil Infraction tickets carry a fine ranging from $100 for the first offense to $500 for each subsequent offense. Each day an infraction continues to exist, is a separate offense.

In addition, a hearing will be scheduled with the City of Muskegon Housing Board of Appeals (HBA) for a formal determination and resolution to this notice.

Sincerely,

Lance Bonifield (231) 724-3900
Building Inspector/Dangerous Building Inspector
City of Muskegon
SAFEbuilt

CITY OF MUSKEGON BUILDING DEPT.

MUSKEGON
West Michigan's Shoreline City
www.shorelinecity.com

DANGEROUS BUILDING INSPECTION REPORT
03/01/2019

Owner BALCOM DONALD L TRUST
3764 4 MILE RD N
TRAVERSE CITY, MI 49686
Enforcement # EN1900293
Property Address: 190 WOOD ST
Parcel # 24-205-004-0001-00

Date completed: 3-1-2019

DEFICENCIES:
Foundation failing/crumbling throughout structures, wall and roof frame collapsed or collapsing throughout structures, entire structure interior and exterior covered in debris / filth, vagrants living in abandoned trailers. Please see attached photos and MPD report complaint # 18-25021

Lance Bonifield,
Building Inspector
Dangerous Building Inspector

3-1-2019
Date

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

SECTION 116.3 Notice (UNSAFE STRUCTURES AND EQUIPMENT)
If an unsafe condition is found, the *building official* shall serve on the owner, agent or person in control of the structure, a written notice that describes the condition deemed unsafe and specifies the required repairs or improvements to be made to abate the unsafe condition, or that requires the unsafe structure to be demolished within a stipulated time. Such notice shall require the person thus notified to declare immediately to the *building official* acceptance or rejection of the terms of the order.

CITY OF MUSKEGON INSPECTIONS

NOTICE AND ORDER TO REPAIR OR REMOVE (DEMOLISH) A STRUCTURE

DATE: 03/11/2019

PROPERTY ADDRESS: 190 WOOD ST

TO: BALCOM DONALD L TRUST, 3764 4 MILE RD N, TRAVERSE CITY,MI 49686

The City of Muskegon has determined that the structures above described are dangerous, substandard, and constitute a nuisance in violation of the Dangerous Buildings Ordinance of the City.

You are hereby notified that the City will proceed to demolish or cause the demolition and removal of the said structure or may issue Civil Infractions until the order is complied with, unless you accomplish the actions indicated below within the time limits indicated:

1. By 03/21/2019 obtain a "Trades Inspection" with the Inspections Department to identify the said code violations. Provide a plan of abatement with a reasonable timeline including costs for the repairs to the Building Official. Your approved plan of abatement by the Building Official may forgo a HBA hearing. If you fail to provide a plan of abatement or if the plan of abatement is not approved by the Building Official, a hearing will be scheduled with the Housing Board of Appeals (HBA) at their next scheduled meeting. You will be notified of the date, time, and location of the meeting so you or your representative may attend the meeting and answer any questions. Provided the HBA approves the submitted timeline with cost estimates; you will need to obtain permits and commence work within 30 days of the HBA meeting. All repairs shall be accomplished within the times set forth in the permits.

2. Obtain the issuance of the appropriate permit for the demolition of structures within 30 days, and accomplish the demolition thereof within 60 days of this notice. The conditions which cause the said structures to be dangerous, substandard and a nuisance are listed in the attached schedule.

FAILURE TO COMPLY

After 30 days from mailing this notice, if you have not complied with this notice, a hearing will be scheduled before the City of Muskegon Housing Board of Appeals for the purpose of enforcing this notice and order and instituting City action to remove the structure. You will receive notice of that hearing. You may appear and present any relevant evidence to the Housing Board of Appeals and have counsel of your choice present, if you desire. You will have the opportunity to "show cause" why the structure shall not be ordered demolished.

SCHEDULE OF CONDITIONS

The following conditions are present at the structure at 190 WOOD ST Muskegon, Michigan and cause said structure to be a dangerous or substandard building and a public nuisance.

Please contact Inspector Lance Bonifield at 231-724-3900 or email lbonifield@safebuilt.com with any questions or concerns.

CITY OF MUSKEGON INSPECTION DEPARTMENT

Jeffrey Lewis, Director of Public Safety

2.20.2019 11:47

2.20.2019 11:47

2.20.2019 11:48

2.20.2019 11:47

2.20.2019 11:51

2.20.2019 11:46

2. 20. 2019 11:46

2.20.2019 11:51

RECEIVED
DEC 10 2018
MUSKEGON PUBLIC SAFETY
ADMINISTRATIVE OFFICE

MUSKEGON POLICE DEPARTMENT
HOUSING HEALTH & SAFETY
ACTION REQUEST FORM

Location/Address: ~~190 Bayou~~ Wood St Date: 12-7-18 Time: 11 0hrs

Observing Officer: Woods Complaint Number: 18-25021

- ☐ Lack of ☒ Gas, ☒ Heat, or ☒ Electricity
- ☐ Infestation of ☐ cockroaches, ☐ fleas, ☐ lice, or ☐ other _____
- ☐ Inside of house excessive ☒ filth, ☒ garbage, ☐ animal excrement, or ☐ human excrement
- ☐ Outside of house excessive ☒ filth, ☒ garbage, ☐ animal excrement, or ☐ human excrement
- ☐ Facilities not working ☒ water, or ☒ sewer
- ☒ Exposed or unsafe wiring (including use of extension cords for permanent wiring)
- ☒ Smoke detectors not m place or working
- ☒ Broken windows
- ☐ Using basement or cellar for sleeping area
- ☐ Standing water m basement
- ☐ Vacant house that needs to be secured so it is not accessible to the public

Comments/Observations:

Roof and walls caving in. Homeless living on the property.

Abandoned Commercial building

Listed For Sale - Remax

(Please forward to COPS Bureau)

INCIDENT/INVESTIGATION REPORT

INCIDENT DATA

Agency Name	Case#
Muskegon Police Department	*2018-25021*
ORI: *MI 6160300*	Date / Time Reported: *12/07/2018 11:06 Fri*
	Last Known Secure: *12/07/2018 11:06 Fri*
Location of Incident: *190 Bayou Av, Muskegon MI 49442-*	Premise Type: *Aband/condemned* / Beat/Agency: 1NE, MUPD / At Found: *12/07/2018 11:06 Fri*

	Crime Incident(s)	Weapon / Tools	Entry	Exit	Security	Activity
#1	*Suspicious Situations 98007* (Com)					
#2	Crime Incident ( )					
#3	Crime Incident ( )					

MO

VICTIM

# of Victims: *0* Type: Injury:

V1	Victim/Business Name (Last, First, Middle)	Victim of Crime #	DOB / Age	Race	Sex	Relationship To Offender	Resident Status	Military Branch/Status

Home Address | Home Phone

Employer Name/Address | Business Phone | Mobile Phone

VYR	Make	Model	Style	Color	Lic/Lis	VIN

OTHERS INVOLVED

CODES: V- Victim (Denote V2, V3) O = Owner (if other than victim) R = Reporting Person (if other than victim)

Type: INDIVIDUAL/ NOT LAW ENFORCEMENT Injury:

Code	Name (Last, First, Middle)	Victim of Crime #	DOB / Age	Race	Sex	Relationship To Offender	Resident Status	Military Branch/Status
OW	*HINES, KATHLEEN MARIE*		[redacted] Age 53	*W*	*F*			

Home Address: *1260 Crandall Av Norton Shores, MI 49441* | Home Phone: *231-329-4420*

Employer Name/Address | Business Phone | Mobile Phone

Type: Injury:

Code	Name (Last, First, Middle)	Victim of Crime #	DOB / Age	Race	Sex	Relationship To Offender	Resident Status	Military Branch/Status

Home Address | Home Phone

Employer Name/Address | Business Phone | Mobile Phone

PROPERTY

1 = None 2 = Burned 3 = Counterfeit / Forged 4 = Damaged / Vandalized 5 = Recovered 6 = Seized 7 = Stolen 8 = Unknown ("OJ" = Recovered for Other Jurisdiction)

VI #	Code	Status Fnd/To	Value	OJ	QTY	Property Description	Make/Model	Serial Number

Officer/ID#: *WOODS, R. P. (MUPDRPW1)*

Invest ID#: *(0)* Supervisor: *ZONNEBELT, S. S. (MUPDSSZ1)*

Status: Complainant Signature | Case Status: *Closed* *12/07/2018* | Case Disposition:

Date: April 23, 2019

To: Honorable Mayor and City Commissioners

From: Jeffrey Lewis, Director of Public Safety

RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #EN1806756DB

SUMMARY OF REQUEST:

This is to request that the City Commission concur with the findings of the Housing Board of Appeals that the structure located at 1079 Holt St. (between Ada Ave. and Isabella Ave.) is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder or staff may issue infraction tickets to the owner, agent, or responsible party if they do not demolish the structure.

Staff Correspondence: The Notice and Order to Repair or Remove was issued on February 11,2019. A Dangerous Building Inspection was conducted on March 5, 2019. On April 4, 2019 the HBA declared the structure substandard and dangerous.The Notice and Order to Demolish was issued on April 5, 2019.

FINANCIAL IMPACT:

Escrow Funds

BUDGET ACTION REQUIRED:

None

STATE EQUALIZED VALUE:

$5100.00

STAFF RECOMMENDATION:

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

Case

3

EN1806756DB – 1079 Holt St.

Fatina Harris
746 Wesley
Muskegon, MI 49442

Information:

On October 8, 2018 the Muskegon Fire Dept. responded to a call regarding a house fire. Firefighters arrived on scene to a fully involved structure fire. Residence sustained heavy fire and smoke damage also heavy water damage due to firefighter's efforts to extinguish the fire.
The home has been 70% gutted to the bare walls due to fire damage.
Building, Plumbing and Electrical permits dating back to 2014 were finaled and approved.

Complaint Notice:

November 2, 2018 Emergency 5 day Demo Notice was sent
February 11, 2019 complaint letter was sent
March 5, 2019 Dangerous Building inspection report was sent

Notice & Order:

On February 11,2019 the Notice & Order was sent and posted.
On March 20, 2019 A ten day Notice was sent and posted for the April 4, 2019 HBA hearing.
On April 5, 2019 the Notice & Order (HBA determination letter) was sent and posted

All notices are sent First Class and Certified Mail and posted on the property in question.

Additional Information:

- This a 1 -story, 912 square foot single family residential structure with a basement and a detached garage.
- Built in 1964
- Property taxes are current with summer(2018) and winter taxes due
- $ 1,099.19 are due in total
- 2019 SEV $5,100
- Staff estimates cost to repair at $80,000
- 5 enforcement actions since 2014 for trash and grass including board up request In October 2018
- The structure is located in the Angell Neighborhood

CITY OF MUSKEGON
NOTICE AND ORDER TO REPAIR OR REMOVE (DEMOLISH) A STRUCTURE
City of Muskegon Code Compliance Dept.
933 Terrace St. Rm. 202, Muskegon, MI 49440 (231) 724-3900

DATE:11/02/2018

Address of the Property: 1079 HOLT ST

TO: HARRIS FATINA, 1079 HOLT ST, MUSKEGON, MI 49442

The Director of Inspections for the City of Muskegon has determined that the structure(s) above described to be in immediate danger due the fire that occurred on October 8, 2018. Pursuant to *Sec. 10-105. Emergency proceedings. (b) Whenever any building or structure shall be found to be in immediate danger of collapse because of fire, natural disaster, neglect of maintenance or repair, or because of cessation of demolition, the director of inspections shall notify the record owner of any such structure as shown by the last local tax assessment records by certified mail, return receipt requested, at the address shown on the local tax assessment records that, unless such structure is demolished and removed within five days following the mailing of such notice, the structure will be demolished and removed at the owner's costs and expense.*

You are hereby notified that the City will proceed to demolish or cause the demolition and removal of the said structure(s) unless you obtain the appropriate demolition permit and have it demolished **within 15 days of the date of this notice (November 19, 2018).** You will be responsible for repaying the City all costs and expenses incurred.

I have enclosed a list of demolition contractors who have operated in the Muskegon Area.

Jay Paulson,
Dangerous Building Inspector
231-724-3900 direct
231-724-6766 office
jpaulson@safebuilt.com

MUSKEGON
West Michigan's Shoreline City
www.shore3necity.com

CITY OF MUSKEGON INSPECTIONS

NOTICE AND ORDER TO REPAIR OR REMOVE (DEMOLISH) A STRUCTURE

DATE: 02/11/2019

PROPERTY ADDRESS: 1079 HOLT ST

TO: HARRIS FATINA, PO BOX 651, MUSKEGON,MI 49443

The City of Muskegon has determined that the structures above described are dangerous, substandard, and constitute a nuisance in violation of the Dangerous Buildings Ordinance of the City.

You are hereby notified that the City will proceed to demolish or cause the demolition and removal of the said structure or may issue Civil Infractions until the order is complied with, unless you accomplish the actions indicated below within the time limits indicated:

1. By 02/21/2019 obtain a "Trades Inspection" with the Inspections Department to identify the said code violations. Provide a plan of abatement with a reasonable timeline including costs for the repairs to the Building Official. Your approved plan of abatement by the Building Official may forgo a HBA hearing. If you fail to provide a plan of abatement or if the plan of abatement is not approved by the Building Official, a hearing will be scheduled with the Housing Board of Appeals (HBA) at their next scheduled meeting. You will be notified of the date, time, and location of the meeting so you or your representative may attend the meeting and answer any questions. Provided the HBA approves the submitted timeline with cost estimates; you will need to obtain permits and commence work within 30 days of the HBA meeting. All repairs shall be accomplished within the times set forth in the permits.

2. Obtain the issuance of the appropriate permit for the demolition of structures within 30 days, and accomplish the demolition thereof within 60 days of this notice. The conditions which cause the said structures to be dangerous, substandard and a nuisance are listed in the attached schedule.

FAILURE TO COMPLY

After 30 days from mailing this notice, if you have not complied with this notice, a hearing will be scheduled before the City of Muskegon Housing Board of Appeals for the purpose of enforcing this notice and order and instituting City action to remove the structure. You will receive notice of that hearing. You may appear and present any relevant evidence to the Housing Board of Appeals and have counsel of your choice present, if you desire. You will have the opportunity to "show cause" why the structure shall not be ordered demolished.

SCHEDULE OF CONDITIONS

The following conditions are present at the structure at 1079 HOLT ST Muskegon, Michigan and cause said structure to be a dangerous or substandard building and a public nuisance.

Please contact Inspector Lance Bonifield at 231-724-3900 or email lbonifield@safebuilt.com with any questions or concerns.

CITY OF MUSKEGON INSPECTION DEPARTMENT

Jeffrey Lewis, Director of Public Safety

MUSKEGON
West Michigan's Shoreline City
www.shorelinecity.com

CITY OF MUSKEGON INSPECTIONS

AFFIDAVIT OF MAILING AND POSTING

STATE OF MICHIGAN
COUNTY OF MUSKEGON

Jeffrey Lewis, being duly sworn states that he/she mailed by certified mail, a copy of the attached Notice and Order to Repair or Demolish the structure at 1079 HOLT ST Muskegon, Michigan, to owners and interested parties set forth in the notice. The said notice dated 02/11/2019 was mailed on 02/13/2019.

Jeffrey Lewis, Director of Public Safety

The undersigned further states that the structure at 1079 HOLT ST Muskegon, Michigan, was posted with a copy of the said notice on this 13th day of February 2019

Lance Bonfield (231) 724-3900

Subscribed and sworn to before me this

Carrie Kotchka
Notary Public
Kent County, Michigan
My Comm. Expires January 26, 2023
Acting in the County of Muskegon

Notary Public, Muskegon County, Michigan

CITY OF MUSKEGON INSPECTIONS

FINALCOMPLAINT NOTICE

02/13/2019

HARRIS FATINA
PO BOX 651
MUSKEGON, MI 49443

RE: 1079 HOLT ST

Notice Issued By: Lance Bonifield (231) 724-3900

Dear Property Owner:

We have received a complaint that there are certain unsatisfactory conditions at the above address. If these conditions exist, they are a violation of the City Code. Please note the following violations:

fire occurred 10-8-2018 fire letter was sent 11-2-2019

City Code 10-61.7, 10-61.10,10-61.16,10-61.18

Please contact this office no later than 02/28/2019 to provide a plan of abatement. The necessary permits must be obtained prior to any repairs or before demolition is planned as required under City ordinance and State law.

If the code violations exist after this period, a complete inspection of the property may be made, a Civil Infraction ticket could be issued or both. Civil Infraction tickets carry a fine ranging from $100 for the first offense to $500 for each subsequent offense. Each day an infraction continues to exist, is a separate offense.

In addition, a hearing will be scheduled with the City of Muskegon Housing Board of Appeals (HBA) for a formal determination and resolution to this notice.

Sincerely,

Lance Bonifield (231) 724-3900
Dangerous Building Inspector
City of Muskegon

CITY OF MUSKEGON BUILDING DEPT.

MUSKEGON
West Michigan's Shoreline City
www.shorelinecity.com

DANGEROUS BUILDING INSPECTION REPORT
03/05/2019

Owner HARRIS FATINA
PO BOX 651
MUSKEGON, MI 49443
Enforcement # EN1806756
Property Address: 1079 HOLT ST
Parcel # 24-205-063-0002-50

Date completed: 3-5-2019

DEFICENCIES:
Fully involved fire at this residence, major structural damage throughout , all new wall and roof frame , new plumbing throughout residence will be required, new electrical throughout residence will be required, new smoke detectors to be hard wired, new insulation, new drywall, new flooring . new floor joists . residence is a total loss
Staff estimates cost of repairs to be in excess of $80,000

Lance Bonifield,
Building Inspector
Dangerous Building Inspector

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

SECTION 116.3 Notice (UNSAFE STRUCTURES AND EQUIPMENT)
If an unsafe condition is found, the *building official* shall serve on the owner, agent or person in control of the structure, a written notice that describes the condition deemed unsafe and specifies the required repairs or improvements to be made to abate the unsafe condition, or that requires the unsafe structure to be demolished within a stipulated time. Such notice shall require the person thus notified to declare immediately to the *building official* acceptance or rejection of the terms of the order.

CITY OF MUSKEGON INSPECTIONS

CITY OF MUSKEGON HOUSING (BUILDING) BOARD OF APPEALS

Date: 04/05/2019

To: HARRIS FATINA, PO BOX 651, MI. 49443

ORDER TO DEMOLISH STRUCTURE

The Housing Board of Appeals, having received evidence at a scheduled and noticed meeting held on Thursday, April 4,2019 does hereby order that the following structure(s) located at **1079 HOLT ST**, Muskegon, Michigan, shall be demolished for the reason that the said structure or structures are found, based upon the evidence before the Board of Appeals, to be dangerous, substandard and a public nuisance.

The owners or persons interested shall apply for the required permits to demolish the structure(s) within 30 days from the final determination to concur and demolish, if it is made by the City Commission or Infraction Tickets may be issued. Demolition shall be accomplished no later than 60 days after a concurrence by the City Commission.

The Director of Public Safety is ordered to place before the Muskegon City Commission, this order and the record in this case to seek concurrence by the City Commission with the decision of this board, and further to give notice to the owner and interested parties of the date and time when this matter shall be considered by the City Commission.

NOTICE TO OWNER AND INTERESTED PARTIES

Please take notice that this decision of the Housing Board of Appeals will be presented to the City Commission of the City of Muskegon on Tuesday, April 23rd, 2019 at 5:30 p.m. You are hereby notified that you will have an opportunity to appear before the said City Commission at that time and to present any and all evidence or matters relevant to the issue of demolition or repair of the said structures. This order of the Housing Board of Appeals is not final but will become final if and when the City Commission has considered the record and this order, and has concurred.

The City Commission may concur with this order or disapprove or modify the order.

FOR THE HOUSING BOARD OF APPEALS:

Jeffrey Lewis, Director of Public Safety

CITY OF MUSKEGON INSPECTIONS

AFFIDAVIT OF MAILING & POSTING

STATE OF MICHIGAN
COUNTY OF MUSKEGON

Jeffrey Lewis, duly sworn states that he/she delivered or mailed by certified mail a copy of the attached order for demolition entered by the Housing Board of Appeals with notice of City Commission hearing to the owners and interested parties set forth in the order, the said order dated April 5, 2019 by certified mail. The date of mailing was April 9,2019

Jeffrey Lewis, Director of Public Safety

Also, the undersigned states that he/she posted a copy of the above order to the said structure located at **1079 HOLT ST**, on this 9th day of April 2019.

Lance Bonifield

Subscribed and sworn to before me this

Carrie Kotchka
Notary Public
Kent County, Michigan
My Comm. Expires January 26, 2023
Acting in the County of Muskegon

Notary Public, Muskegon County, Michigan

10.8.2018 13:59

10.8.2018 13:57

10.8.2018 13:57

10.8.2018 13:57

10:8:2018 13:58

10.8.2018 13:58

Date: April 23, 2019

To: Honorable Mayor and City Commissioners

From: Jeffrey Lewis, Director of Public Safety

RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #EN1715554

SUMMARY OF REQUEST:

This is to request that the City Commission concur with the findings of the Housing Board of Appeals that the structure located at 1874 Jarman St.. (between E. Laketon Ave.& E. Holbrook Ave.) is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder or staff may issue infraction tickets to the owner, agent, or responsible party if they do not demolish the structure.

Staff Correspondence: A Dangerous Building Inspection was conducted on July 6, 2017. The Notice and Order to Repair or Remove was issued on January, 2018. On February 7, 2019 the HBA declared the structure substandard and dangerous. The Notice and Order to Demolish was issued on February 8, 2019.

FINANCIAL IMPACT:

Escrow Funds

BUDGET ACTION REQUIRED:

None

STATE EQUALIZED VALUE:

$13,900.00

Estimated cost to repair: $40,000.00

STAFF RECOMMENDATION:

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

COMMISSION MEETING DATE:

TO: Honorable Mayor and Commissioners

FROM: Jeffrey Lewis, Director of Public Safety

RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN1715554

SUMMARY OF REQUEST: This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the structure located at **1874 JARMAN ST** is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder or staff may issue infraction tickets to the owner, agent or responsible party if they do not demolish the structure.

Location and ownership: This structure is located on Jarman St. between E. Laketon_Ave. and E. Holbrook Ave.

And is owned by LOVE JASPER R.

Staff Correspondence: A dangerous building inspection was conducted on 7/6/2017.Complaint letter issued10/05/17 The Notice and Order to Repair was issued on 01/03/18. On 02/07/19 the HBA declared the structure substandard and dangerous.

Financial Impact: Funds in escrow

Budget action required: None

State Equalized value: $13,900 (Entire property)

Estimated cost to repair: $21,700

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

CASE 4

EN1715554 – 1874 Jarman St

Jasper Love
932 E. Forest Ave
Muskegon, MI 49442

Information:

A structure fire occurred on June 21, 2017. On arrival, fire crews found heavy fire & smoke conditions inside the 1-unit rental structure. Fire originated in the dining room area. The dining room and kitchen received heavy fire damage. Heavy smoke damage was noted throughout the entire home. The fire was intentional set.

Complaint Notice:

A complaint notice was sent on October 5, 2017. The owner, Mark Boukamp called and advised he was working on selling the home "as is".

Notice & Order:

November 6, 2018 Notice & Order to repair or remove was sent
February 8, 2019 Notice & Order to Demolish sent
All notices are sent First Class and Certified Mail and posted on the property in question.

Contact with Owner:

December 6, 2017, ownership was transferred to Jasper Love. Jasper posted the required fire escrow funds with the City in the amount of $11,762 .32. I explained to Jasper we would need a written place of abatement and permits obtained in 30 days.
January 16, 2018, Jasper applied for a building permit, but did not provide the written plan of abatement or payment for the permit.
February 19, 2018, a letter was sent to Jasper stating his plan of abatement must be submitted by February 26, 2018 to avoid the next HBA meeting.
March 3, 2018, the notice & order was sent to Jasper for the April HBA meeting.
March 20, 2018, Jasper submitted his plan of abatement.
March 22, 2018, Jasper's plan of abatement was approved and permits were issued.
September 24, 2018, the permit had expired. A progress inspection showed no change and no inspections were scheduled by Jasper.
December 6, 2018 HBA tabled case for 60 days to allow owner get current on taxes
February 7, 2019 HBA declared the structure substandard and dangerous
February 12, 2019 Notice & Order to demolish sent
March 22, 2019 letter sent expressing the City's willingness to work with the owner to gain compliance went unanswered

Additional Information:

- This a 1 –story residential, 1-unit rental structure approx. 1,024 sqft.
- Property taxes are delinquent for 2018 totaling $1084.97
- 2019 SEV $13,900.00
- Staff estimates cost to repair at $40,000.00
- Fire insurance escrow funds of $11,762 .32 have been received.
- The home is located in the Marsh Field Neighborhood
- No enforcement actions since Jasper's ownership

FIRE INSPECTION REPORT

Owner BOUKAMP MARK
4864 BROOKDALE DR
MUSKEGON, MI 49441

Property Address: 1874 JARMAN ST
Parcel # 24-255-004-0012-00

Date completed: 7/6/17

DEFICENCIES:

BUILDING:

1. Entire house need to be gutted to the structural studs and brought up to code to include; all new windows, doors, insulation and drywall

PLUMBING:

1. Piping is ok
2. Clean or replace fixtures.

MECHANICAL:

1. Verify furnace is in good working order
2. Clean or replace heat duct work

ELECTRICIAL:

1. Deficiencies Main level to be rewired to code
2. Smoke alarms to be installed to code
3. Wiring in basement to be certified safe and code compliant
4. Electric service to be certified safe and code compliant
5. All fixtures and devices to be replaced throughout

Ron Johnston, Building Inspector
Bob Massey, Plumbing & Mechanical Inspector
Ken Murar, Electrical Inspector

SECTION 116.3 Notice (UNSAFE STRUCTURES AND EQUIPMENT)
If an unsafe condition is found, the *building official* shall serve on the owner, agent or person in control of the structure, a written notice that describes the condition deemed unsafe and specifies the required repairs or improvements to be made to abate the unsafe condition, or that requires the unsafe structure to be demolished within a stipulated time. Such notice shall require the person thus notified to declare immediately to the *building official* acceptance or rejection of the terms of the order.

CITY OF MUSKEGON INSPECTIONS DEPT

MUSKEGON
West Michigan's Shoreline City
www.shorelinecity.com

03/22/2019

LOVE JASPER R
932 E FOREST AVE
MUSKEGON, MI 49442

RE: 1874 JARMAN ST / 1850 PARK ST.

Dear LOVE JASPER R,
Please contact the Building Dept. We would like to work with you so we can resolve the issues you have regarding the two above mentioned properties.

Please understand that we are trying to work with you to gain compliance.

Let this serve as notice if these issues remain unresolved after April 1, 2019 you will be required to appear before the City Commission April 23, 2019 as we ask the City Commission to concur with the Housing Board of Appeals and order 1874 Jarman St. to be demolished.
Thank you,

Lance Bonifield
Building Inspector
Dangerous Building Inspector

City of Muskegon
SAFEbuilt

PHOTOS 1874 Jarman

AGENDA ITEM NO. _____
CITY COMMISSION MEETING _____

TO: Honorable Mayor and City Commissioners

FROM: Frank Peterson, City Manager

DATE: April 23, 2019

RE: Revised Notice of Intent to Issue Capital Improvement Bonds

SUMMARY OF REQUEST:
The City Commission previously issued a notice of intent to issue capital improvement bonds for the purpose of constructing a convention center. The original intent provided for the borrowing of up to $20 Million for a period of up to 25 years. Upon further review, staff is recommending that the notice be re-issued to allow for the term to be extended up to 30 years.

FINANCIAL IMPACT:
None.

BUDGET ACTION REQUIRED:
None at this time.

STAFF RECOMMENDATION:
To approve the attached Notice of Intent to Issue Capital Improvement Bonds up to $20 Million for a repayment term not to exceed 30 years for the purposes of constructing a convention center.

COMMITTEE RECOMMENDATION:

NOTICE OF INTENT RESOLUTION
CAPITAL IMPROVEMENT BONDS

CITY OF MUSKEGON
County of Muskegon, State of Michigan

Minutes of a regular meeting of the City Commission of the City of Muskegon, County of Muskegon, State of Michigan, held on the 23rd day of April, 2019, at 5:30 o'clock p.m. prevailing Eastern Time.

PRESENT: Members _____

_____

ABSENT: Members _____

The following preamble and resolution were offered by Member _____ and supported by Member _____:

WHEREAS, the City of Muskegon, County of Muskegon, State of Michigan (the "City"), intends to authorize the issuance and sale of its general obligation limited tax bonds (the "Bonds") pursuant to Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), to pay all or part of the cost to acquire, construct, furnish and equip a new convention center, including site acquisition, demolition and related site improvements (the "Project"); and

WHEREAS, the total amount of Bonds to be issued to finance the acquisition and construction of the Project shall not exceed Twenty Million Dollars ($20,000,000); and

WHEREAS, on July 10, 2018, the City Commission previously approved a Notice of Intent Resolution for the Project that indicated the Bonds would have principal payable in not to exceed 25 annual installments; and

WHEREAS, the City now desires to have the Bonds issued with principal payable in not to exceed 30 annual installments; and

WHEREAS, a new notice of intent to issue bonds must be published before the issuance of the Bonds in order to comply with the requirements of Section 517 of Act 34; and

WHEREAS, the City intends at this time to state its intention to be reimbursed from proceeds of the Bonds for any expenditures undertaken by the City for the Project prior to issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Clerk is hereby authorized and directed to publish a notice of intent to issue the Bonds in the *Muskegon Chronicle*, a newspaper of general circulation in the City.

2. The notice of intent shall be published as a **display advertisement not less than one-quarter (1/4) page in size** in substantially the form attached to this Resolution as Exhibit A.

3. The City Commission does hereby determine that the foregoing form of Notice of Intent to Issue Bonds, and the manner of publication directed, is adequate notice to the taxpayers and electors of the City, and is the method best calculated to give them notice of the City's intent to issue the Bonds, the purpose of the Bonds, the security for the Bonds, and the right of referendum of the electors with respect thereto, and that the provision of forty-five (45) days within which to file a referendum petition is adequate to insure that the City's electors may exercise their legal rights of referendum, and the newspaper named for publication is hereby determined to reach the largest number of persons to whom the notice is directed.

4. The City makes the following declarations for the purpose of complying with the reimbursement rules of Treas. Reg. § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:

(a) The City reasonably expects to reimburse itself with proceeds of the Bonds for certain costs of the Project which were paid or will be paid from funds of the City subsequent to sixty (60) days prior to today.

(b) The maximum principal amount of debt expected to be issued for the Project, including issuance costs, is $20,000,000.

(c) A reimbursement allocation of the capital expenditures described above with the proceeds of the Bonds will occur not later than 18 months after the later of (i) the date on which the expenditure is paid, or (ii) the date the Project is placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid. A reimbursement allocation is an allocation in writing that evidences the City's use of the proceeds of the Bonds to reimburse the City for a capital expenditure made pursuant to this resolution.

5. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are hereby rescinded.

AYES: Members _____

_____

NAYS: Members _____

RESOLUTION DECLARED ADOPTED.

_____
Ann Marie Meisch
City Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, State of Michigan, at a regular meeting held on April 24, 2019, and that the meeting was conducted and public notice of the meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of the meeting were kept and will be or have been made available as required by the Open Meetings Act.

_____
Ann Marie Meisch
City Clerk

EXHIBIT A

NOTICE TO ELECTORS OF THE CITY OF MUSKEGON
OF INTENT TO ISSUE BONDS SECURED BY THE TAXING POWER OF
THE CITY AND OF RIGHT OF REFERENDUM THEREON

PLEASE TAKE NOTICE that the City Commission of the City of Muskegon, County of Muskegon, intends to authorize the issuance and sale of general obligation capital improvement bonds pursuant to Act 34, Public Acts of Michigan, 2001, as amended, in one or more series in a total principal amount of not to exceed Twenty Million Dollars ($20,000,000), for the purpose of paying all or part of the cost to acquire, construct, furnish and equip a new convention center, including site acquisition, demolition and related site improvements.

BOND DETAILS

The bonds will mature in annual installments not to exceed thirty (30) in number, with interest rates to be determined at a public or negotiated sale but in no event to exceed the maximum permitted by law on the unpaid balance from time to time remaining outstanding on said bonds.

SOURCE OF PAYMENT OF BONDS

THE PRINCIPAL OF AND INTEREST ON SAID BONDS shall be payable from the general funds of the City lawfully available for such purposes including property taxes levied within applicable constitutional, statutory and charter tax rate limitations.

RIGHT OF REFERENDUM

THE BONDS WILL BE ISSUED WITHOUT A VOTE OF THE ELECTORS UNLESS A PETITION REQUESTING SUCH A VOTE SIGNED BY NOT LESS THAN 10% OF THE REGISTERED ELECTORS OF THE CITY IS FILED WITH THE CITY CLERK WITHIN FORTY-FIVE (45) DAYS AFTER PUBLICATION OF THIS NOTICE. IF SUCH PETITION IS FILED, THE BONDS MAY NOT BE ISSUED WITHOUT AN APPROVING VOTE OF A MAJORITY OF THE QUALIFIED ELECTORS OF THE CITY VOTING THEREON.

THIS NOTICE is given pursuant to the requirements of Section 517, Act 34, Public Acts of Michigan, 2001, as amended.

Ann Marie Meisch
Clerk, City of Muskegon

33470418.1\063684-00045

AGENDA ITEM NO. _____
CITY COMMISSION MEETING _____

TO: Honorable Mayor and City Commissioners

FROM: Frank Peterson, City Manager

DATE: April 17, 2019

RE: LC Walker Arena Restaurant Proposals

SUMMARY OF REQUEST:
Economic Development Staff has reviewed the proposals and made a written recommendation. Staff is requesting permission to implement the action steps of that recommendation. Staff would return to a subsequent City Commission meeting to present lease terms for the accepted proposal(s).

FINANCIAL IMPACT:
None.

BUDGET ACTION REQUIRED:
None at this time.

STAFF RECOMMENDATION:
To accept the staff recommendation and authorize staff to implement the action steps.

COMMITTEE RECOMMENDATION:

LC WALKER ARENA RESTAURANT

RFP Follow Clarification Points

Responses Due: April 15, 2019

CONDITION OF TENANT SPACE

The City proposes that the tenant will take the space in an "as-is" condition. The City intends to make no improvements to the interior or exterior of the proposed tenant area. The tenant will be responsible for all costs associated with converting the space from its current condition to the form necessary to operate tenant's business, including bringing all utilities into the space.

If you are proposing a deviation from the proposed owner investment, please provide your proposed alternative.

Note: all tenant construction must meet the requirements of a Type I-B structure, as per the Michigan Building Code.

BASE RENT

The City proposes a base rent centered on a *per-square-foot basis*. Both interior and exterior space will be subject to the proposed rental rate. The City's rent proposal is as follows:

LEASE SPACE (SF)	INDOOR	OUTDOOR
1,000 OR LESS	$12/sf	$.75/sf
1,001 TO 1,750	$10/sf	$.75/sf
1,751+	$8/sf	$1.25/sf

If you are requesting a deviation from the above base rent, please provide your proposed alternative.

LIQUOR LICENSE

The City prefers to attract a tenant that uses a liquor license that does not create a conflict with the current Class C license in place at the arena. Please describe the type of liquor license under which your organization will operate. Please describe how your alcohol sales will function in relation to the arena's existing Class C License.

PROPOSED MENU

Please provide a tentative menu with anticipated pricing for both food and beverage items. Provide a minimum of five food and five drink samples. If your group is proposing any specialty drink or food items, please include those.

EQUAL OPPORTUNITY

Please provide the completed EEO questionnaire previously emailed to your attention by the City's Affirmative Action Coordinator. Please also provide EEO information related to your ownership and investment group.

COMPANY: DOCKERS **DATE:** 4/9/2019

Affirmative Action Director
(EEO-1)IFT - REPORT

ADDRESS 3505 Marina View Pt.

CONTACT: Andrew Harris Phone: 231-578-2641 Email: andrew@dockersmuskegon.com

Phone:

Total Employees: 78

JOB CLASSIFICATION	TOTALS	WHITE CAUCASIAN		BLACK/ AFRICAN AMERICAN		HISPANIC/ LATINO		AMERICAN INDIAN/ ALASKAN NATIVE		NATIVE HAWAIIAN/ PACIFIC ISLANDER		ASIAN		TWO OR MORE **RACES**	
		MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
CHEF	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0
SOUS CHEF	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0
LINE COOK	12	3	0	5	1	1	1	0	0	0	0	0	0	1	0
PREP COOK	4	0	0	3	0	1	0	0	0	0	0	0	0	0	0
EXPO	11	8	2	1	0	0	0	0	0	0	0	0	0	0	0
DISHWASHER	6	1	0	4	1	0	0	0	0	0	0	0	0	0	0
BARTENDER	6	1	3	0	0	1	0	1	0	0	0	0	0	0	0
MANAGER	3	1	0	0	1	0	0	0	0	0	0	0	0	0	1
HOSTESS/HOST	7	0	7	0	0	0	0	0	0	0	0	0	0	0	0
SERVER	27	9	17	0	1	0	0	0	0	0	0	0	0	0	0
TOTALS	**78**	**24**	**29**	**14**	**4**	**3**	**1**	**1**						**1**	**1**

Total Caucasian	**# 53**	**68%**
Total Minorities	**# 25**	**32%**
Male	**# 43**	**55%**
Female	**#35**	**45%**

LC WALKER ARENA RESTAURANT

RFP FOLLOWUP CLARIFICATION POINTS

DATE: APRIL 15TH, 2019

SUBMITTED BY:
ANDREW HARRIS
231.578.2641

CONDITION OF TENANT SPACE

We agree as tenants to take the space as an "as is" condition after the city completes the demo, and relocation of the existing bathrooms. We have secured funding to build out the space for the purposes of a full service restaurant and bar. We will comply with the requirements of the Type I-B structure per the Michigan Building Code.

BASE RENT

We agree to the rent structure / square foot set by the City to start upon opening of the new restaurant space.

LIQUOR LICENSE

We will operate under the same Class C License as the LC currently has. Our intention is operate hand in hand with the same license as the LC. Pricing on alcoholic beverages will be relative to what the LC concessions prices offer on all event hours.

PROPOSED MENU

Bar and Grill menu to include:
Cheeseburgers $10 – 12
Fish and Chips $12-14
Soft Pretzles $8 - $9
Chicken Wings $10 - $12
Green Goddess Salad $10 - $12

Bloody Mary $10
Bud Light $4
Coors Light $4
Captain and Coke $5

Tito’s and Soda $5

EQUAL OPPORTUNITY
We have previously submitted the EEO form given by the city last week. If you require more information on this please let me know.

EEO information relative to our ownership and investment group is as follows.

Andrew Harris majority owner – Caucasian / Male

James Curtis majority owner – Caucasian / Male

Jennifer Harris majority owner – Caucasian / Female

Andrew Price owner – Caucasian / male

Anthony Lambers investor – Black / Male

AGENDA ITEM NO. _____
CITY COMMISSION MEETING _____

TO: Honorable Mayor and City Commissioners

FROM: Frank Peterson, City Manager

DATE: April 18, 2019

RE: Purchase Agreement Extension – 1490 Lakeshore Drive

SUMMARY OF REQUEST:
The City Commission initially entered into a purchase agreement to sell the city-owned property at 1490 Lakeshore Drive. The potential developer has been working with City staff, the DEQ, and Amoco/BP to resolve the existing environmental issues on the site. The prognosis for an amicable resolution is good, but it may take a number of years. As such, staff is seeking a five year extension to the original agreement.

FINANCIAL IMPACT:
None

BUDGET ACTION REQUIRED:
None at this time.

STAFF RECOMMENDATION:
To authorize the city manager to enter into the extended sales agreement to sell the property at 1490 Lakeshore Drive for $420,000 to Muskegon Harbor Services, LLC.

COMMITTEE RECOMMENDATION:

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COMMERCIAL ALLIANCE OF REALTORS®

BUY AND SELL AGREEMENT FOR VACANT LAND

Office of Core Realty Parners, Broker,

(city), Michigan Phone: Fax:

Email: troywasserman@corerealty.com Offer Date: 02-21-2019 , (time)

1. **Agency Disclosure.** The undersigned Buyer and Seller each acknowledge the Broker named above is acting as (choose one):
☒ Subagent of the Seller ☐ Agent of the Buyer ☐ Dual Agent (with written, informed consent of both Buyer and Seller)
☐ Other (specify): ~~Trans Coordinator~~

2. **Buyer's Offer.** The undersigned Buyer hereby offers and agrees to purchase property located in the City of Muskegon, Muskegon, County, Michigan, commonly known as 1490 Lakeshore Dr.

Permanent Parcel Number 61-24-205-585-0001-00 and legally described as follows:

(the "Land"), together with all fixtures and improvements situated on the Land (the "Improvements"), all of which is collectively referred to herein as the "Premises", except the following:

3. **Purchase Price.** The purchase price for the Property is:
Four Hundred Twenty Thousand and 00/100

Dollars ($ 420,000).

4. **Payment of Purchase Price and Financing**. Complete subparagraph "A" and subparagraph "B".

Terms of Payment. The purchase price shall be paid at the closing by Buyer to Seller as indicated by "X" below (mark one box or the other under this subparagraph "A").

☒ **Cash**. Buyer shall pay the full purchase price to Seller upon execution and delivery of warranty deed and performance by Seller of the closing obligations specified in this agreement.

☐ **Land Contract**. Buyer shall pay the full purchase price to Seller pursuant to the terms and conditions stated in the Commercial Alliance of REALTORS® Land Contract form, unless the parties mutually agree upon a different form of land contract, upon performance by Seller of the closing obligations specified in this Agreement. The Land Contract shall provide a down payment of $_____ and payment of the balance $_____ in _____ installments of $_____ or more, at Buyer's option, including interest at the rate of _____% per annum computed monthly, interest to start on date of closing, and first payment to become due _____ after date of closing. The entire unpaid balance will become due and payable _____ months after closing. Seller understands that consummation of the sale or transfer of the Premises shall not relieve Seller of any liability that Seller may have under the mortgage(s) to which the Premises are subject, unless otherwise agreed to by the lender or required by law or regulation.

Financing. Indicate by an "X" below which applies (mark one box or the other under this subparagraph "B").

☐ **No Financing Contingency**. Buyer's obligation to purchase the Premises is not contingent upon Buyer obtaining financing for all or any portion of the purchase price.

☐ **Financing Contingency**. Buyer's obligation to purchase the Premises is contingent upon Buyer obtaining financing for the purchase of the Premises that is acceptable to Buyer, in Buyer's sole and absolute discretion, within _____(____) calendar days of the Effective Date of this Agreement (the "Financing Contingency Period"). Buyer agrees to diligently pursue in good faith obtaining financing for the purchase of the Premises. If after making such diligent effort Buyer fails to obtain financing for the purchase of the Premises that is acceptable to Buyer within the Financing Contingency Period, then Buyer may terminate this Agreement without liability and receive a refund of any deposit by delivering a written notice of termination to Seller in accordance with this Agreement within the Financing Contingency Period. If Buyer does not deliver a written notice of termination to Seller within the Financing Contingency Period, then Buyer shall be deemed to have waived this financing contingency.

5. **Survey**. Seller shall provide Buyer with a copy of any existing survey of the Premises that Seller has in Seller's possession within five (5) days of the date of the Effective Date. In addition, (select one of the following):

☐ A new survey:
- ☐ ALTA showing all easements of record, improvements and encroachments, if any, and completed to the most current ALTA/NSPS Land Title Survey minimum requirements; or
- ☐ boundary survey with iron corner stakes and with all easements of record, improvements and encroachments, if any; or

☐ A recertified survey; or

☒ No new or recertified survey;

shall be ☒ obtained by Buyer at Buyer's expense; or ☐ provided by Seller to Buyer at Seller's expense, within _____ (___) calendar days after the title insurance commitment referenced in this Agreement has been provided by Seller to Buyer under the terms of Title Insurance paragraph contained in this Agreement. If Seller is responsible to provide a new or recertified survey under this paragraph and fails to do

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Seller's Initials

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so within the required time, then Buyer may order the required survey at Seller's expense. If the new or recertified survey (or absent such the existing survey, if any) discloses any material and adverse encumbrance that is not acceptable to Buyer, then Buyer shall have the right to object and to terminate this Agreement under the terms and conditions set forth in the Title Insurance paragraph contained in this Agreement; otherwise Buyer's right to terminate this Agreement pursuant to this paragraph shall be deemed to have been waived. Other:
None

6. **Title Insurance.** At Seller's expense, Seller shall provide Buyer with a standard ALTA owner's policy of title insurance in the amount of the purchase price, effective as of the date of closing. A commitment to issue such policy insuring marketable title (as defined in this Agreement) vested in Buyer, including a tax status report, shall be ordered within seven (7) calendar days after the Effective Date, and shall be delivered, with copies of all title exception documents, as soon as feasible thereafter. (Note that some title commitments do not report on the status of oil, gas, or mineral rights.)If any matter disclosed by the title commitment adversely and materially affects the value of the Premises or Buyer's intended use of the Premises, Buyer shall give Seller written notice of the matter within ten (10) calendar days after copies of both the title commitment (and all exception documents identified in the title commitment) and survey referenced in this Agreement are delivered to Buyer. If Seller fails to cure the matter within ten (10) calendar days of receiving written notice (the "Title Commitment Cure Period"), Buyer shall have the right to terminate this Agreement by giving Seller written notice within ten (10) calendar days after the expiration of the Title Commitment Cure Period, otherwise Buyer's right to terminate this Agreement pursuant to this paragraph shall be deemed to have been waived. Other:
None

7. **Inspections.** By signing this Agreement, Buyer is representing that the Buyer is aware that professional services are commercially available at a fee by experts selected by Buyer. The Buyer has elected to arrange and pay for services/investigations, including, but not limited to, the following:
☐ No Inspections ☐ Soil Borings ☐ Zoning ☐ Site Plan Approval ☐ Utilities ☐ Permitting ☐ Other (specify):
See #27

The Buyer shall have the right to terminate this Agreement if the due diligence results are not acceptable to the Buyer by giving Seller written notice within _____(_____) calendar days after the Effective Date of this Agreement, otherwise the right to terminate shall be deemed to have been waived. Buyer agrees that Buyer is not relying on any representation or statement made by Seller or any real estate salesperson (whether made intentionally or negligently) regarding any aspect of the Property or this sale transaction, except as may be expressly set forth in this Agreement, a written amendment to this Agreement, or a disclosure statement separately signed by the Seller. Accordingly, Buyer agrees to accept the Property "as is" and "with all faults" (whether obvious or concealed) except as otherwise expressly provided in the documents specified in the preceding sentence. Other:
see #27

8. **Closing Adjustments.** The following adjustments shall be made between the parties by the close of business on the closing date, with Buyer receiving a credit or assuming responsibility, as the case may be, for amounts attributable to time periods following the closing date:
a. Prepaid rent and Additional Rent (as defined in the paragraph);
b. Interest on any existing indebtedness assumed by Buyer;
c. Charges for any transferable service contracts assigned to Buyer described in Exhibit D;
d. Utility deposits;
e. Security deposits;
h. Additional Rent (as defined below).

If any tenant is late, delinquent or otherwise in default in the payment of rent on the closing date, Seller shall assign to Buyer the claim for and the right to collect the rent; Buyer shall pay such past due rent to Seller promptly upon receipt; but Buyer shall not be obligated to file suit to collect such rent and shall reassign the claim to Seller on demand. If any tenants are required to pay percentage rent, charges for real estate taxes, insurance, common area maintenance expenses, or other charges of a similar nature ("Additional Rent"), and any Additional Rent is collected by Buyer after closing attributable in whole or in part to any period prior to closing, Buyer shall promptly pay to Seller Seller's proportionate share of the Additional Rent. Other:
none

9 . **Property Taxes.** All property taxes first billed prior to the year of closing will be paid by Seller, without proration. All property taxes billed or to be billed in the year of closing will be paid as follows (choose one):
☐ No Proration:
☐ Buyer ☐ Seller shall pay the taxes billed in July.
☐ Buyer ☐ Seller shall pay the taxes billed in December.

☒ Calendar Year Proration. Combined per diem tax amount representing both the July bill and the December bill shall be calculated based on a 365 day year. Seller shall be responsible for the per diem total from January 1 to, but not including, the day of closing. Buyer shall be responsible for the difference between the total of the two tax bills and the Seller's share. If the amount of either tax bill is unknown on the day of closing, such amount shall be based on the prior years' tax bill.

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10. **Special Assessments,** and deferred assessments, whether due in installments or otherwise, which are due and payable on or before the closing shall be paid by the Seller. All other special assessments, including deferred assessments, for improvements, now installed, not yet installed, or in the process of being installed, that are first due and payable after the closing shall be paid by Buyer. Other:
None

11. **Conveyance.** Upon performance by Buyer of the closing obligations specified in this Agreement, Seller shall convey the marketable title to the Property to Buyer by warranty deed or agree to convey marketable title by land contract or assignment, as required by this Agreement, including oil, gas and other mineral rights owned by Seller, if any, subject only to existing zoning ordinances, and the following matters of record: building and use restrictions, easements, oil and gas leases, and reservations, if any. As used herein, "marketable title" means marketable title within the meaning of the Michigan 40-Year Marketable Title Act (Mich. Comp. Laws §§ 565.101 et seq.).

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

12. **Warranties of Buyer.** Except as otherwise provided or acknowledged in this Agreement, Buyer represents and warrants to Seller as follows:
    a. The performance of the obligations of Buyer under this Agreement will not violate any contract, indenture, statute, ordinance, judicial or administrative order or judgment applicable to Buyer.
    b. There is no litigation or proceeding pending, or to Buyer's knowledge threatened, against or involving Buyer, and Buyer does not know or have reason to know of any ground for any such litigation or proceeding, which could have an adverse impact on Buyer's ability to perform, or Seller's interests, under this Agreement.
    c. In entering into this Agreement, Buyer has not relied upon any written or verbal representations made by Seller or any representative of Seller, including any real estate salesperson, regarding the Property or any aspect of this transaction, which are not expressly set forth in this Agreement.
    d. Other:
    None

13. **Warranties of Seller.** Except as otherwise provided or acknowledged in this Agreement, Seller represents and warrants to, and agrees with Buyer as follows:
    a. Seller's interest in the Property shall be transferred to Buyer on the closing date, free from liens, encumbrances and claims of others.
    b. The performance of the obligations of Seller under this Agreement will not violate any contract, indenture, statute, ordinance, judicial or administrative order or judgment applicable to Seller or the Property.
    c. There is no litigation or proceeding pending or to Seller's knowledge threatened against or involving Seller or the Property, and Seller does not know or have reason to know of any ground for any such litigation or proceeding which could have an adverse impact on Seller's ability to perform under this Agreement or that could adversely affect Buyer's title or use of the Property.
    d. Seller shall continue to operate the Property in the ordinary course of business and maintain the Property in a state of good condition and repair during the interim between the signing of this Agreement and the closing date.
    e. If a statement(s) of income and expense with respect to the operation of the Property is (are) described in Exhibit B, such statement(s) is (are) accurate for the period(s) designated in the statement(s).
    f. The information concerning written leases and tenancies not arising out of written leases described in Exhibit B is accurate as of the Effective Date, and there are no leases or tenancies with respect to the Premises other than those described in Exhibit B (the "Leases"). The warranties in this paragraph do not apply to oil and gas leases, if any. Except as otherwise described in the documents that will be delivered pursuant to the index of Exhibits:
        (1) All of the Leases are in full force and effect, no party thereto is in material default thereunder, and none of them have been modified, amended, or extended beyond what will be delivered per Exhibit B; with respect to renewal or extension options, options to purchase the Premises, advance payments in excess of one month, common area maintenance and utility fees, and security deposits, these items are set forth in the written leases described in Exhibit B.
        (2) The rents set forth are being collected on a current basis and there are no arrearages;
        (3) No real estate brokerage commission will become owing in the event of any tenant's exercise of any existing option to renew the term of any lease or purchase of the Premises.
    g. With respect to underlying land contracts or mortgages, the sale will not accelerate indebtedness, increase interest rates, or impose penalties and sanctions.
    h. Seller is without personal knowledge as to the presence on the Property of any toxic or hazardous substances or of any underground storage tanks.
    i. Other:
    None

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14. **Damage to Business.** If between the Effective Date and the closing date, all or any part of the Property is damaged by fire or natural elements or other causes beyond Seller's control that cannot be repaired prior to the closing date, or any part of the Property is taken pursuant to any power of eminent domain, Seller shall immediately notify Buyer or such occurrence, and either Seller or Buyer may terminate this Agreement by written notice to the other within fifteen (15) days after the date of damage or taking. If neither elects to terminate this Agreement, there shall be no reduction in the purchase price and, at closing, Seller shall assign to Buyer whatever rights Seller may be with respect to any insurance proceeds or eminent domain award.

15. **Closing.** The closing shall be held on or before 02-21-2024 (date) and as promptly as practical after all necessary documents have been prepared. An additional period of Ten (10) days shall be allowed for closing to accommodate delays in title work or the correction of title defects and/or survey problems which can be readily correctable, delays in obtaining any required inspections, surveys or repairs, delays in completing Environmental Site Assessments, Baseline Environmental Assessment or Due Care Plan/Section 7a Compliance Analysis (if such assessments or plans were ordered in a timely manner), or if the terms of purchase require participation of a lender and the lender has issued a commitment consistent with the requirement but is unable to participate in the closing on or before the required date.

16. **Possession.** Seller shall tender to Buyer possession of the Property upon completion of the closing, subject to all existing leases and rights of tenants in possession. Other:
None

17. **Seller's Closing Obligations.** At closing, Seller shall deliver the following to Buyer:
    a. The warranty deed, land contract or assignment of land contract required by this Agreement.
    b. A bill of sale for any Personal Property (described in Exhibit "D").
    c. A written assignment by Seller of Seller's interest in all leases and a transfer to Buyer of all security deposits, accompanied by the original or a true copy of each lease.
    d. An assignment of all Seller's rights under any Service Contracts described in Exhibit C which are assignable by their terms and which Buyer wishes to assume, together with an original or true copy of each Service Contract assigned.
    e. A notice to any tenants advising the tenants of the sale and directing that future payments be made to Buyer.
    f. An accounting of operating expenses including, but not limited to, CAM, taxes, insurance and Additional Rent, collected in advance or arrears, spent or not yet spent by Seller, showing an accurate allocation between the parties pursuant to the leases.
    g. Payment of the County and State real estate transfer tax.
    h. Any other documents required by this Agreement to be delivered by Seller.

18. **Buyer's Closing Obligations.** At closing, Buyer shall deliver to Seller the following:
    a. The cash portion of the purchase price specified in this Agreement shall be paid by cashier's check or other immediately available funds, as adjusted by the apportionments and assignments in accordance to this Agreement.
    b. A written assumption by Buyer of the obligations of Seller under the leases arising after closing, including an acknowledgement of the receipt of all security deposits.
    c. Any other documents required by this Agreement to be delivered by Buyer.

19. **1031 Tax Deferred Exchange.** Upon either party's request, the other party shall cooperate and reasonably assist the requesting party in structuring the purchase and sale contemplated by this Agreement as part of a tax deferred, like-kind exchange under Section 1031 of the Internal Revenue code of 1986, as amended; provided, however, that in connection therewith, the non-requesting party shall not be required to (a) incur any additional costs or expenses; (b) take legal title to additional real property (i.e. the requesting party's "replacement property" or "relinquished property"); or (c) agree to delay the closing.

20. **Notices.** Any notice required or permitted to be given hereunder shall be deemed to have been properly given, if in writing and delivered to the parties at the addresses shown below, and shall be deemed received (a) upon delivery, if delivered in person or by facsimile transmission, with receipt thereof confirmed by printed facsimile acknowledgement, (b) one (1) business day after having been deposited for next day overnight delivery with a nationally recognized overnight courier service, (c) two (2) business days after having been deposited in any U.S. post office or mail depository and sent by certified mail, postage paid, return receipt requested, or (d) upon sending, if sent by email (with a confirmation copy sent the same day by overnight delivery).

21. **Authority of the Parties.** Each of the undersigned individuals who have signed this Agreement on behalf of Seller and Buyer entities represent and warrant that he/she is authorized to sign this Agreement on behalf of such party and to bind such party to the requirements of this Agreement.

22. **Additional Acts.** Buyer and Seller agree to execute and deliver such additional documents and to perform such additional acts after the closing as may become necessary to effectuate the transfers contemplated by this Agreement.

23. **Entire Agreement.** This Agreement contains the entire agreement of the parties with respect to the sale of the Property. All contemporaneous or prior negotiations have been merged into this Agreement. This Agreement may be modified or amended only by written instrument signed by the parties to this Agreement. This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan.

24. **Earnest Money.** Buyer gives Core Realty Partners, Broker, Twelve (12) days to obtain the written acceptance of this offer and agrees that this offer, when accepted by Seller, will constitute a binding agreement between Buyer and Seller. Buyer shall deposit $ 5,000 with Transnation Title, Escrow Agent, [insert name of Broker, Title Company or other] ☐ with this offer or ☒ within Five (5) days after acceptance of this offer, evidencing Buyer's good faith, to be held by the Escrow Agent and to apply to the purchase price or the down payment portion thereof where applicable. If this offer is not accepted, or the title is not marketable, or if the purchase is contingent upon conditions specified that cannot be met, this deposit shall be promptly refunded. If the Buyer defaults, all deposits made may be forfeited as liquidated damages at Seller's election, or alternatively, Seller may retain the deposits as part payment of the purchase price and pursue Seller's legal or equitable remedies against Buyer. If the sale is not closed according to its terms, the selling Broker may notify Buyer(s) and Seller(s) of Escrow Agent's intended disposition of earnest deposit, and all parties shall be deemed to have agreed to the disposition of the earnest money deposit unless Escrow Agent is notified of a court action pending concerning this sale or disposition of earnest money within thirty (30) days after notice to the parties.

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25. **Disclosure of Price and Terms.** The purchase price and the terms of this sale may be disclosed by the Commercial Alliance of REALTORS® Multiple Listing Service (CARWM) in the ordinary conduct of its business. Deletion of this paragraph shall not be considered a counter offer that would require a counter acceptance.

26. **Credit Reports.** Buyer consents that, if not otherwise prohibited, the Broker(s) may give Seller information about the Buyer contained in a credit report that may be furnished to the Broker(s) by a credit reporting agency.

27. **Advice of Counsel.** Buyer acknowledges that the Broker has recommended that the parties retain an attorney or attorneys to review the terms of this Agreement.

28. **Attorneys' Fees**. In the event of litigation arising from the failure or alleged failure of either party to perform its obligations under this Agreement, the party prevailing in that litigation (including appeals of all levels) shall be entitled to collect its court costs and reasonable attorneys' fees incurred in connection with such litigation from the other party. The provisions of this Section shall survive Closing or termination of this Agreement.

29. **Environmental.**

A. **Notice to buyers and sellers (environmental risks).**
Whenever real property is acquired or occupied, the buyer incurs some degree of risk with regard to potential environmental contamination and/or protected natural resources on the property. Various federal, state, and local laws may impose liability upon the buyer for the remediation of the contamination even though the buyer did not cause it, or may restrict the buyer's ability to fully develop or utilize the property. Such risk can be minimized through the performance of environmental due diligence. Additionally, sellers are advised that they may have an obligation to provide certain environmental information and/or disclosures to prospective buyers. The failure to provide such information or disclosures may subject a seller to potential liability or result in the loss of certain liability protections.

No real estate brokers/salespersons in this transaction possess the expertise necessary to assess the nature or extent of these environmental risks or to determine the presence of environmental contamination or protected natural resources. The real estate brokers/salespersons involved in this transaction do not make independent investigations as to environmental contamination or protected natural resources with respect to any property, and they make no representations regarding the presence or absence, now or in the past, of environmental contamination. It is therefore prudent for each party to this transaction to seek legal and technical counsel from professionals experienced in environmental matters to provide an evaluation of the environmental risks associated with the transaction.

B. **Environmental reports and assessments.**
(1) Within _____(____) calendar days of the Effective Date, Seller shall deliver to Buyer copies of any existing reports, data, plans, permits, notices and/or information in Seller's possession relating to environmental matters pertaining to the Premises ("Seller's Environmental Documents").

(2) Buyer shall have a period of _____(_____) calendar days after the Effective Date to evaluate environmental matters relating to the Premises ("Environmental Due Diligence Period"). Buyer and Buyer's agents shall have the right to enter upon the Premises during the Environmental Due Diligence Period during reasonable business hours for the purpose of conducting, at Buyer's expense, any environmental assessments of the Premises that Buyer deems appropriate, which assessments may include, but shall not be limited to, a Phase I Environmental Site Assessment, Transaction Screen, and/or evaluation of other regulated conditions or matters such as wetlands, asbestos containing materials, mold, or lead based paint ("Environmental Assessments"). The Environmental Assessments may not include the collection or analysis of samples of soil, groundwater, soil gas, indoor air, surface water, building components or any other environmental medium unless Buyer obtains prior written consent from Seller, which consent shall not be unreasonably withheld, delayed or conditioned. Buyer agrees that the Environmental Assessments shall not unreasonably interfere with the rights of Seller or any tenants in possession and Seller agrees to reasonably cooperate and to request that its tenants reasonably cooperate with the Environmental Assessments.

(3) Buyer shall have the right to terminate this Agreement if Seller's Environmental Documents or the Environmental Assessments are not acceptable to Buyer by delivering written notice to Seller prior to the expiration of the Environmental Due Diligence Period. If Buyer determines that any additional environmental due diligence activities (including, but not limited to, any additional environmental investigations, reports, approvals or permits) are warranted, then Buyer may provide Seller with a proposed amendment to this Agreement to extend the Environmental Due Diligence Period to allow Buyer to conduct such activities. If Buyer does not deliver a termination notice or proposed amendment to Seller prior to the expiration of the Environmental Due Diligence Period, then Buyer shall be deemed to have waived any objections to environmental matters relating to the Premises. If Buyer provides Seller with a proposed amendment to this Agreement, then Seller shall have a period of _____(____) calendar days to execute or negotiate mutually acceptable terms for such amendment, otherwise Buyer may, but shall not be obligated to, terminate this Agreement by delivering written notice to Seller with two (2) calendar days after Seller's deadline for executing or negotiating an amendment to this Agreement.

(4) If the Environmental Assessments cause any damage to the Premises, Buyer agrees to reasonably restore the Premises to the condition that existed prior to such damage. The restoration obligation does not require the remediation of any existing environmental condition. Buyer shall indemnify, defend and hold Seller and Broker harmless from and against any damage to persons or property caused by Buyer or Buyer's agents in conducting the Environmental Assessments.

C. **Nondisclosure.**
(1) If Seller's Environmental Documents or the Environmental Assessments identify the Land as a "facility" as defined in Part 201 of Michigan's Natural Resources and Environmental Protection Act, Public Act 451 of 1994, as amended ("NREPA") or a "site" as defined in Part 213 of NREPA, then Buyer may conduct a Baseline Environmental Assessment ("BEA") and/or a Due Care Plan ("DCP"); provided, however, that Buyer may not submit or otherwise disclose such BEA, DCP, or similar report (e.g., a response activity plan) to the Michigan Department of Environmental Quality prior to closing unless Buyer obtains prior written consent from Seller.
(2) If Buyer exercises its right to terminate this Agreement pursuant to subparagraph b(3) above, Buyer shall not disclose Seller's Environmental Documents or the Environmental Assessments to any third party unless required by mandatory disclosure pursuant to legal process. At Seller's request, Buyer shall provide copies of any Environmental Assessments to Seller.

D. **Other:**
see #27

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Seller's Initials

dotloop signature verification: dlp.us/3SW4hhg-hxaF

30. **Brokerage Fee.** Seller and/or Buyer agree(s) to pay the broker(s) involved in this transaction a brokerage fee as specified in any agency agreement or other written agreement between them. In the event no such agreement exists, ☐ Buyer ☐ Seller agrees to pay a brokerage fee of Per Contract. This brokerage fee shall be paid in full promptly after it is earned, but not later than closing. Unless otherwise previously agreed, Buyer and/or Seller agree(s) that the brokerage fee may be shared by the recipient with any cooperating broker who participates in the sale, in such amount as the recipient decides, without further disclosure to or consent from Buyer and/or Seller. Seller and Buyer agree that the broker(s) involved in this transaction is/are an intended third party beneficiary entitled to enforce the obligation set forth herein to pay the brokerage fee. Other:

31. **Other Provisions:**
Contingent upon Buyer's attorney review and approval of all sale documents

This 5 year agreement is to give buyer time to secure all needed items to close on the property such as but not limited to.

* Zoning Approval

* Site Approval

* Permitting

* Remediation

* DEQ Approval

* Grants etc.

32. **Effective Date.** For purposes of this Agreement, the phrase, "Effective Date of this Agreement" ("Effective Date") shall be the date upon which this Agreement is fully executed.

33. **Index of Exhibits.** Seller to furnish within the calendar days from effective date as specified below:

Not Applicable	Attached	Exhibit #	Subject	Exhibit to be furnished within ____ number of calendar days
		A	**Disclosure Regarding Real Estate Agency Relationships**	
		B	**Income and Expense with respect to the operation of the Premises**	
		C	**Written leases and any tenancies not arising out of written leases**	
		D	**Service Contracts**	
		F	**Addendum**	

34. **By signing below, Buyer acknowledges having read this Agreement and authorizes delivery of this Agreement to Seller.**

Buyer: Muskegon Harbor Services, LLC
(print name of individual or entity)

Signature: Robert S. Geron dotloop verified 03/20/19 10:52 AM EDT FCV5-ZTXK-KG2V-FV18

Its: Member
(if Buyer is an entity)

Buyer's Address: _____

_____

Buyer: _____
(print name of individual or entity)

Signature: _____

Its: _____
(if Buyer is an entity)

Bus. Phone: _____ Fax: _____

Email: _____

RSG 03/20/19 10:52 AM EDT dotloop verified Buyer's Initials

Seller's Initials

dotloop signature verification: dlp:01J35W4 [illegible]

35. **SELLER'S ACCEPTANCE** Date: _____ Time: _____

The above offer is hereby accepted ☒ as written ☐ modified as follows:

By signing below, Seller acknowledges having read and authorizes delivery of this Agreement to Buyer. If this Agreement is signed by Seller without any modifications, the date Seller signs becomes the Effective Date. If this Agreement is signed by Seller subject to any modifications, Seller gives Broker above named until _____ (time) _____(date) to obtain Buyer's written acceptance of Seller's counter offer.

Seller: Frank Peterson
(print name of individual or entity)

Signature

Its: City Manager
(if Seller is an entity)

Seller's Address: 933 Terrace
Muskegon, MI 49440

Seller: _____
(print name of individual or entity)

Signature: _____

Its: _____
(if Seller is an entity)

Bus. Phone: _____ Fax: _____

Email: _____

36. **BUYER'S RECEIPT OF ACCEPTANCE** Date: _____ Time: _____

Buyer acknowledges receipt of Seller's acceptance of Buyer's offer. If Seller's acceptance of Buyer's offer was subject to a counter offer, Buyer agrees to accept the terms of the counter offer:

☐ as written (with all other terms and conditions of Buyer's offer remaining unchanged); or ☐ modified as follows:

If Buyer is accepting a counter offer from Seller as written, the date Buyer signs below becomes the Effective Date. If Buyer is accepting Seller's counter offer subject to any modifications, Buyer gives Broker above named until _____ (time) _____(date) to obtain Seller's written acceptance of Buyer's counter offer.

Buyer: _____
(print name of individual or entity)

Signature: _____

Its: _____
(if Buyer is an entity)

Buyer: _____
(print name of individual or entity)

Signature: _____

Its: _____
(if Buyer is an entity)

37. **SELLER'S RECEIPT OF ACCEPTANCE** Date: _____, Time: _____

Seller acknowledges receipt of a copy of Buyer's acceptance of Seller's counter offer (if Seller made a counter offer), or Seller agrees to accept the terms of Buyer's counter offer as written. If Seller is accepting the terms of Buyer's counter offer as written, then the date Seller signs below becomes the Effective Date.

Seller: _____
(print name of individual or entity)

Signature: _____

Its: _____
(if Seller is an entity)

Seller: _____
(print name of individual or entity)

Signature: _____

Its: _____
(if Seller is an entity)

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Revision Date 5/2017

☐☐ Buyer's Initials ☐☐ Seller's Initials

AGENDA ITEM NO. _____
CITY COMMISSION MEETING _____

TO: Honorable Mayor and City Commissioners

FROM: Frank Peterson, City Manager

DATE: April 18, 2019

RE: Arena Management – Arc Arena Management

SUMMARY OF REQUEST:
Staff is seeking approval with Arc Arena Management to undertake the daily management of the LC Walker Arena. Matt Gongalski and Arc Arena Management have been managing aspects of the arena for the past year. With the departure of the previous arena manager, staff is recommending that Arc be appointed to fill that role.

FINANCIAL IMPACT:
First Year: $57,000

BUDGET ACTION REQUIRED:
None at this time.

STAFF RECOMMENDATION:
To authorize the city manager to enter into the attached agreement with Arc Arena Management to manage the LC walker Arena.

COMMITTEE RECOMMENDATION:

CITY OF MUSKEGON
OPERATIONS MANAGEMENT CONTRACT
L.C. WALKER ARENA AND CONFERENCE CENTER

This is a Contract, effective April 1, 2019, for the operation, management and promotion of the L.C. Walker Arena and Conference Center ("Arena"), made between the **City of Muskegon**, 933 Terrace Street, Muskegon, Michigan 49440 ("City") and **Arc Arena Management**, 470 West Western Ave, Muskegon, Michigan 49440 ("Manager").

PURPOSE

This Contract is drawn to afford the management, promotion and maintenance of the Arena, in accordance and compliance with the requirements of the City, who is the owner of the Arena.

Therefore, the parties agree as follows:

1. **Facilities Covered.** City and Manager agree that the "Facilities" covered by this Contract are as follows:

1.1 The L.C. Walker Arena and Conference Center; and

1.2 The Annex Building; and

1.2 The City owned parking facilities adjacent to Shoreline Drive.

2. **Management; Operation; Maintenance; Improvements.** Manager agrees to perform all acts for the management, operation, maintenance and improvements of the Arena, excluding those assumed by WC Hockey LLC pursuant to its sub-lease with City. Manager responsibilities include but are not limited to all operation of the building and its systems, complete maintenance thereof, repairs, cleaning and improvements to the building and the premises necessary for the efficient, timely and full operation thereof. Manager is responsible for the use of the facilities for all events and functions, including but not limited to, public skating, shows, trade shows, exhibitions, conventions, athletic events, public performances for which the Arena is reasonably suited, banquets, food service, meetings and public gatherings. The essential functions are more fully described in attached Exhibit D.

City shall reimburse Manager on a timely basis any and all reasonable and necessary costs which are necessary or related to the complete performance of its responsibilities as the Arena.

3. **Annex Conference Center.** In the event the Annex Conference Center is sublet to another entity, the facility shall not be included in the above management, operation, maintenance, and improvement responsibilities of the Manager.

4. **Manager's Level of Performance.**

4.1 Manager performance and assumption of the responsibilities undertaken by this Contract shall be carried out and performed to the mutual satisfaction of the City and Manager. Manager shall ensure that all tenants charge reasonable prices and fees for all paid events and from all paid users, concessionaries and others, which shall be reviewed and subject to comment by the City. The City and Manager shall not perform or omit any act so as to jeopardize the Federal or State tax-exempt status of the facility.

4.2 Manager commits to use its best efforts to maintain a USHL junior hockey franchise, or equivalent or better hockey team at the Arena.

4.3 Manager commits to use its best efforts to maintain a professional indoor football franchise at the arena

4.4 Manager commits to use its best efforts to maintain a professional indoor soccer franchise at the arena

4.5 Manager commits to use its best efforts to maintain a three year-round food/drink service establishments at the arena

4.6 Manager commits to use its best efforts to maximize ice rental income at the arena, with a focus on youth hockey, adult hockey, and figure skating.

4.7 Manager commits to use its best efforts to host financially successful concerts and other similar spectator events at the arena.

4.8 Manager commits to use its best efforts to host high school and college graduations at the arena

5. **Management Fee.**

5.1 For its services, Manager shall be paid a fixed fee of $4,500 per month. The fee shall be paid by the City on the last Friday of every month. Effective October 1, 2019, that fee shall increase to $5,000 per month. Effective October 1, 2020, the fee shall increase to $5,800 per month, and that rate shall stay in effect for the term of this Contract.

5.2 Upon mutual agreement between the City and Manager, the Manager may from time-to-time oversee construction projects within the facility. In doing so, manager shall be entitled to a construction management fee equal to 10% of the construction costs, minus architectural and

engineering costs. All construction projects shall follow the City's purchasing policies, as approved by the City Commission.

5.3 Manager shall be entitled to an annual bonus from the City. The annual bonus shall be determined as follows:

5.3.1 If the Arena's net profits exceeds $50,000, the City shall pay 15% of the net profits;
5.3.2 If the Arena's net profits exceed $175,000, the City shall pay 17.5% of the net profits;
5.3.3 If the Arena's net profits exceed $275,000, the City shall pay 20% of the net profits; and
5.3.4 If the Arena's net profits exceed $500,000, the City shall pay 25% of the net profits.
5.3.5 If the Arena's net profits exceed $750,000, the City shall pay 35% of the net profits.

Revenues and expenses for determining "net profit" shall be based upon the period July 1 through June 30. "Net profit" shall include all monies paid to the City for the L.C. Walker Arena and Conference Center, including any monies for subleases, sponsorships, and naming rights, less all expenses incurred by the City for the L.C. Walker Arena and Conference Center, including any amounts paid to support the professional sports teams housed at the facility. Expenses shall not include capital maintenance and capital outlays.

6. **Sources of Funds; Gross Revenues.** All funds collected by the Manager from every source, including but not limited to, subleases, ticket sales (after box office account settlement with unrelated third parties), concession or event rentals or fees, parking fees, refunds, ticket surcharge, and any other kind of receipt or revenue of any type shall be remitted to the City.

8 **Possession; Termination.** The parties agree that possession during the term of this management Contract remains with the City. Manager shall act as an agent of the City, and its presence and possession in the Arena is carried entirely on behalf of the City. This Contract shall not be construed as a lease nor to give Manager any property right whatsoever in the Arena for any purpose. In the event of lawful termination either before the term of this Contract or at the end thereof, Manager shall vacate the premises without any notice or necessity of judicial proceedings.

9. **Condition of the Premises and Property.** On termination, Manager shall deliver all the property and the premises to the City in good and useable condition, except for the effects of ordinary wear and tear. Manager shall be immediately responsible for any repairs necessary to restore any property, whether real or personal, fixtures or otherwise, to the said condition.

11. **Term.** The term of this Contract shall commence on the effective date and shall terminate on June 30, 2022. Notwithstanding the foregoing, this Contract may be terminated, at the City's option, if the USHL junior hockey franchise is moved from the Arena, unless an equivalent or better hockey franchise is moved into the Arena.

12. **Liquor License.** City and Manager intend to be co-licensee on the City's liquor license, and any renewals thereof. Manager agrees that the license is to remain in the City of Muskegon as primary licensee and that no interest in the license shall accrue to Manager except the right under Michigan Liquor Control Laws and Regulations to operate as a co-licensee.

The parties shall cooperate and take such further action as is necessary and desirable to comply with any requirements of the Liquor Control Commission. Manager shall be responsible for all actions and responsibilities under the liquor license.

13. **Concessionaires and Independent Contractors; Professional Hockey Team.** Manager shall have the right to enter into contracts with concessionaires and independent contractors providing subsidiary services to the Arena. The gross proceeds of all such contracts shall be the City's.

14. **Insurance.** Manager shall obtain insurances required by the City in at least the coverage amounts set forth below. In all the following coverages except workers compensation insurance, the City shall be named as additional insureds or loss payees, and each policy shall carry the commitment by the company that no cancellation shall be effective against the City without thirty (30) days written notice to the City:

14.1 Comprehensive general liability insurance. Manager shall obtain a comprehensive liability insurance policy through a company licensed to do business in Michigan and acceptable to the City, carrying limits of at least $500,000, single limit.

14.2 Vehicle liability insurance. Manager shall carry vehicle liability insurance for each vehicle owned or leased by it, having liability limits of at least $500,000.

14.3 Workers compensation insurance. Manager shall carry workers compensation insurance in the amounts required by state law.

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

City of Muskegon
Attn: City Manager
933 Terrace Street

16. **Assignment.** Manager may not assign this Contract. Any attempted assignment shall constitute a violation of this Contract and cause immediate termination in the City's discretion.

17. **General Provisions.**

17.1 Corporate Status. Manager warrants that it is a limited liability company in good standing and is authorized to perform this Contract.

17.2 Equal Employment Opportunity; Discrimination. Manager shall not discriminate unlawfully against any person in violation of any law or rule of the City, the County, the State of Michigan or the federal government, in employment, services or any other respect. Manager shall comply, including reporting requirements, in each and every way with the City's and County's affirmative action plans or policies, and shall never discriminate against any person based on race or any other protected status under the laws of the State or the United States.

17.3 Access. The City shall have reasonable access to the facility at all times to monitor compliance with this agreement.

18. **Defaults.** The following events shall constitute defaults by Manager and constitute cause for immediate termination of this Contract:

18.1 Violation of any of the provisions of this Contract by Manager and failure to remedy or cure such within thirty (30) days after written notice of such violation from the City;

18.2 The commission of any act or omission that endangers the Federal or State tax-exempt status of the Muskegon County Building Authority Bonds;

18.3 The making of an assignment for the benefit of creditors or the filing of a petition under any section or chapter of the Federal Bankruptcy Code or under any similar law or statute of the United States or any state thereof;

18.4 Adjudication of Manager as a bankrupt or insolvent in proceedings filed against Manager under any section or chapter of the Federal Bankruptcy Code or under any similar law or statute of the United States or any state thereof without further possibility of appeal or review;

18.5 The appointment of a receiver for all or substantially all of the assets of Manager and the failure to have such receiver discharged within thirty (30) days after appointment; and

18.6 The bringing of any legal action against Manager by any creditor resulting in litigation which, in the opinion of the City, creates a real and substantial risk of involvement of the Arena that will probably: (1) act to their financial detriment; or, (2) result in such creditor, or his assigns, succeeding in or to all or part of the interest of the City.

19. **Non-Waiver.** Failure to enforce any remedy for a breach or a violation of this Contract shall not constitute waiver of subsequent breaches or violations.

20. **Remedies.** In the event the City breaches this Contract in any way, or the Manager determines that a breach or failure to observe any covenant or condition by the City has occurred, the sole remedy shall be termination of this Contract. Manager shall not be entitled to any damages for breach of contract, or to any injunctive relief to enforce this Contract. In the event there are sums legally due to Manager at the time of such termination it shall be paid forthwith, but no consequential damage or damages for breach shall be awarded or available to Manager.

22. **Counterparts.** This Contract may be executed in counterparts, and each set of duly delivered identical counterparts that includes all signatories shall be deemed to be one original document.

23. **Governing Law.** This Contract shall be construed and enforced in accordance with the laws of the State of Michigan applicable to contracts made and to be performed within the State of Michigan.

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

25. **Notices.** All notices, approvals, consents and other communications required under this Contract shall be in writing and, except when receipt is required to start the running of a period of time, shall be deemed given: (i) when delivered in person; (ii) when sent by telephone facsimile or e-mail, (the sender shall also mail or send a "hard copy" following the facsimile or e-mail, however the notice shall be effective upon the transmission of the facsimile or e-mail); (iii) one (1) day after depositing in the custody of a nationally-recognized receipted overnight delivery service with delivery fees prepaid; or, (iv) two (2) days after posting in the United States Mail, first class. Notices shall be sent to the parties as follows:

MANAGER LLC
Attn: Matt Gongalski
470 West Western
Muskegon, MI 49440

CITY OF MUSKEGON
Attn: City Manager

26. **Binding and Benefit.** Although this Operations Management Contract is not assignable, in the event assignment occurs, and at the option of the City, it shall be binding upon the parties, their successors, and assigns.

ARC ARENA MANAGEMENT

By: _____
Name: Matt Gongalski
Title: Member
Dated: _____, 2019

CITY –
City of Muskegon

By: _____
Name: Stephen J. Gawron
Title: Mayor
Dated: _____, 2019

And

By: _____
Name: Ann Marie Meisch
Title: Clerk
Dated: _____, 2019

EXHIBIT A

SUBLEASE AGREEMENT BETWEEN THE CITY OF MUSKEGON
AND WC HOCKEY, LLC

EXHIBIT B

ESSENTIAL FUNCTIONS OF THE ARENA MANAGER

- Oversee all operational aspects of LC Walker Arena
- Responsible for operation and maintenance of all mechanical and technical systems in the Arena
- Implementation of policies and procedures as they relate to Arena operations and on-going review and addition/revisions as necessary.
- Coordination of events at the Arena
- Technical expertise to assist Arena guests with event related needs (AV, computer programs, etc.)
- Maintenance of records as they relate to events and maintenance at the Center
- Active participation in marketing efforts for Center
- In house sales
- Presentations and tours of facility
- Sales calls to potential groups/events managers
- Management of Box Office, Team Store, and Concessions Operations
- Assist with preparation of proposals for the Arena
- Assist in preparation of budget for operations of the Arena
- Event accounting and monthly reporting on the Arena
- Supervision of Arena personnel
- Coordination with facility tenants.