

CITY OF MUSKEGON

CITY COMMISSION MEETING

FEBRUARY 10, 2009

CITY COMMISSION CHAMBERS @ 5:30 P.M.

AGENDA

- ❑ CALL TO ORDER:
- ❑ PRAYER:
- ❑ PLEDGE OF ALLEGIANCE:
- ❑ ROLL CALL:
- ❑ HONORS AND AWARDS:
 - A. 2008 Suggestion Award Winner. CIVIL SERVICE
- ❑ INTRODUCTIONS/PRESENTATION:
- ❑ CONSENT AGENDA:
 - A. Approval of Minutes. CITY CLERK
 - B. Approval of a Neighborhood Enterprise Zone Certificate. PLANNING & ECONOMIC DEVELOPMENT
 - C. Liquor License Request for JS Hockey Enterprises, Inc, (L. C. Walker Arena) 470 W. Western. CITY CLERK
 - D. YouthBuild Grant. COMMUNITY & NEIGHBORHOOD SERVICES
 - E. Equipment Purchase – Concrete Breaker. PUBLIC WORKS
 - F. Acceptance of First, Second, Jefferson and Market Streets into the City's Street System. ENGINEERING
 - G. Replacement of Compressors on the Chiller at City Hall. ENGINEERING
 - H. Amend the Uniform Agreement with Arrow Uniform. PUBLIC WORKS
- ❑ PUBLIC HEARINGS:
- ❑ COMMUNICATIONS:
- ❑ CITY MANAGER'S REPORT:
- ❑ UNFINISHED BUSINESS:
- ❑ NEW BUSINESS:

A. Wind Turbine Purchase and Installation. CITY MANAGER

B. Neighborhood Stabilization Grant. COMMUNITY & NEIGHBORHOOD SERVICES

❑ 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 BECKER, CITY CLERK, 933 TERRACE STREET, MUSKEGON, MI 49440 OR BY CALLING (231) 724-6705 OR TDD: (231) 724-4172.

CITY COMMISSION MEETING

February 10, 2009

TO: Honorable Mayor and City Commissioners
FROM: Karen Scholle, Civil Service Personnel Director
DATE: February 3, 2009
RE: 2008 Suggestion Award Winner

SUMMARY OF REQUEST:

The Employee Suggestion Award Committee requests that the 2008 Employee Suggestion Award go to Public Works Customer Service Representative Terees Williams for her proposal to initiate a fee for water turn-on and turn-off for vacant home sale inspections rather than continuing to perform this time consuming service on no cost basis.

FINANCIAL IMPACT:

This will save the City \$50 per call while also bringing in income; the fee yet to be established.

BUDGET ACTION REQUIRED:

None.

COMMITTEE RECOMMENDATION:

The committee recommends honoring Public Works Customer Service Representative Terees Williams with the 2008 Employee Suggestion Award.

(This is Terees' second award. Terees continues to challenge herself by analyzing City practices in comparison to other organizations' known practices and coming up with increased efficiency ideas for the City.)

STAFF RECOMMENDATION:

Staff supports the committee recommendation and requests approval of this award.

Date: February 10, 2009
To: Honorable Mayor and City Commissioners
From: Ann Marie Becker, City Clerk
RE: Approval of Minutes

SUMMARY OF REQUEST: To approve the minutes of the Regular Commission Meeting that was held on Tuesday, January 27th.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

CITY OF MUSKEGON

CITY COMMISSION MEETING

JANUARY 27, 2009

CITY COMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Tuesday, January 27, 2009.

Mayor Warmington opened the meeting with a prayer from Vice Mayor Gawron after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen Warmington, Vice Mayor Stephen Gawron, Commissioners Steve Wisneski, Chris Carter, Clara Shepherd, Lawrence Spataro, and Sue Wierengo, City Manager Bryon Mazade, City Attorney John Schrier, and Deputy City Clerk Linda Potter.

HONORS AND AWARDS: Mayor Warmington and the Commission congratulated Bob Burns on his retirement from The Muskegon Chronicle where he worked for 37 ½ years. Bob was recognized for his professionalism and wished the best in his future endeavors.

2009-06 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve minutes for the January 12th Commission Worksession, and the January 13th Regular Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. Trust Fund Grant Agreement for Smith-Ryerson Park. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: The City had received the Development Project Agreement from the State. The Mayor had signed the agreement and it was submitted to the State. The State has requested that we supply an updated resolution for the Smith-Ryerson Park Improvements approving the agreement and that the City guarantee the matching fund amount of \$158,400 (27%) of the

grant amount.

FINANCIAL IMPACT: There is no impact for the 2009 budget year as this has already been budgeted.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the resolution approving the Development Project Agreement for Smith-Ryerson Park Improvements and guarantee the matching funds, and to have the Mayor and Clerk sign the resolution.

C. Ammunition Purchase. PUBLIC SAFETY

SUMMARY OF REQUEST: The Director of Public Safety is requesting approval of the purchase of ammunition for the 2009 calendar year. The request includes both practice and duty ammunition.

Two vendors replied to our bid requests: Michigan Police Equipment, 6521 Lansing Road, Charlotte, MI; and CMP Distributors, 6539 Westland Way, Lansing, MI. Based upon the bids that were received, CMP Distributors is being recommended.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: Provided for in 2009 budget.

STAFF RECOMMENDATION: Approval of this request.

D. Assessing Services Contract. FINANCE

SUMMARY OF REQUEST: Since 1999 the City has contracted with the Muskegon County Equalization Department for property tax assessing services. Providing assessing services this manner avoids duplication of effort between the City and the County and is more efficient than staffing our own assessing department. For example, 1998 costs for supporting an in-house assessing operation were \$326,414. Inflating this figure at a conservative 4.5% annual rate to account for employee wage and benefit growth results in an estimated 2009 cost for an in-house operation of \$529,722. The 2009 base year cost of the contract with the County will be \$459,300. The contract price is adjusted annually in accordance with year-over-year changes in the City's tax base.

The proposed contract term is three years with a two year extension possible; the previous contract was for ten years. Other changes from the existing contract mostly involve operational adjustments to better meet the needs of City offices that utilize assessing data. Also, the contract provides for the possibility that Equalization Department staff may be moved from City Hall to enhance efficiency. However, this change requires discussion and formal approval of the City Commission.

FINANCIAL IMPACT: The base year cost of the contract is \$459,300.

BUDGET ACTION REQUIRED: None at this time. The contract cost is within budget expectations.

STAFF RECOMMENDATION: Approval of the contract.

E. New Cingular Wireless Amended Tower Lease Agreement. PUBLIC WORKS

SUMMARY OF REQUEST: New Cingular Wireless PCS, LLC a Delaware Corporation and the Department of Public Works have been in negotiations to amend the 1998 lease agreement for the Nims Street and Marshall Street Water Towers. The lease shall be amended to increase the current monthly rent, for two sites, from \$2,217 per month to \$4,470 per month.

The amended lease will terminate the wireless phones and phone service agreement (original value \$1,170/month) previously provided to the City and will allow New Cingular Wireless to install on each Water Tower up to a total of six antennas.

FINANCIAL IMPACT: Monthly rental will begin on March 1, 2009, at \$4,470 per month to be escalated at the rate of 3% per year annually. Revenue generated from the rental of the Tower space shall be used to offset Water Tank Maintenance Projects and purchase Wireless Phones and service.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the Amended Lease Agreement and to authorize the Mayor and Clerk to sign.

F. Request for Encroachment Agreement for 1788 Terrace Street, Rykes Bakery. ENGINEERING

SUMMARY OF REQUEST: Rouwhorst Investments, LLC has submitted an encroachment agreement application requesting your permission to attach a 28' 3" awning to the existing mansard roof which will extend over the public sidewalk.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the encroachment agreement for installing the awning as per the plan.

G. Transportation Improvements Program Submittal for 2012-2013 Projects. ENGINEERING

SUMMARY OF REQUEST: Authorize staff to submit the list of projects to the West Michigan Shoreline Regional Development Commission for inclusion in the FY 2012 – 2013 Transportation Improvement Program (TIP). Projects submitted will be considered for Federal and State transportation funding. Adoption of the resolution is required as part of the submittal to commit the local match should funds become available.

FINANCIAL IMPACT: None at this time, however, a local match will be required should we receive a grant for a particular project.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the project submittal and resolution.

Motion by Commissioner Carter, second by Commissioner Spataro to approve the Consent Agenda as read.

ROLL VOTE: Ayes: Carter, Gawron, Shepherd, Spataro, Warmington, Wierengo, and Wisneski

Nays: None

MOTION PASSES

2009-07 ITEM MOVED FROM NEW BUSINESS:

H. Request for Encroachment Agreement for 746 W. Laketon Ave. - Wayne's Deli. ENGINEERING

SUMMARY OF REQUEST: The Bog's Corporation (DBA Wayne's Deli) has submitted an encroachment agreement application requesting your permission to replace two of the existing signs with one improved 5' by 6' sign which will extend over the public sidewalk along the north side of Laketon Avenue.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the encroachment agreement for replacing signs as per the plan, providing that they follow the supplemental conditions included in the agreement.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the encroachment agreement for replacing the signs as per the plan for 746 W. Laketon Avenue, Wayne's Deli.

ROLL VOTE: Ayes: Gawron, Shepherd, Spataro, Warmington, Wierengo, Wisneski, and Carter

Nays: None

MOTION PASSES

2009-08 UNFINISHED BUSINESS:

A. Concurrence with the Housing Board of Appeals Notice and Order to Demolish 254 Amity Avenue. PUBLIC SAFETY

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 254 Amity, Area 11, is unsafe, substandard, a public nuisance and that it be demolished within 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.

FINANCIAL IMPACT: CDBG Funds.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To concur with the Housing Board of Appeals decision to demolish.

Motion by Commissioner Spataro, second by Commissioner Carter to leave on the table until the second meeting in February to give Commissioner Carter further time to work with the proposed lender.

ROLL VOTE: Ayes: Shepherd, Spataro, Warmington, Wierengo, Wisneski, Carter, and Gawron

Nays: None

MOTION PASSES

B. Request to Revoke the Obsolete Property Rehabilitation Exemption Certificate at 790 Terrace. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Promised Land Associates, 3355 Merriem Dr., Muskegon Heights, was issued an Obsolete Property Rehabilitation Exemption Certificate for the property located at 790 Terrace Street. The timeline to complete the rehabilitation was one year, giving them until June 14, 2006, to do so. However, a number of unforeseen problems occurred during this time, making the applicant unable to complete the rehabilitation. The applicant then requested a time extension in November, 2007, and was granted additional time to complete the rehabilitation. The new deadline to finish the rehabilitation was August 22, 2008. The case was brought back to Commission in November, 2008, and another extension was granted, giving the certificate holder until January, 2009, to show the ability to complete the project. Total capital investment for this project was stated to be \$1,200,000 and was to include the addition of an elevator and an additional stairway, along with upgrades to the structural, mechanical, and electrical systems to meet current code requirements. To date, none of these projects have been completed.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To revoke the Obsolete Property Rehabilitation Certificate.

Motion by Vice Mayor Gawron, second by Commissioner Carter to revoke the Obsolete Property Rehabilitation Exemption Certificate for 790 Terrace.

ROLL VOTE: Ayes: Spataro, Warmington, Wierengo, Wisneski, Carter, Gawron, and Shepherd

Nays: None

MOTION PASSES

□ NEW BUSINESS:

A. Proposed Water Bond Refunding. FINANCE

SUMMARY OF REQUEST: The bond rating on the City's water system was recently upgraded by Standard & Poor's from A- to AA-. This, combined with the current interest rate environment, affords us the opportunity to refund two currently outstanding water system debt issues and achieve significant interest savings. It is proposed that \$5,815,000 of Series 1999 and \$925,000 of Series 1993 bonds be refunded at this time. A recent analysis shows that these bonds can be refunded at today's lower interest rates with present value savings to the City of \$390,930. This equates to 5.80% of the outstanding principal, or \$41,501 average annual savings over the remaining life of the bonds. A general rule of thumb is that PV savings should equal at least 2% of bond principal in order to proceed with a refunding.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the ordinance to initiate and authorize the proposed bond refunding. A second commission action (sales resolution) will be required to complete the transaction. If numbers change to the extent the refunding no longer makes economic sense, the plug can be pulled at that time.

Motion by Commissioner Spataro, second by Commissioner Carter to approve the proposed water bond refunding by approving the ordinance to initiate and authorize the proposed bond refunding.

ROLL VOTE: Ayes: Warmington, Wierengo, Wisneski, Carter, Gawron, Shepherd, and Spataro

Nays: None

MOTION PASSES

B. Towing Contract. PUBLIC SAFETY

SUMMARY OF REQUEST: Proposals have been accepted for the towing contract with the City. This contract will go into effect on February 1, 2009. Proposals were submitted by the following companies:

1. All Pro Towing and Recovery, 2930 E. Apple, Muskegon 49442
2. Baxter's Towing and Storage, 5333 Airline, Muskegon 49444
3. Campbell's Towing, 2462 South Getty, Muskegon Heights 49444
4. Central Towing, 710 Alberta, Muskegon 49441
5. Reliable Towing, 1288 Ninth Street, Muskegon 49440

Based upon the proposals that were submitted, approval of a contract with Campbell's Towing, 2462 South Getty, is being recommended.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of this request.

Motion by Commissioner Carter, second by Vice Mayor Gawron to approve the towing contract with Campbell Towing, 2462 S. Getty.

ROLL VOTE: Ayes: Wierengo, Wisneski, Carter, Gawron, Shepherd, and Spataro

Nays: Warmington

MOTION PASSES

C. Commercial Redevelopment Tax Abatement Districts Policy.
PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the Commercial Redevelopment Tax Abatement Districts Policy for the City of Muskegon.

FINANCIAL IMPACT: Qualified commercial rehabilitation and redevelopment projects would be eligible for tax exemptions under Michigan Public Act 255 of 1978. The abatements would be available to restored, replacement and new facilities in designated areas in the city. Restored and replacement facilities would be able to freeze the property tax at its pre-rehabilitated value, effectively allowing the rehabilitation to be property tax free, with the exception of school operating taxes, for up to 12 years. New facilities would have their millages cut in half, except state education tax, and levied against the current taxable value of the building, for up to 12 years.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the Commercial Redevelopment Tax Abatement Districts Policy.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the Commercial Redevelopment Tax Abatement Districts Policy as described.

ROLL VOTE: Ayes: Wisneski, Carter, Gawron, Shepherd, Spataro, Warmington, and Wierengo

Nays: None

MOTION PASSES

D. Engineering Services Agreement with Sidock Group to Evaluate the Seawall at the Site Known as the Amoco Property. ENGINEERING

SUMMARY OF REQUEST: Authorize staff to enter into an engineering services agreement with Sidock Group out of Muskegon to provide a comprehensive evaluation of the existing seawall as well as present alternatives on how to address the failure in a portion of the existing wall. The evaluation will take into account three main possibilities:

1. Removal of the entire seawall and replacement with rip rap.
2. Repairing/replacing the failed sections and reinforcement of the sections that did not fail.

3. A combination of the above alternatives.

Sidock's proposal was comprehensive and contained a good understanding at a reasonable fee of \$7,200. The other two proposals were submitted by Prein & Newhof (\$7,987) and Brechting (\$3,135). Brechting's proposal considers only repairing the existing seawall.

FINANCIAL IMPACT: The engineering fee of \$7,200 for the study/evaluation phase at this time.

BUDGET ACTION REQUIRED: None, the cost is budgeted for.

STAFF RECOMMENDATION: Authorize staff to enter into an agreement with Wade Sidock Group.

Motion by Vice Mayor Gawron, second by Commissioner Carter to authorize staff to enter into an agreement with Wade Sidock Group for the evaluation of the seawall at the site known as the Amoco Property.

ROLL VOTE: Ayes: Carter, Gawron, Shepherd, Spataro, Warmington, Wierengo, and Wisneski

Nays: None

MOTION PASSES

E. Terminate the Arena Management Contract. CITY MANAGER

SUMMARY OF REQUEST: To confirm the termination of the operations management contract with Arena Management Group (AMG). Notification of the termination has been sent to AMG, pursuant to the contract.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To affirm the termination of the operations management contract with AMG.

Motion by Vice Mayor Gawron, second by Commissioner Spataro to affirm the termination of the operations management contract with AMG for the operation of the L. C. Walker Arena.

ROLL VOTE: Ayes: Gawron, Shepherd, Spataro, Warmington, Wierengo, Wisneski, and Carter

Nays: None

MOTION PASSES

F. Arena and Concession Management Agreements. CITY MANAGER

SUMMARY OF REQUEST: To enter into agreements with J. S. Hockey Enterprises, Inc. to manage the L. C. Walker Arena and to manage concession within the facility.

FINANCIAL IMPACT: The agreements will operate under the same terms and

conditions of the previous agreements.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the agreements and authorize the Mayor and Clerk to sign them.

Motion by Commissioner Spataro, second by Commissioner Shepherd to approve the agreements and authorize the Mayor and Clerk to sign them regarding the J. S. Hockey Enterprises management of the L. C. Walker Arena and the concessions within the facility.

ROLL VOTE: Ayes: Shepherd, Spataro, Warmington, Wierengo, Wisneski, Carter, and Gawron

Nays: None

MOTION PASSES

G. Assignment of Ground Lease – 1601 Beach Street. CITY MANAGER

SUMMARY OF REQUEST: To approve the assignment and assumption of the ground lease at 1601 Beach Street from J. P. Lawrence, LLC to CJ's on the Beach, LLC.

FINANCIAL IMPACT: None, terms of the lease remain the same.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the request and authorize the Mayor and Clerk to sign the appropriate documents.

Motion by Vice Mayor Gawron, second by Commissioner Wierengo to approve the assignment and assumption of the ground lease at 1601 Beach Street from J. P. Lawrence, LLC to CJ's on the Beach, LLC.

ROLL VOTE: Ayes: Spataro, Warmington, Wierengo, Wisneski, Carter, Gawron, and Shepherd

Nays: None

MOTION PASSES

I. Concurrence with the Housing Board of Appeals Notice and Order to Demolish the Following: PUBLIC SAFETY

1305 Jefferson Street – Garage (Area 10)

922 S. Getty Street

616 Catherine Avenue (Area 11)

355 W. Grand Avenue (Area 11)

267 Iona Avenue – Garage (Area 11)

SUMMARY OF REQUEST: This is to request that the City Commission concur with the findings of the Housing Board of Appeals that the structures are unsafe, substandard, a public nuisance and that they be demolished within 30 days. It

is further requested that administration be directed to obtain bids for the demolition of the structures and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

FINANCIAL IMPACT: CDBG Funds.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To concur with the Housing Board of Appeals decision to demolish.

Motion by Commissioner Carter, second by Commissioner Spataro to concur with the Housing Board of Appeals notice and order to demolish, 1305 Jefferson Street garage, 922 S. Getty Street, 616 Catherine Avenue, 355 W. Grand Avenue, and 267 Iona Avenue garage.

ROLL VOTE: Ayes: Warmington, Wierengo, Wisneski, Carter, Gawron, Shepherd, and Spataro

Nays: None

MOTION PASSES

ANY OTHER BUSINESS: Various comments were made.

ADJOURNMENT: The City Commission Meeting adjourned at 6:27 p.m.

Respectfully submitted,

Ann Marie Becker, MMC
City Clerk

AGENDA ITEM No. _____

MUSKEGON CITY COMMISSION – February 10, 2009

TO: Honorable Mayor & City Commissioners

FROM: Planning Department *CBC*

DATE: January 30, 2009

SUBJECT: Approval of a Neighborhood Enterprise Zone Certificate

SUMMARY OF REQUEST

An application for a Neighborhood Enterprise Zone (NEZ) certificate has been received from Vernon and Dorothy Harris for the new construction of a home in the Marquette neighborhood at 1259 Marquette Avenue. The property is located in a Neighborhood Enterprise Zone for new construction. The application states that the estimated cost for construction will be \$203,250 in materials. The applicant has met local and state requirements for the issuance of the NEZ certificate. Approval or denial by the City Commission is required within 60 days of the application date and must be forwarded to the State Tax Commission.

FINANCIAL IMPACT

Taxation will be 50% of the State average for the next 12 years.

BUDGET ACTION REQUIRED

None.

STAFF RECOMMENDATION

Approve issuance of the NEZ certificate.

COMMITTEE RECOMMENDATION

None.

Resolution No. _____

MUSKEGON CITY COMMISSION

**RESOLUTION TO APPROVE THE ISSUANCE
OF A NEIGHBORHOOD ENTERPRISE ZONE CERTIFICATE**

WHEREAS, an application for a Neighborhood Enterprise Zone Certificate has been filed with the City Clerk by Vernon and Dorothy Harris to construct a home at 1259 Marquette Avenue in the Marquette neighborhood, and;

WHEREAS, the applicant has satisfied both the local and state eligibility criteria for a Neighborhood Enterprise Zone Certificate;

WHEREAS, the Neighborhood Enterprise Zone Certificate will be good 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 Vernon and Dorothy Harris be approved.

Adopted this, 10th day of February, 2009.

Ayes:

Nays:

Absent:

By: _____
Stephen J. Warmington, Mayor

Attest: _____
Ann Marie Becker, MMC
City Clerk

CERTIFICATION

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, Michigan at a regular meeting held on February 10, 2009.

By: _____
Ann Marie Becker, MMC
City Clerk

Date: February 10, 2009
To: Honorable Mayor and City Commissioners
From: Ann Marie Becker, City Clerk
RE: Liquor License Request
JS Hockey Enterprises, Inc.
470 W. Western

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from the City of Muskegon to drop Arena Concessions Group, LLC and Arena Management Group, LLC as Co-Licensees and add JS Hockey Enterprises, Inc. as Co-Licensee in the 2008 Class C Licensed Business with Dance-Entertainment Permit, 9 Bars, and Official Permit (food) located at L. C. Walker Arena, 470 W. Western Avenue.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: All departments are recommending approval.



Muskegon Police Department

Anthony L. Kleibecker
Director of Public Safety

980 Jefferson
Muskegon, Michigan
49443-0536

www.muskegonpolice.com

Phone: 231-724-6750
FAX: 231-722-5140

February 2, 2009

To: City Commission through the City Manager

From: 
Anthony L. Kleibecker, Director of Public Safety

Re: Liquor License Investigation – 470 W. Western
Add Co-Licensee in 2008 Class C Licensed Business with Permits

The Muskegon Police Department has received a request from the Michigan Liquor Control Commission for an investigation from applicant City of Muskegon.

City of Muskegon is requesting to drop Arena Concessions Group, LLC and Arena Management Group, LLC as Co-Licensees and add JS Hockey Enterprises, Inc. as Co-Licensee in 2008 Class C licensed business (MCL 436.1509; limited to scheduled events; non-transferable) with Dance-Entertainment Permit, 9 Bars, and Official Permit (Food) located at 470 W. Western, Muskegon, MI. 49440.

JS Hockey Enterprises, Inc is comprised of the following three applicants: Jeffery Patulski, Stacy Patulski, and Timothy Taylor. The applicants have no experience in the alcohol service industry but do have experienced personal to directly supervise the service areas. The applicants have been made aware of the Muskegon Police Departments position on enforcing local alcohol laws and ordinances.

A check of Muskegon Police Department records and criminal history showed no reason to deny this request.

ALK/kd



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

FOR MLCC USE ONLY

Request ID # 486900

Business ID # 1252

12-16-08 TAM

LOCAL APPROVAL NOTICE

[Authorized by MCL 436.1501]

November 26, 2008

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

APPLICANT: CITY OF MUSKEGON (CO-LICENSEE)
JS HOCKEY ENTERPRISES, INC. (CO-LICENSEE)

Home Address and Telephone No. or Contact Address and Telephone No.:

JEFFREY A. PATULSKI, 62 WEST FREEMAN ROAD, FREESOIL, MI 49411

H(231)464-5175/B(231)233-2883

STACEY M. PATULSKI, 15926 152ND AVENUE, SPRING LAKE, MI 49456

H(616)844-0184/B(231)690-6338

TIMOTHY M. TAYLOR, 1982 FOREST PARK, MUSKEGON, MI 49441

H(231)747-7975/B(563)940-6425

The MLCC cannot consider the approval of an application for a new or transfer of an on-premises license without the approval of the local legislative body pursuant to the provisions of MCL 436.1501 of the Liquor Control Code of 1998. For your information, local legislative body approval is also required for DANCE, ENTERTAINMENT, DANCE-ENTERTAINMENT AND TOPLESS ACTIVITY PERMITS AND FOR OFFICIAL PERMITS FOR EXTENDED HOURS FOR DANCE AND/OR ENTERTAINMENT pursuant to the provisions of MCL 436.1916 of the Liquor Control Code of 1998.

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

If you have any questions, please contact the On-Premises Section of the Licensing Division as (517) 636-4634.

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



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

POLICE INVESTIGATION REPORT

[Authorized by MCL 436.1217 and R 436.1105; MAC]

FOR MLCC USE ONLY

Request ID # 486900

Business ID # 1252

12-16-08 FLM

Please conduct your investigation as soon as possible, complete all four sections of this report and return the completed report and fingerprint cards to the MLCC.

LICENSEE/APPLICANT NAME, BUSINESS ADDRESS AND LICENSING REQUEST:

CITY OF MUSKEGON REQUESTS TO DROP ARENA CONCESSIONS GROUP, L.L.C AND ARENA MANAGEMENT GROUP, L.L.C. AS CO-LICENSEES AND ADD JS HOCKEY ENTERPRISES, INC. AS CO-LICENSEE IN 2008 CLASS C LICENSED BUSINESS (MCL 436.1509; LIMITED TO SCHEDULED EVENTS; NON-TRANSFERABLE) WITH DANCE-ENTERTAINMENT PERMIT, 9 BARS, AND OFFICIAL PERMIT (FOOD), LOCATED AT 470 W WESTERN, MUSKEGON, MI 49440, MUSKEGON COUNTY.

Section 1.

APPLICANT INFORMATION

APPLICANT #1:

JEFFREY A. PATULSKI – STOCKHOLDER
62 WEST FREEMAN ROAD
FREESOIL, MI 49411
H(231)464-5175/B(231)233-2883

APPLICANT #2:

STACEY M. PATULSKI – STOCKHOLDER
15926 152ND AVENUE
SPRING LAKE, MI 49456
H(616)844-0184/B(231)690-6338 cell

DATE FINGERPRINTED:**

1-19-09

DATE FINGERPRINTED:**

1-22-09

DATE OF BIRTH: 12-24-61

Is the applicant a U.S. Citizen: ☐ Yes ☐ No*

*Does the applicant have permanent Resident Alien status?

☐ Yes ☐ No*

*Does the applicant have a Visa? Enter status:

DATE OF BIRTH: 4-29-70

Is the applicant a U.S. Citizen: ☐ Yes ☐ No*

*Does the applicant have permanent Resident Alien status?

☐ Yes ☐ No*

*Does the applicant have a Visa? Enter status:

****Attach the fingerprint card and \$30.00 for each card and mail to the Michigan Liquor Control Commission****

ARREST RECORD: ☐ Felony ☐ Misdemeanor

Enter record of all arrests and convictions (Attach a signed and dated sheet if more space is needed)

ARREST RECORD: ☐ Felony ☐ Misdemeanor

Enter record of all arrests and convictions (Attach a signed and dated sheet if more space is needed)

Section 2.

INVESTIGATION OF BUSINESS AND ADDRESS TO BE LICENSED

Does applicant intend to have dancing, entertainment, topless activity, or extended hours permit?

☐ No ☒ Yes, complete LC-1636

Are motor vehicle fuel pumps at or directly adjacent to the establishment? ☒ No ☐ Yes, explain relationship:

Section 3.

LOCAL AND STATE CODES AND ORDINANCES, AND GENERAL RECOMMENDATIONS

Will the applicant's proposed location meet all appropriate state and local building, plumbing, zoning, fire, sanitation and health laws and ordinances, if this license is granted? ☒ Yes ☐ No If No, indicate which state and local ordinances the location does not meet: ☐ Building ☐ Plumbing ☐ Zoning ☐ Fire ☐ Sanitation ☐ Health

Section 4.

RECOMMENDATION

1. Is this applicant qualified to conduct this business if licensed?

☒ Yes ☐ No*

2. Should the MLCC grant this request?

☒ Yes ☐ No*

*If any of the above questions were answered No, you must state your reasons for MLCC consideration of this recommendation on the back of this form or on an attached signed and dated sheet.

3. Is this recommendation subject to final inspection to determine that the proposed location meets all building, plumbing, zoning, fire, sanitation and health laws and ordinances?

☐ Yes ☒ No

4. Is this recommendation subject to any other conditions?

☐ Yes ☒ No

If Yes, list the conditions below or on an attached signed and dated sheet if more space is needed

[Signature]
Signature (Sheriff or Chief of Police)

2-2-09
Date

MUSKEGON POLICE DEPARTMENT



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

POLICE INVESTIGATION REPORT
[Authorized by MCL 436.1217 and R 436.1105; MAC]

FOR MLCC USE ONLY

Request ID # 486900

Business ID # 1252

12-16-08 *MM*

Please conduct your investigation as soon as possible, complete all four sections of this report and return the completed report and fingerprint cards to the MLCC.

LICENSEE/APPLICANT NAME, BUSINESS ADDRESS AND LICENSING REQUEST:

CITY OF MUSKEGON REQUESTS TO DROP ARENA CONCESSIONS GROUP, L.L.C AND ARENA MANAGEMENT GROUP, L.L.C. AS CO-LICENSEES AND ADD JS HOCKEY ENTERPRISES, INC. AS CO-LICENSEE IN 2008 CLASS C LICENSED BUSINESS (MCL 436.1509; LIMITED TO SCHEDULED EVENTS; NON-TRANSFERABLE) WITH DANCE-ENTERTAINMENT PERMIT, 9 BARS, AND OFFICIAL PERMIT (FOOD), LOCATED AT 470 W WESTERN, MUSKEGON, MI 49440, MUSKEGON COUNTY.

Section 1. APPLICANT INFORMATION

APPLICANT #1:
TIMOTHY M. TAYLOR – STOCKHOLDER
1982 FOREST PARK
MUSKEGON, MI 49441
H(231)747-7975/B(563)940-6425

APPLICANT #2:

DATE FINGERPRINTED**: 1-22-09

DATE FINGERPRINTED**:

DATE OF BIRTH: 7-3-72

Is the applicant a U.S. Citizen: ☐ Yes ☐ No*

*Does the applicant have permanent Resident Alien status?

☐ Yes ☐ No*

*Does the applicant have a Visa? Enter status:

DATE OF BIRTH:

Is the applicant a U.S. Citizen: ☐ Yes ☐ No*

*Does the applicant have permanent Resident Alien status?

☐ Yes ☐ No*

*Does the applicant have a Visa? Enter status:

Attach the fingerprint card and \$30.00 for each card and mail to the Michigan Liquor Control Commission

ARREST RECORD: ☐ Felony ☐ Misdemeanor

Enter record of all arrests and convictions (Attach a signed and dated sheet if more space is needed)

ARREST RECORD: ☐ Felony ☐ Misdemeanor

Enter record of all arrests and convictions (Attach a signed and dated sheet if more space is needed)

Section 2. INVESTIGATION OF BUSINESS AND ADDRESS TO BE LICENSED

Does applicant intend to have dancing, entertainment, topless activity, or extended hours permit?

☐ No ☒ Yes, complete LC-1636

Are motor vehicle fuel pumps at or directly adjacent to the establishment? ☒ No ☐ Yes, explain relationship:

Section 3. LOCAL AND STATE CODES AND ORDINANCES, AND GENERAL RECOMMENDATIONS

Will the applicant's proposed location meet all appropriate state and local building, plumbing, zoning, fire, sanitation and health laws and ordinances, if this license is granted? ☒ Yes ☐ No If No, indicate which state and local ordinances the location does not meet: ☐ Building ☐ Plumbing ☐ Zoning ☐ Fire ☐ Sanitation ☐ Health

Section 4. RECOMMENDATION

1. Is this applicant qualified to conduct this business if licensed? ☒ Yes ☐ No*

2. Should the MLCC grant this request? ☒ Yes ☐ No*

*If any of the above questions were answered No, you must state your reasons for MLCC consideration of this recommendation on the back of this form or on an attached signed and dated sheet.

3. Is this recommendation subject to final inspection to determine that the proposed location meets all building, plumbing, zoning, fire, sanitation and health laws and ordinances? ☐ Yes ☒ No

4. Is this recommendation subject to any other conditions? ☐ Yes ☒ No

If Yes, list the conditions below or on an attached signed and dated sheet if more space is needed

X J. L. Blum
Signature (Sheriff or Chief of Police)

2-2-09
Date

MUSKEGON POLICE DEPARTMENT



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

LAW ENFORCEMENT RECOMMENDATION

[Authorized by MCL 436.1916, R 436.1105(2)(d) and R 436.1403]

FOR MLCC USE ONLY

Request ID # 486900

Business ID # 1252

12-16-08 TMA

November 26, 2008

TO:

Re: CITY OF MUSKEGON (CO-LICENSEE)
JS HOCKEY ENTERPRISES, INC. (CO-LICENSEE)

We have received a request from the above licensee for the type of permit indicated below. Please make an investigation and submit your recommendation to the offices of the MLCC at the above address. Questions about this request should be directed to the MLCC Licensing Division at (517) 322-1400.

☒ OFFICIAL PERMIT FOR EXTENDED HOURS OF OPERATION FOR: FOOD

Weekdays 2:30 A.M. to 7:00 A.M.

Sundays 2:30 A.M. to 12:00 P.M.

☒ Recommended ☐ Recommended, subject to final inspection ☐ Not Recommended

NOTE: If the applicant is requesting two separate extended hours permits and the permits are for **different hours** you must complete the box below. If additional space is needed please use reverse side of this form.

☐ OFFICIAL PERMIT FOR EXTENDED HOURS OF OPERATION FOR:

Weekdays _____ A.M. to _____ A.M.

Sundays _____ A.M. to _____ A.M./P.M.

☐ Recommended ☐ Recommended, subject to final inspection ☐ Not Recommended

☒ DANCE PERMIT

☒ Recommended ☐ Recommended, subject to final inspection ☐ Not Recommended

☒ ENTERTAINMENT PERMIT

☒ Recommended ☐ Recommended, subject to final inspection ☐ Not Recommended

☐ TOPLESS ACTIVITY PERMIT

☐ Recommended ☐ Recommended, subject to final inspection ☐ Not Recommended

486900
12-16-08
TMA

☐ OUTDOOR SERVICE

☐ Recommended ☐ Recommended, subject to final inspection ☐ Not Recommended

☐ PARTICIPATION PERMIT

☐ Recommended ☐ Recommended, subject to final inspection ☐ Not Recommended

☒ ADDITIONAL BAR PERMIT

☒ Recommended ☐ Recommended, subject to final inspection ☐ Not Recommended

☐

☐ Recommended ☐ Recommended, subject to final inspection ☐ Not Recommended

Signed:

x Anthony L. Kuebler Chief of Police
Signature and Title

ANTHONY L. KUEBLER Chief of Police
Print Name and Title

MUSKEGON POLICE DEPARTMENT

Date: 2-2-09

sfs

RESOLUTION

At a _____ meeting of the _____
 (Regular or Special) (Township Board, City or Village Council)

called to order by _____ on _____ at _____ P.M.

The following resolution was offered:

Moved by _____ and supported by _____

That the request from CITY OF MUSKEGON TO DROP ARENA CONCESSIONS GROUP, L.L.C AND ARENA MANAGEMENT GROUP, L.L.C. AS CO-LICENSEES AND ADD JS HOCKEY ENTERPRISES, INC. AS CO-LICENSEE IN 2008 CLASS C LICENSED BUSINESS (MCL 436.1509; LIMITED TO SCHEDULED EVENTS; NON-TRANSFERABLE) WITH DANCE-ENTERTAINMENT PERMIT, LOCATED AT 470 W WESTERN, MUSKEGON, MI 49440, MUSKEGON COUNTY.

be considered for _____
 (Approval or Disapproval)

APPROVAL**DISAPPROVAL**

Yeas: _____

Yeas: _____

Nays: _____

Nays: _____

Absent: _____

Absent: _____

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

_____ for issuance
 (Recommended or Not Recommended)

State of Michigan _____)

County of _____)

I hereby certify that the foregoing is a true and complete copy of a resolution offered and

adopted by the _____ at a _____
 (Township Board, City or Village Council) (Regular or Special)

meeting held on _____
 (Date)

(Signed) _____
 (Township, City or Village Clerk)

SEAL

 (Mailing address of Township, City or Village)

Commission Meeting Date: February 10, 2009

Date: February 3, 2009
To: Honorable Mayor & City Commission
From: Community and Neighborhood Services
Department
RE: YouthBuild Grant

SUMMARY OF REQUEST: For the Mayor and City Commission to support the CNS submission of a YouthBuild Grant to the U. S. Department of Labor. The YouthBuild Program is a job-training program targeted at at-risk youth ages 16 – 24, exposing them to leadership training, educational completion support and vocational training in housing construction and maintenance. Training is both in the classroom and hand-on in the field.

FUNDING IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To support the submission of the YouthBuild Grant.

COMMITTEE RECOMMENDATION: The grant was endorsed by the steering committee and reviewed and supported by the Citizen's District Council.

A copy of the grant is attached.

Muskegon YouthBuild Education Training Program Budget Narrative

Narrative

Revenues

I.	YouthBuild grant		\$1,100,000
II.	In-Kind/Leverage funds		
a.	Habitat for Humanity donation of training center 20 sessions @ \$250.00	\$	5,000
b.	Every Woman's Place staff in-kind 7 hours per week 48 weeks x 3 years	\$	20,160
c.	Workforce Development One Stop Center in-kind contribution	\$	134,160
d.	Program Director Salary in-donation \$32.00 hr. x 936 hrs (15%)	\$	29,952
	salary in-kind (15%)	\$	10,608
e.	City of Muskegon Structure and parcel donation		
	<u>Structures:</u>		
	Appraised Value		
	1080 Laketon	\$	30,000
	627 Apple	\$	50,000
	2265 Lincoln	\$	40,000
	134 E. Isabella	\$	60,000
	Total:	\$	155,000
	<u>Parcels:</u>		
	209 Merrill	\$	6,200
	209 Walton	\$	6,200
	Total:	\$	12,400
f.	City of Muskegon Community and Neighborhood Services 40% contribution of material, construction cost (rehabilitation projects) 40% donation cash		
1.	1080 Laketon \$70,000 x .40 =	\$	28,000
2.	627Apple \$80,000 x .40 =	\$	32,000
3.	2265 Lincoln \$85,000 x .40 =	\$	34,000
4.	134 E. Isabella \$60,000 x .40 =	\$	24,000
	Total (cash)	\$	118,000
g.	Material Cost for New Construction projects		
1.	209 Merrill \$110,000 x .40 =	\$	44,000
2.	208 Walton \$120,000 x .40 =	\$	48,000
	Total (cash)	\$	92,000

h.	Cash reimbursement (10%) from Keene Lumber and Weber Lumber for material cost for projects.		
1.	Keene Lumber	\$260,000 x .10	\$ 26,000
2.	Weber Lumber	\$250,000 x .10	\$ 25,000
i.	Muskegon Public Schools in-kind contribution instructors for GED preparation, GED testing, high school completion academic basic skills improvement, workshops, field trips.		\$175,000
j.	Prison Reentry Initiative In-Kind contribution	labor, landscaping	
			\$15,000
k.	Progress Unlimited In-kind Contribution	computer training	\$5,000
l.	Ciggzrees Incorporated In-kind Contribution	office training/ Property appraisals	\$5,000
Total funds and in-kind contribution leverage for Muskegon YouthBuild Education Training Program.			
Total			\$852,280

- III. The Muskegon YouthBuild Education Training Program (MYETP) will be a 3 year program that will target at-risk youth and young adults (16-24.) The students will have an opportunity to participate in a multi-component program. That is designed to offer the students who don't have their G.E.D. or High School diploma while at the same time being trained in the construction trade area. The students will also be exposed to occupations that are projected to be in demand up to 2012. The last component of the MYETP is the Community Service/Leadership component that will give the students the exposure and opportunity to do projects to assist the community and gain life long leadership skills.

Expenses

1. Program Director will be Wilmern Griffin and approximately 20% of Mr. Griffin's time will be allocated to the YouthBuild program with (15%) being given as an in-kind contribution over the 3 year period.
\$32.00 x 312 hrs = \$9,984
2. Program Manager will be Debra Cooley and 100% of her time will be dedicated to the Muskegon YouthBuild Education Training Program.
\$15.00 x 6240 hrs. = \$93,600
3. Case Managers (2) The Muskegon YouthBuild will employ two Case Managers that will dedicate 75% of their time to MYETP
\$13.50 X 4680 HRS. = \$63,180 X 2 = \$126,360

4. Consultants: The Muskegon YouthBuild Education Training Program will hire several consultants in order to make its objective of producing a successful and effective program. It is estimated that the total consultant cost for the three year period of the grant will be:
Estimated Consultant average cost \$250 est. costs per hr. x 180 hrs. = \$45,000
5. Miscellaneous Administration 10% of overall budget \$110,000

Annual cost per student
\$18,000 x 40 \$720,000
6. Lead Base Paint Training \$ 10,000
\$250 per students x 40 =
7. Leadership Training/Field trips \$ 15,000
8. Miscellaneous other training \$ 8,000
- Total expected expense: \$1,138,444
Muskegon YouthBuild Education Training Program (MYETP)

Date: 02/10/09
To: Honorable Mayor and City Commission
From: DPW
RE: Equipment purchase

SUMMARY OF REQUEST: Approval to purchase one concrete breaker.

FINANCIAL IMPACT: \$8,063.88

BUDGET ACTION REQUIRED: None. Cost will be made up from savings from other purchases.

STAFF RECOMMENDATION: Approve purchase from BTI Breaker.



Memorandum



To: Honorable Mayor and City Commissioners

From: DPW

Date: 02/10/09

Re: Equipment Replacement

The Equipment Division had scheduled for the replacement of our 1990 concrete breaker for 2010. This unit was recently sent in for a few repairs and we were told that the manufacturer no longer supports this model due to its age.

The concrete breaker is used several times during a normal work week to open holes in the street to expose water main breaks, service leaks, and anything else that requires hard surface removal.

In accordance with established purchasing policy, we are requesting permission to purchase one 750 # class concrete breaker from BTI Breaker.

Equipment Purchase - 2009				
	<u>BTI Breaker</u>	<u>Michigan Cat</u>	<u>Cloverdale Equipment</u>	<u>Doheny Supplies</u>
	<u>30625 Solon</u>	<u>770 Caterpillar Ct.</u>	<u>11331 Cloverdale</u>	<u>777 Doheny Court</u>
<u>Type of Purchase</u>	<u>Solon, Ohio</u>	<u>Grand Rapids Mi</u>	<u>Oak Park Mi</u>	<u>Northville, Mi</u>
1 750# Concrete	\$8,063.88	\$11,870.00	\$9,800.00	\$11,750.00
Breaker				

Date: February 10, 2008
To: Honorable Mayor and City Commissioners
From: Engineering
RE: Acceptance of First, Second, Jefferson & Market Streets into the City's Street System

SUMMARY OF REQUEST:

Adopt the attached resolution, including exhibits A & B, accepting First, Second, Jefferson & Market Streets into the City's street system.

FINANCIAL IMPACT:

None.

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

Adopt the attached resolution.

COMMITTEE RECOMMENDATION:

CITY OF MUSKEGON

RESOLUTION NO. _____

At a regular meeting of the City Commission of Muskegon, Michigan, held at the City Commission Chambers on _____, 2009

RECITALS

THE CITY COMMISSION OF THE CITY OF MUSKEGON HEREBY RESOLVES:

1. The City of Muskegon has a perpetual easement over certain streets known as **Second, Jefferson & Market between Clay –Third – Morris & Terrace** and ownership over First street from 123.65' south of Western to Morris.
2. It is necessary to furnish certain information to the State of Michigan to place this street within the City's Local Street System for the purpose of obtaining funds under Act 51, P.a. 1951, as amended.

NOW, THEREFORE, BE IT RESOLVED:

1. That the legal descriptions of said streets are described as:

See attached Exhibits A (easement agreement – Burdened and Easement Property) and & B

2. That said streets are located within a City's right-of-way, are on City controlled Properties, and are under the control of the City of Muskegon.
3. That said streets are public streets and are for public street purposes.

4. That said streets are accepted into the City Local Street System.

Resolution duly adopted.

YEAS _____

NAYS _____

CITY OF MUSKEGON

By _____

Ann Marie Becker, City Clerk

STATE OF MICHIGAN
COUNTY OF MUSKEGON

I hereby certify that the foregoing is a true and complete copy of a resolution adopted at a meeting of the Board of Commissioners of the City of Muskegon, Michigan, held on the ____ day of _____, 20__, and that the minutes of the meeting are on file in the office of the City Clerk and are available to the public. Public notice of the meeting was given pursuant to and in compliance with Act 267, Public Acts of Michigan, 1976.

Ann Marie Becker, City Clerk

Date: February 10, 2009
To: Honorable Mayor and City Commissioners
From: Engineering
RE: Replacement of Compressors on the Chiller @ City Hall

SUMMARY OF REQUEST:

Authorization staff to enter into a \$29,859 contract with Trane to replace the compressors for the chiller @ City Hall along with other necessary items as outlined in the attached proposal.

Trane is being recommended since they are the soul source for the brand of chiller at City hall.

FINANCIAL IMPACT:

The cost of \$29,859 includes labor, equipment and materials.

BUDGET ACTION REQUIRED:

None at this time. However, some budget modification might become necessary at the first quarter update in April/May since this project was budgeted at \$28,000.

STAFF RECOMMENDATION:

Authorize staff to enter into a contract with Trane to replace the compressors along with other necessary work as outlined in the proposal of February 4, 2009.

COMMITTEE RECOMMENDATION:



TRANE

Building Services

Trane
5005 Corporate Exchange Blvd S.E.
Grand Rapids, MI 49512
Phone: (616) 971-1400
Fax: (616) 971-1401

February 4, 2009

JR Gann
Muskegon City Hall
933 Terrace
Muskegon, MI 49443 U.S.A.

Site Address:
Muskegon City Hall
933 Terrace
MUSKEGON, MI 49440 U.S.A.

Opportunity ID: 488888
Project Name: Muskegon City Hall Renewal RTAA110 U96D34249

Attention: JR Gann

Trane is pleased to offer you this proposal for performance of the following services:

Equipment

Equipment	Manufacturer	Area Served	Model Number	Serial Number
Air Cooled Rotary	Trane	Muskegon City Hall	RTAA1104YF01A1D0BH	U96D34249

Service

As indicated by the attached evaluation, Trane recommends the following:

R'newal™ Service Program- RTAA

A comprehensive program, available only from Trane Service, designed to prevent refrigerant leaks, compressor failures, and avoid unscheduled downtime. This process replaces worn materials, restores compressor(s) performance, and updates applicable components to current design. The RTAA R'newal™ Service program delivers Trane's original commitment of reliability and performance and is backed by a long-term factory warranty.

Included:

- On the RTAA R'newal™ compressor:
 - Starter evaluation
 - Oil and refrigerant lab analysis
 - Circuit remove/transfer existing refrigerant (recovery equipment included)
- Install (2) factory R'newal™ exchange compressor
- Depending on unit size and age, the following will be replaced:
 - High pressure cut-out switch
 - Low pressure cut-out switch
 - Drier cores
 - Oil filter element
 - Pressure relief valve
 - Master solenoid valve/coil

- Sensors
 - EXV Power Heads
- Unit up-grades and modifications per unit schedule
- Replace existing refrigerant that was removed or transferred
- All necessary labor and rigging
- Insulate compressor motor terminals
- Startup and system checkout
- Factory compressor warranty (Parts and Labor)
 - 2 year standard warranty included on compressor
 - 5 year Warranty with Approved Service Agreement
- Shipping and Handling

Warranty:

The compressor(s) shall be covered as below.

R'newal™ exchange compressor warranty;

Standard warranty on all renewed compressor(s) is two years parts and labor. A five year warranty that includes the manufacturer's parts and labor warranty on the renewed compressor is included if a Trane Service Agreement is purchased.

Notes:

- ☒ R'newal™ price assumes compressor to be returned to OEM R'newal™ facility in good operating condition for core charge credit. Therefore, if returned compressor(s) is discovered to have a failed helical rotor, housing, or compressor motor, and additional charge of \$(5000.00) will be included.
- ☒ The existing HCFC-22 will be re-used. If additional refrigerant is necessary, it is not included and will be billable in addition to this proposal.
- ☒ Unless specified, upgrades to the motor starter and controls are not included in this proposal.



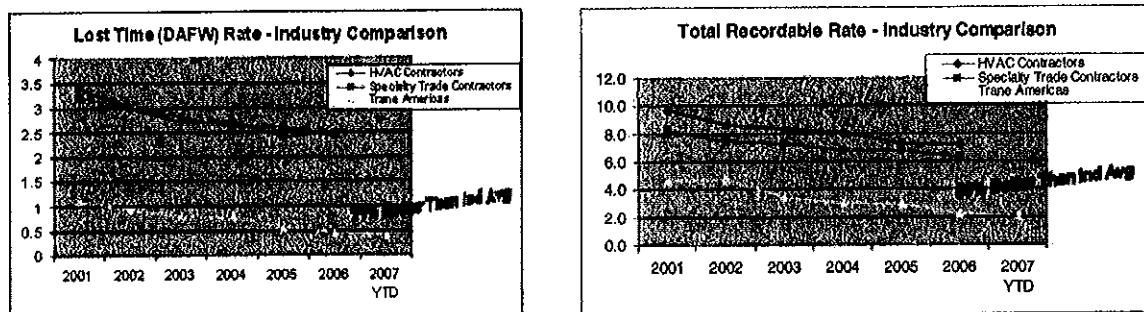
Trane's Safety Standard

Trane is committed to providing a safe work environment for all employees and to preventing accidents in its business operations. To accomplish our objectives Trane has instituted safety programs, procedures and training that incorporate a progressive approach to injury prevention.

Proven Safety Success

Trane's safety culture in America is unparalleled in the building services industry and has demonstrated proven results via continuous reduction of injury rates.

Trane Injury Rates v. Industry Competitors



Industry comparison data from US Bureau of Labor Statistics

Trane's incident (OSHA) rates are consistently 50-70% below the industry average. This outstanding safety achievement is the end result of the rigorous team oriented approach to our safety program that creates accountability and empowerment in all employees and management and fuels our institutional safety culture. This is the key to our continual improvement

Safety Tools, Training & Expertise

Trane's service and contracting technicians are not only among the most skilled in the industry they are also extensively trained in safe work procedures. Our technicians receive safety training, equipment, tools, procedures, and management support to identify jobsite hazards and take appropriate measures to prevent personal injuries. The resources available to Trane technicians include:

- Safety Training – 20 hrs per year, including classroom and web-based platforms.
- Electrical Safety – NFPA 70E compliant – electrical PPE; flame-resistant clothing; training.
- Fall Protection – full complement of fall arrest and fall restraint equipment for each technician. Yes
- Ergonomics – custom-designed for HVAC field technicians, includes training, material handling equipment and procedures.
- Smith System Safe Driving Program – Trane's safety Managers are certified instructors; safety Managers train technicians; 1-800 "How's My Driving?" stickers are located on the back of service vehicles.
- USDOT compliance – technicians scheduled within Material of Trade and Hours of Service limits and are fully qualified under Department of Transportation rules for driving commercial motor vehicles with GVWR >10,000 and 26,000 lbs.
- Refrigerant Management – Service technicians are trained to manage refrigerant in accordance with U.S. EPA rules using a sophisticated electronic tracking system developed by Trane.

- Empowerment - Technicians are empowered with full management support to address safety hazards as they see fit. If ever in doubt about how to do a job or task safely, the technician is required to ask a qualified person for assistance before proceeding with work.

Management Leadership and Commitment

Accident prevention is a primary responsibility of management at Trane. Trane's safety culture is based on the following management principles:

- Leadership at the local level manages the local organization's safety performance.
- Management is financially accountable for safety performance.
- Local management is actively engaged in risk reduction activities and training and manages safety performance outcomes.
- Management clearly communicates to all Trane employees their safety expectations and strongly enforces compliance with those expectations.
- Employees are held accountable when they fail to meet safety expectations.

Local management and supervisory personnel at the local level are responsible for implementation of the following safety program elements:

- The Safety Management System developed by Trane – developed in accordance with OHSAS 18001.
- Audits and Inspections – Supervisors, Middle and Upper Managers must conduct field inspections. Corporate Safety conducts detailed compliance and management systems audits.
- Company safety compliance programs – ensure that they are fully implemented.
- Safety and environmental performance – tracked using a Balanced Scorecard with leading and lagging indicators and metrics.
- Subcontractor Qualification – implement this process to promote safety and safety plan compliance on multi-employer job sites.
- Six Sigma and Lean – use these productivity tools to enhance safety on job sites.
- Drug and Alcohol Policy – mandatory DOT required for-cause and post-accident testing after recordable injuries and property damage.
- Motor Vehicle Records Search – annual checking of driving records of employees driving company vehicles.

Jobsite Safety = Customer Value

At Trane safety is part of our culture for every employee. What this means to our customers is fewer job site accidents and the delays and liability concerns that come along with them. What this means to our staff is greater confidence in the practices and procedures they use on the job and the pride that comes from working for one of the premier service organizations in the world. Tighter safety standards and fewer accidents can also lead to better on-time project completion and higher quality results.

When you use Trane Building Services to install, maintain or upgrade your building systems you will take full advantage of our superior safety program, low incident rates and subcontractor safety management procedures. These help you manage project risk more effectively than you could using multiple contractors or even a single prime contractor with a less impressive safety record.

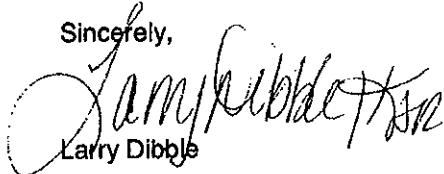
Total Price.....\$29,859.00

Notes:

1. Applicable taxes are not included and will be added to the invoice.
2. Any service not listed is not included.
3. Work will be performed during normal business hours

Thank you for giving us this opportunity. If you have any questions or concerns, please call me at (616) 971-1400.

Sincerely,


Larry Dibble

Trane

This agreement is subject to the attached Trane Terms and Conditions.

SUBMITTED BY: Larry Dibble

Proposal Date: February 04, 2009

CUSTOMER ACCEPTANCE

Authorized Representative _____

Printed Name _____

Title _____

Purchase Order _____

Acceptance Date _____

TRANE ACCEPTANCE

Trane U.S. Inc.


Authorized Representative _____

Title _____

Signature Date _____

Trane Service Terms and Conditions

For Services performed in the United States, "Trane" shall mean Trane U.S. Inc. For Services performed in Canada, "Trane" shall mean Trane Canada Co., except where the context provides otherwise.

Trane's Services are furnished pursuant to and subject to the following terms and conditions, except for any Services that are the subject of a pre-existing valid written agreement currently in effect between Trane and Customer, in which case such written agreement shall apply.

1. **Acceptance.** A proposal made upon these terms is subject to acceptance within thirty days from date and the prices are subject to change without notice prior to acceptance by Customer. If your order is an acceptance of a written proposal, on a form provided by Trane, without the addition of any other terms and conditions of sale or any other modification, this document shall be treated solely as an acknowledgment of such order, subject to credit approval. If your order is not such an acceptance, then this document is Trane's offer, subject to credit approval, to provide the Services solely in accordance with the following terms and conditions of sale. If we do not hear from you within two weeks from the date hereof, Trane shall rely upon your silence as an acceptance of these terms and conditions and performance will be made in accordance herewith. Customer's acceptance of Services by Trane on this order will in any event constitute an acceptance by Customer of these terms and conditions.
2. **Payment and Taxes.** Payment is due upon receipt of Trane's invoice. Trane reserves the right to add to any account outstanding for more than 30 days a service charge equal to the lesser of the maximum allowable legal interest rate or 1.5% of the principal amount due at the end of each month. In addition to the stated Service Fee, Customer shall pay all taxes not legally required to be paid by Trane or, alternatively, shall provide Trane with acceptable tax exemption certificates. Customer shall pay all costs (including attorneys' fees) incurred by Trane in attempting to collect amounts due. Any after-hours services shall be billed according to then prevailing overtime or emergency rates.
3. **Warranties.** (a) parts provided hereunder shall have such warranties (in scope and duration) as are extended to Trane by the respective manufacturer or supplier, including Trane's central parts distribution organization, and, if a part provided and installed by Trane is proven to be defective while under such warranty, Trane will provide labor to install the replacement part within ninety (90) days from completion of the Services or start-up of the equipment, whichever occurs later; and (b) labor is warranted to have been properly performed for a period of ninety (90) days from completion or start-up of the equipment, whichever occurs later, and Trane's obligation under this warranty is limited to correcting any improperly performed labor. **THE WARRANTY AND LIABILITY SET FORTH IN THIS SECTION ARE IN LIEU OF ALL OTHER WARRANTIES AND LIABILITIES, WHETHER IN CONTRACT OR IN NEGLIGENCE, EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR USE OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL TRANE BE LIABLE FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL (INCLUDING WITHOUT LIMITATION LOST REVENUE OR PROFITS), OR PUNITIVE DAMAGES. NO REPRESENTATION OR WARRANTY OF MERCHANTABILITY OR FITNESS OF PURPOSE IS MADE REGARDING PREVENTION BY THE SCOPE OF SERVICES, OR ANY COMPONENT THEREOF, OF MOLD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR ANY OTHER CONTAMINATES. TRANE SPECIFICALLY DISCLAIMS ANY LIABILITY IF THE SCOPE OF SERVICES OR ANY COMPONENT THEREOF IS USED TO PREVENT OR INHIBIT THE GROWTH OF SUCH MATERIALS.**
4. **Indemnity and Liability.** Trane shall indemnify, defend and hold Customer harmless from any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorneys' fees, resulting from death or bodily injury or damage to real or personal property, to the extent caused by the negligence or misconduct of Trane, and/or its employees or agents. The duty to indemnify will continue in full force and effect, notwithstanding the expiration or early termination hereof, with respect to any claims based on facts or conditions that occurred prior to expiration or termination. Trane is not liable for any claims, damages, losses, or expenses, arising from or related to conditions that existed in, on, or upon the premises before the Commencement Date of this Agreement ("Pre-Existing Conditions"), including, without limitation, damages, losses, or expenses involving Pre-Existing building envelope issues, mechanical issues, plumbing issues, and/or indoor air quality issues involving mold and/or fungi. Trane also is not liable for any claims, damages, losses, or expenses, arising from or related to work done by or services provided by individuals or entities that are not employed by or hired by Trane. **NOTWITHSTANDING ANY CONTRARY PROVISION, TRANE SHALL NOT BE LIABLE FOR SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY NATURE (INCLUDING WITHOUT LIMITATION LOST REVENUE OR PROFITS), WHETHER CLAIMED UNDER CONTRACT, WARRANTY, NEGLIGENCE, STRICT LIABILITY OR ANY OTHER LEGAL THEORY OR FACTS. IN NO EVENT SHALL TRANE BE LIABLE FOR ANY DAMAGES RESULTING FROM MOLD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR OTHER CONTAMINATES OR AIRBORNE BIOLOGICAL AGENTS.**
5. **Asbestos and Hazardous Materials.** Trane's services expressly exclude any identification, abatement, cleanup, control, disposal, removal or other work connected with asbestos or other hazardous materials (collectively, "Hazardous Materials").

Should Trane become aware of or suspect the presence of Hazardous Materials, Trane may immediately stop work in the affected area and shall notify Customer. Customer will be responsible for taking any and all action necessary to correct the condition in accordance with all applicable laws and regulations. Customer shall be exclusively responsible for any claims, liability, fees and penalties, and the payment thereof, arising out of or relating to any Hazardous Materials on or about the premises, not brought onto the premises by Trane. Trane shall be required to resume performance of the services only when the affected area has been rendered harmless.

6. **Insurance.** Trane maintains insurance in the following minimum amounts during the Term: Commercial General Liability -- \$1,000,000 per occurrence; Automobile Liability -- \$1,000,000 CSL; Workers Compensation -- Statutory Limits. If Customer has requested to be named as an additional insured under Trane's insurance policy, Trane will do so but only to the extent of Trane's indemnity assumed under the indemnity provision contained herein. Trane does not waive any rights of subrogation.
7. **Performance and Event of Force Majeure.** Services will be performed during normal working hours with any overtime or emergency labor billed separately, unless otherwise agreed to in writing. Duty to perform under this agreement and the price hereof are subject to the approval of Trane's credit department and is also contingent upon the non-occurrence of an Event of Force Majeure. Upon disapproval of the credit department, Trane may delay performance or, at its option, renegotiate prices, terms and conditions with the Customer. If Trane and Customer are unable to agree on such revisions, this agreement shall be canceled without any liability, other than Customer's obligation to pay for services rendered by Trane to the date of cancellation. If Trane shall be unable to carry out any material obligation under this Agreement due to an Event of Force Majeure, this Agreement shall at Trane's election (i) remain in effect but Trane's obligations shall be suspended until the uncontrollable event terminates or (ii) be terminated upon ten (10) days notice to Customer, in which event Customer shall pay Trane for all parts of the Work furnished to the date of termination. An "Event of Force Majeure" shall mean any cause or event beyond the control of Trane. Without limiting the foregoing, "Event of Force Majeure" includes: acts of God; acts of terrorism, war or the public enemy; flood; earthquake; tornado; storm; fire; civil disobedience; pandemic insurrections; riots; labor disputes; labor or material shortages; sabotage; restraint by court order or public authority (whether valid or invalid), and action or non-action by or inability to obtain or keep in force the necessary governmental authorizations, permits, licenses, certificates or approvals if not caused by Trane.
8. **General.** This agreement contains all of the agreements, representations and understandings of the parties and supersedes all previous understandings, commitments or agreements, oral or written, related to the subject matter hereof. If any part of this agreement is deemed to be unlawful, invalid, void or otherwise unenforceable, the rights and obligations of the parties shall be reduced only to the extent required to remove the invalidity or unenforceability. Customer may not assign, transfer, or convey this agreement, or any part hereof, without the written consent of Trane. Subject to the foregoing, this agreement shall bind and inure to the benefit of the parties hereto and their permitted successors and assigns. No modifications, additions or changes may be made to this agreement except in a writing signed by Trane.
9. **Equal Employment Opportunity/Affirmative Action Clause.** Trane is a federal contractor which complies fully with Executive Order 11246, as amended, and the applicable regulations contained in 41 C.F.R. Parts 60-1 through 60-60, 29 U.S.C. Section 793 and the applicable regulations contained in 41 C.F.R. Part 60-741; and 38 U.S.C. Section 4212 and the applicable regulations contained in 41 C.F.R. Part 60-250 in the United States and with Canadian Charter of Rights and Freedoms Schedule B to the Canada Act 1982 (U.K.) 1982, c. 11 and applicable Provincial Human Rights Codes and employment law in Canada.
10. **U.S. Government Contracts.** The following provision applies only to direct sales by Trane to the US Government. The Parties acknowledge that all items or services ordered and delivered under this Agreement / Purchase Order are Commercial Items as defined under Part 12 of the Federal Acquisition Regulation (FAR). In particular, Trane agrees to be bound only by those Federal contracting clauses that apply to "commercial" suppliers and that are contained in FAR 52.212-5(e)(1). Trane complies with 52.219-8 or 52.219-9 in its service and installation contracting business. **The following provision applies only to indirect sales by Trane to the US Government.** As a Commercial Item Subcontractor, Trane accepts only the following mandatory flow down provisions: 52.219-8; 52.222-26; 52.222-35; 52.222-36; 52.222-39; 52.247-64. If the Work is in connection with a U.S. government contract, Customer agrees and hereby certifies that it has provided and will provide current, accurate, and complete information, representations and certifications to all government officials, including but not limited to the contracting officer and officials of the Small Business Administration, on all matters related to the prime contract, including but not limited to all aspects of its ownership, eligibility, and performance. Anything herein notwithstanding, Trane will have no obligations to Customer unless and until Customer provides Trane with a true, correct and complete executed copy of the prime contract. Upon request, Customer will provide copies to Trane of all requested written communications with any government official related to the prime contract prior to or concurrent with the execution thereof, including but not limited to any communications related to contractor's Customer's ownership, eligibility or performance of the prime contract. Customer will obtain written authorization and approval from Trane prior to providing any government official any information about Trane's performance of the work that is the subject of this offer or agreement, other than this written offer or agreement.

1-10.48 (0208)
Supersedes 1-10.48 (1107)

Date: February 10, 2009
To: Honorable Mayor and City Commissioners
From: DPW
RE: Amend the Uniform Agreement with Arrow Uniform

SUMMARY OF REQUEST:

Authorize staff to amend the contract with Arrow Uniform to suspend the cleaning service they provide for the shop towels and mats for the period between February 11 and December 31 of 2009, and to extend their contract for the aforementioned services until the end of December 2012 instead of August of 2012.

This amendment is necessary to accommodate a previous contract with Model Coverall.

FINANCIAL IMPACT:

Minimal, the shop towels and mats are just changing from Arrow Uniform to Model Coverall for most of 2009 to satisfy previous contract on the advice of City attorney.

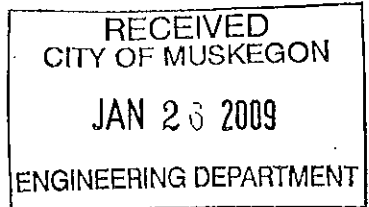
BUDGET ACTION REQUIRED:

None at this time.

STAFF RECOMMENDATION:

Authorize amend the contract with Arrow Uniform.

COMMITTEE RECOMMENDATION:



RELEASE and SETTLEMENT AGREEMENT

Model Coverall Service, Inc. ("Model") hereby releases the City of Muskegon ("City") of all claims in connection with its Partnering Rental Service Agreements, signed 06/09/04, 08/24/05, and 08/10/06 ("Agreements") and enters into a settlement of its alleged breach of contract claims against the City. Model, its members, directors, employees, representatives, personal representatives, heirs, successors and assigns, do hereby fully and unconditionally release, hold harmless and forever discharge the City and all of its employees for all rights, claims, demands and actions, costs, fees and expenses, legal and equitable, known or unknown, that Model now has or may have against the City and specifically, Model hereby releases, holds harmless and forever discharges the City from any and all claims arising from or related to the Agreements. This release specifically contemplates a waiver of the 120-day termination notice provision contained in the Agreements.

In consideration for this release, the receipt and adequacy of which is hereby acknowledged, the City of Muskegon agrees to the following:

The City will accept service and render payment to Model for providing the following through **December 31, 2009:**

Weekly:

Mat Cy Med, 5 Units at \$3.15/Unit for a total of \$15.75 per week.
Mat Cy Runner, 7 Units at \$5.25/Unit for a total of \$36.75 per week
Shop Towels, 100 Units at \$.08/Unit for a total of \$8.00 per week.

TOTAL: \$60.50/week

In addition, every other week:

Mat Cy Med, 3 Units at \$4.50/Unit for a total of \$13.50.

TOTAL: \$74.00/week

The Addendum to Lease Agreement "Buyout of Special Merchandise" provision, signed 11-30-04, remains in effect through December 31, 2009.

THIS IS A FULL AND FINAL SETTLEMENT OF ALL CLAIMS BY MODEL COVERALL SERVICE, INC. AND VOLUNTARILY MADE.

Dated: _____

By: _____
Jeremy Wirtz
Model Coverall Service, Inc.

Dated: _____

By: _____
Bryon Mazade
City of Muskegon

ADDENDUM TO SERVICE AGREEMENT

For consideration, the adequacy of which is hereby acknowledged, the City of Muskegon and Arrow Uniform Company hereby agree to amend the Service Agreement signed by the parties on October 20, 2008 ("Agreement").

Delivery of all shop towels and mats included on the Agreement are to begin January 1, 2010 at the prices specified in the Agreement. All costs associated with the provision of shop towels and mats are excluded prior to January 1, 2010. The termination date for delivery of shop towels and mats only shall be extended to December 31, 2012. The prices specified in the Agreement shall remain in effect during this extended period.

No other provisions of the Agreement are affected by this Addendum.

Signature of Authorized Representative
Arrow Uniform

Printed Name and Title/Position Date

Signature of Authorized Representative
City of Muskegon

Printed Name and Title/Position Date

AGENDA ITEM NO. _____

CITY COMMISSION MEETING _____

TO: Honorable Mayor and City Commissioners

FROM: Bryon L. Mazade, City Manager

DATE: January 29, 2009

RE: Wind Turbine Purchase and Installation

SUMMARY OF REQUEST:

To approve a letter of intent with the Community Foundation for Muskegon County to place two (2) SWIFT wind turbines on City facilities.

FINANCIAL IMPACT:

The City's cost is estimated to be \$1,500 - \$4,000 per wind turbine for installation.

BUDGET ACTION REQUIRED:

None at this time.

STAFF RECOMMENDATION:

To authorize the City Manager to execute the letter of intent.

COMMITTEE RECOMMENDATION:

None.



community foundation®

Muskegon County

RECEIVED

JAN 27 2009

MUSKEGON
CITY MANAGER'S OFFICE

January 26, 2009

425 W. Western Ave.

Suite 200

Muskegon, MI

49440.1101

Ph. 231.722.4538

Fax 231.722.4616

www.cffmc.org

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Judith L. Wilcox

Mr. Bryon Mazade, Manager
City of Muskegon
933 Terrace St.
Muskegon, MI 49440

Re: SWIFT Wind Turbines – letter of understanding

Dear Bryon:

In follow-up to a meeting with our staff on January 16, I am sending you this letter to formally extend an invitation to the City of Muskegon to participate in a SWIFT Wind Turbine Project with the Community Foundation for Muskegon County.

As you know, the *Louis and Ann Eklund Energy Innovation Fund* of the Community Foundation is prepared to make available to the City of Muskegon, two (2) SWIFT wind turbines manufactured by Cascade Engineering. The Eklund Fund will award a grant to the City to underwrite the cost of two SWIFT wind turbines for the City and will pay for a three-month wind analysis at each location selected by the City in consultation with Cascade Engineering. The City in turn agrees to pay for any and all expenses related to the installation of each of the wind turbines. It is understood that the City will pay a minimum installation costs of \$1,500 for each unit. The City may be able to offset additional installation costs beyond \$1,500 with its own public works and facility maintenance staff.

The City will immediately be provided with two (2) wind analysis kits consisting of an anemometer and an electronic data recording instrument. It will be the responsibility of the City to mount the wind analysis hardware in suitable locations and coordinate the collection and analysis of wind data with Cascade Engineering. Mr. Boezaart will connect you with the appropriate staff at Cascade Engineering. Upon completion of the wind study and with sites determined to be suitable for installation of a SWIFT unit, the City will work directly with Cascade Engineering to arrange installation of the SWIFT units. At the appropriate time, the Community Foundation will award a grant to the City to offset the purchase price of the SWIFT units.

Mr. Boezaart will work with your staff to complete the details of this grant opportunity in the time he has remaining prior to his departure. If you have any questions or require contact with our office about this project after the first of February, please contact Mr. Bob Chapla.

If the terms outlined above are acceptable to you, please sign on the acceptance line below and return a copy to the attention of Mr. Boezaart in our office.

Sincerely,

Chris A. McGuigan, President

Cc: Bob Chapla

Accepted: _____

Bryon Mazade, City Manager



For good. For ever.®

Commission Meeting Date: February 10, 2009

Date: February 3, 2009
To: Honorable Mayor & City Commission
From: Community and Neighborhood Services
Department
RE: Neighborhood Stabilization Grant

SUMMARY OF REQUEST: To approve for the City of Muskegon Community and Neighborhood Services office to submit the grant application to the Michigan State Housing Development Authority for the Neighborhood Stabilization Grant. The City of Muskegon is slated to receive \$1,400,000 under this federal program being allocated from the U. S. Department of Housing and Urban Development and being administered through MSHDA.

FUNDING IMPACT: Additional funding to assist the City in Neighborhood Redevelopment activities.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To approve the submission to MSHDA from the CNS office of the Neighborhood Stabilization Grant.

COMMITTEE RECOMMENDATION: Information was reviewed and supported by the Citizen's District Council.

A copy of the grant is attached.

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY (MSHDA)

**NEIGHBORHOOD STABILIZATION PROGRAM (NSP)
2009 APPLICATION FOR MSHDA ELIGIBLE NON-NSP CITIES**

Postmarked by January 23, 2009

Mail original completed signed application (Sections I - IV), required attachments, and 4 copies to:

Michigan State Housing Development Authority
Attn: Shawne Haddad
735 E. Michigan Avenue
Lansing, MI 48912

I. APPLICANT INFORMATION	
Applicant: City of Muskegon	
Address: 933 Terrace Street, PO Box 536	
City, State: Muskegon, MI	Zip: 49443-0536
MSHDA Org #: 0280	Federal ID #: 38-6004522
Main Contact: Wilmern G. Griffin, Director	Phone: 231-724-6963 Email: wilmern.griffin@postman.org
Department: Community and Neighborhood Services	
Division: Community and Economic Development	
Eligible Activities for which funding is being requested, choose as many as apply:	
☒ Financing Mechanisms ☒ Redevelopment of Abandoned and Foreclosed Properties ☐ Displacement Prevention for Foreclosed Households ☐ Land Banks ☒ Demolition of Blighted Structures ☒ Redevelopment of Demolished or Vacant Properties	
II. AUTHORIZED SIGNATORY (Signed by the highest elected official, or their designee, for the jurisdiction.)	
Signature:	Phone: 231-724-6701
Printed Name: Stephen J. Warmington	
Title: Mayor	
III. APPLICATION REQUEST AMOUNT	
TOTAL NSP REQUEST: \$ 1,400,000	

SECTION I. PROJECT / PROGRAM DESCRIPTION

A. Areas of Greatest Need

Jurisdictions that receive MSHDA NSP funds must give priority emphasis to the areas of greatest need within their jurisdictions, including those:

1. with the greatest percentage of foreclosures,
2. with the highest percentage of homes financed by subprime mortgage related loans, and
3. identified as likely to face a significant rise in the rate of home foreclosures.

Applicants need to assess which neighborhoods within their community are particularly distressed due to foreclosures. Applicants should coordinate with their local lenders, property tax offices and courts to obtain information on foreclosures, subprime mortgagees and predicted future mortgages.

HUD has provided 120% AMI data, foreclosure data and risk abandonment ratings on a census tract level at the following site:

http://www.huduser.org/datasets/excel/MI120_LM.xls

Other HUD data sets you may find useful are at the following site:

<http://www.huduser.org/datasets/nsp.html>

Provide summary needs data, using the factors noted above, identifying which geographic area/neighborhoods are areas of greatest need within your jurisdiction. **Attach map.**

Response: According to the information supplied by the US Department of Housing and Urban Development, Muskegon County has an estimated foreclosure rate of 7.3%. According to the information supplied, the estimated foreclosure rate for the City of Muskegon by Census Tract is the following:

CENSUS TRACT	NEIGHBORHOOD	FORECLOSURE RATE
1	Marquette	10.4
2	Jackson Hill	13.3
3	Marsh Field/Angell	14.6
4	East Muskegon	11.7
5	McLaughlin/Angell	14.2
6.01	North Nelson	11.2
6.02	South Nelson	11.4
7	Downtown	6.0
8	Nims	9.8
9	Lakeside/Glenside/Campbell	8.5
10	Campbell/Beachwood/Bluffton	5.0

Although the data does reveal that the foreclosure problem is spread throughout our city, it appears the most significant problem is concentrated in the city's urban core neighborhoods of Jackson Hill, McLaughlin, Angell and Nelson. It is somewhat surprising that the usually stable neighborhood of East Muskegon also has a foreclosure rate over 10%.

An analysis of the data exposes that although the western neighborhoods of Nims and Lakeside/Glenside have estimated foreclosure rates lower than the central neighborhoods, they still have rates higher than the city, state and nation's estimated rates averaging in the areas of 8 to 10%. The highest median income neighborhood, Beachwood/Bluffton, which has an average median income of \$44,667 compared to \$38,008 for the entire county and \$27,929 for the City of Muskegon, has the lowest foreclosure rate of 5.0%.

After careful examination of the available data, the City of Muskegon is proposing to allocate the Neighborhood Stabilization fund throughout the city with the main emphasis being in the highest foreclosure areas of Angell, McLaughlin, Jackson Hill, Nelson, East Muskegon and Nims; with addition activity in the Glenside/Lakeside area as funding and potential projects are available. It is the hope of the City of Muskegon that even though the main emphasis will be the targeted areas, we will also be able to complete projects under the Neighborhood Stabilization Program throughout the city as funding and time allow, making a real impact on stabilizing our community during these challenging economic times.

B. Distribution and Uses of NSP Funds

1. Describe the geographic area/neighborhoods this proposal is targeting, list boundaries and property types, and area/neighborhood's strengths and weaknesses.
2. Describe why this area/neighborhood was chosen as a priority area of greatest need.
3. Identify the eligible NSP activities to be conducted in the selected neighborhoods.
4. Identify how the selected activities will address the identified needs.

Response: 1. Describe the geographic area/neighborhoods this proposal is targeting, list boundaries and property types, and area/neighborhood's strengths and weaknesses.

- a. Jackson Hill
Boundaries: North - Ottawa; South - Wesley; East - Getty; West - Moses Jones Parkway
- b. McLaughlin
Boundaries: North - Apple; South - Laketon; East - Wood; West - Peck
- c. Nelson
Boundaries: North - Shoreline Drive; South - Laketon; East - Peck; West - Seaway Drive
- d. East Muskegon
Boundaries: North - Apple; South - Sherman; East - US 31; West - Getty
- e. Nims
Boundaries: North - Western; South - Laketon; East - Seaway Drive; West - Lakeshore Drive

The majority of the housing in these areas is single-family and built before 1978; in fact, a significant amount of the housing was built before 1940. All of the neighborhoods are

classified as low-moderate income areas, where at least 51% of the populace is low-income. The majority of the targeted areas have a significant number of negative factors that can affect the quality of life of a neighborhood:

- a. High unemployment
- b. High rate of female-headed household
- c. Low rate of college education
- d. High rate of rentals/absentee landlords
- e. Declining property values
- f. Low rate of high school graduates
- h. Perceived high-crime rates

Neighborhood Strengths vs. Weaknesses

STRENGTHS

Located near downtown
 Strong neighborhood associations
 Established and usually new infrastructure
 Many dedicated homeowners
 Affordable housing
 Good relations with Community Officers
 Located near highways
 Many long-term residents
 Lots of potential for improvement

WEAKNESSES

Older housing
 Large number of renters
 Perceived high crime in area
 High unemployment
 Stagnant home values
 High female-headed household rate
 Negative stigma
 Low high school graduation rates
 Low number of young homeowners

2. Describe why this area/neighborhood was chosen as a priority area of greatest need.
 Due to the high rate of foreclosures, the age of existing housing, the high rate of rentals, as well as several other factors that basically establish a mandate to select these areas for the Neighborhood Stabilization activities.
3. Identify the eligible NSP activities to be conducted in the selected neighborhoods.
 The activities that will be administered in the City of Muskegon Neighborhood Stabilization Program are the following:
 - a. Demolition of blighted structures
 - b. Redevelopment of demolished or vacant properties
 - c. Redevelopment of abandoned and foreclosed properties
 - d. Financing mechanism/assist homebuyer
4. Identify how the selected activities will address the identified needs.
 It is hoped that through the proposed Neighborhood Stabilization Program, activities to be conducted by the City of Muskegon Community and Neighborhood Services office will meet the following objectives and/or goals.
 - a. Eliminate blighted and dangerous obsolete potential nuisance housing
 - b. Increase affordable, quality housing in the area
 - c. Increase the rate of owner-occupied housing in the area
 - d. Increase the equalized value of housing in the area
 - e. Create employment opportunities for local residents
 - f. Reduce the crime rate or perceived high crime rate in areas
 - g. Be an additional component to the city's economic development arsenal, especially as it relates to neighborhood redevelopment
 - h. Curtail the significant foreclosure rate in the area
 - i. Improve the overall image of the community

C. Low Income Targeting

At least 25% of NSP funds must be used for housing individuals and families whose income does not exceed 50% of area median income. Identify the amount of NSP funds requested that will be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and/or families whose incomes do not exceed 50% of area median income: **\$ 350,000**

D. Acquisition & Relocation

Note: The Section 104(d) one for one unit replacement requirements are waived for NSP. However, the applicant must describe its demolition and conversion plans.

Indicate whether the jurisdiction intends to demolish or convert any low and moderate-income dwelling units (i.e., $\leq 80\%$ of area median income.)

☒ **Yes** ☐ **No**

If yes, identify:

- The number of low and moderate-income dwelling units reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
- The number of NSP affordable housing units made available to low, moderate, and middle-income households (i.e., $\leq 120\%$ of area median income), reasonably expected to be produced by activity and income level, by each proposed NSP activity providing such housing.
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50% of area median income.

Response: The number of low and moderate-income dwelling units reasonably expected to be demolished or converted as a direct result of NSP-assisted activities will be the following to be demolished: **25.**

The number of NSP affordable housing units made available to low, moderate, and middle-income households (i.e., less than or equal to 120% of area medium income), reasonably expected to be produced by activity and income level, by each proposed NSP activity providing such housing, is five.

The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50% of area medium income will be 10.

- E. Briefly describe any activities conducted by other partners from other funding sources which will be coordinated with this project.

Response: The City of Muskegon CNS office plans to work in partnership with a local coalition of non-profits that consist of Muskegon County Habitat for Humanity, Neighborhood Investment Corporation, Community enCompass and Love INC. These organizations have said they will be able to contribute in-kind funds to the project to one rehabilitation project and one new construction project.

- F. Will your NSP activities include new construction of housing?

☒ Yes ☐ No

If yes, answer the following questions.

If no, go to G.

If NSP funds are used as a construction period loan, a bridge loan, or other temporary financing for residential structures providing housing for 1-3 families (such as a single-family home), the unit must either meet the visitability requirements of the Inclusive Home Design Act, P. A. 182 of 2006, or be exempted for cause.

New construction projects for 1-3 families will meet the requirements of the Inclusive Home Design Act, or be exempted for cause. ☒ Yes

The applicant understands that the new construction of housing is subject to a review and approval of market documentation for the type and income of households for which the project is intended. The applicant understands that single family housing newly constructed must document an adequate market of ready, willing and able prospective owner-occupants between 50 and 120% AML. (The effect of this provision is that MSHDA expects to prohibit (a) the new construction of scattered-site single family housing intended for long-term rental occupancy and (b) sales to owner-occupants who cannot qualify for first mortgage financing at conventional rates with ratios lower than 30/42.) ☒ Yes

- G. Will energy efficiency standards be incorporated into the project design?

☒ Yes ☐ No

- H. Will green building standards be incorporated into the project design?

☒ Yes ☐ No

- I. Will you have a workforce development component incorporated into your program?

☒ Yes ☐ No

- J. Information by NSP Activity (Complete a separate sheet for each activity and attach.)

(1) Activity Name:

(2) Activity Type: (include MSHDA NSP eligible use & CDBG eligible activity.)

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., $\leq 120\%$ of area median income.)

(4) Activity Description:

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

(5) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

(6) Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50% of area median income and below, 51-80%, and 81-120%.)

(7) Total Budget: (Include public and private components.)

(8) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information.)

(9) Projected Start Date:

(10) Projected End Date:

(11) Specific Activity Requirements:

For acquisition activities, include:

- discount rate

For financing activities, include:

- range of interest rates

For housing related activities, include:

- duration or term of assistance;
- tenure of beneficiaries--rental or homeownership;
- a description of how the design of the activity will ensure continued affordability

SECTION II. IMPLEMENTATION AND CAPACITY

1. Describe your jurisdiction's capacity to administer the proposed activities; include a description of examples over the past two years of any similar projects, grants, and developments.

Response: The City of Muskegon Community and Neighborhood Services office has been very successful during the last eight years in the area of neighborhood revitalization and redevelopment. The CNS office Neighborhood Redevelopment Program has had two main components. The first is the New Construction Infill, where we have constructed 17 new homes in the last eight years throughout our community. Those structures have usually been built on previously vacant sites in our low income neighborhoods or former Urban Renewal areas. All except one of the structures have been single-family homes, with a square footage range of 1,500 to approximately 1,800. The other unit was a two-unit townhouse that has roughly 1,700 square feet per unit.

In our redevelopment efforts, at least 60% of the time (10/17) we demolished the existing structure that was obsolescent and many times a potential community nuisance in order to be replaced with a new structure. The City's Infill Program has been very successful in bringing new persons into the central neighborhoods and increasing the overall values of areas, as well as increasing the homeownership rates of the central neighborhoods.

Some of the Infill developments were:

PROJECT NAME	PROJECT DESCRIPTION
1 Walton Street Development AKA Hilltop View	The construction of six single-family mid-income homes on a previous urban renewal site at 235 - 265 Walton.
2 Operation 'It Takes Two' AKA Nyumba Mbili	The demolition of an old, obsolete dairy that was in the middle of the neighborhood and the construction of a duplex townhouse at 1174 - 1184 Wood.
3 Operation at Long Last	The demolition of eight blighted structures that had been part of HUD's old Turnkey 3 program and the construction of four new constructed homes at 464 Yuba, 403 Erickson, 1706 Jarman and 747 Marcoux.
4 Operation 'New Moon Arises'	The demolition of a blighted, burned-out structure that was donated to the city and a new home was built in its place at 1983 Hoyt.

The second component is the city's Total Rehabilitation Program, which is designed to take the worst or, in many cases the ugliest house on the block, and rehabilitate it to be the nicest or one of the nicest homes in the area. Since 2002, the CNS office has rehabilitated a total of 15 single-family homes. The city obtained the homes through a number of mechanisms that included purchasing houses through

HUD's 'Good Neighbor Program', the tax-reverted process and from the open market. Some of these projects were:

PROJECT NAME	PROJECT DESCRIPTION
1 Operation Snap-Back	Rehabilitation of house at 1828 Jarman, obtained through Good Neighbor Program.
2 'A Place You Can Call Home'	Rehabilitation of house at 218 Catherine, obtained through tax-reversion.
3 Like a Good Neighbor	Rehabilitation of house at 451 Isabella, obtained through Good Neighbor Program.
4 'And Two Shall Become One'	The rehabilitation of 458 Mulder, a formerly converted single-family into a two-unit. The structure was totally converted back to a single-family unit.

In 2007, the City of Muskegon was awarded a Healthy Homes Lead Abatement Grant from the Office of Healthy Homes. To this point, the city has abated a total of 64 units for Lead and we have trained a total of 30 persons in either the 8-hour Safe Work Proactive Worker's Program or as Lead Supervisors. As of this date, the CNS office has submitted four quarterly reports and has received the following scores: 100, 96, 100 and 99 respectively. What we feel is most impressive concerning the city's Lead Abatement Program is the speed that we were able to implement our program, as well as the production level that we have been able to achieve up to this point.

During the summer of 2008, the City of Muskegon CNS office partnered with Nova Development Group of Detroit, LLC to do a weatherization program for Senior Citizens and low-income residents. The grant that the Nova Development Group had was from the Michigan Public Service Commission. By combining resources together with the Nova Group, we were able to assist 22 single-family houses, the majority which were Senior Citizens and low to moderate-income residents. Some of the items that the homeowner received to assist them in their fight against escalating heating costs were new windows and doors, furnaces, insulation and thermostats. In hindsight, in reference to the unusually cold winter that we have been experiencing, it seems it was excellent foresight for the CNS office to implement this pilot program to assist the targeted population.

The City of Muskegon, and specifically the CNS office, feel that our past and present achievements clearly illustrate that we have far above the needed capacity to implement and run a successful and efficient Muskegon Neighborhood Stabilization Program and to meet the established goals and objectives in the time period allotted.

2. Work Plan Time Frames. Complete the work plan below. Indicate activities and production targets which, when accomplished, will complete the project or program.

Activities / Production Targets. In the first column, list the activities and production targets relevant to achieving the activities proposed in this application. Include the following activities below if relevant to the proposal. Add production targets to this list as appropriate (example: projected dates for completion of units throughout the grant period, dates for accomplishment of key local program objectives, etc.)

- Environmental Review
- Outreach and Public Information
- Processing Applications for Assistance
- Selecting Property to be Acquired
- Performing Property Inspections
- Supervising Construction Activities
- Awarding Project Bids
- Processing Mortgage/Lien Documents
- Homeownership Counseling
- Proposed Development Team
- Other activities necessary to achieve the desired results identified by the applicant

Responsible Individual. Indicate the person primarily responsible for accomplishing the activity or production target

"X or R or C " column. Simply indicate **"X"** if the Responsible Individual has worked on previous similar CDBG or HOME funded projects. *MSHDA will consider the track record of these individuals, based on previous HUD grants, in evaluating this proposal.* Indicate **"R"** if the individual has no prior experience with HUD-funded grants in this capacity. Check **"C"** if individual is a contractor for the jurisdiction. Where **"R"** has been indicated, please **attach** a resume or statement of qualifications for these persons. Indicate below how these documents will be submitted.

Beginning and ending dates. Indicate when the activity begins and ends, or the dates by which listed production targets will be met.

Activities / Production Targets	Responsible Individual	X or R or C	Begin	End
Blight Buster Demolition (25)	Wilmern G. Griffin	X	05/01/2009	06/01/2010
Environmental Review	Wilmern G. Griffin	X	05/01/2009	06/01/2009
Outreach and Public Information	Wilmern G. Griffin	X	05/01/2009	05/25/2009
Acquiring Properties	Wilmern G. Griffin	X	05/01/2009	12/01/2009
Performing Property Inspections	Wilmern G. Griffin, Inspections	X	05/01/2009	10/01/2009
Awarding Bids	CNS Office	X	05/01/2009	11/01/2009
Redevelopment of Abandoned & Foreclosed Properties	Wilmern G. Griffin	X	05/01/2009	05/01/2012
Environmental Review	Wilmern G. Griffin	X	05/01/2009	06/01/2009
Outreach and Public Information	Wilmern G. Griffin	X	05/01/2009	05/01/2012
Acquiring Properties	Wilmern G. Griffin	X	05/01/2009	01/15/2012
Performing Property Inspections	Wilmern G. Griffin, Inspections	X	05/01/2009	12/15/2010
Awarding Project Bids	CNS Office	X	07/01/2009	12/30/2011
Supervising Construction Activities	Wilmern G. Griffin, CNS office, Inspections	X	08/01/2009	05/01/2012
See Attached for Additional Activities				

3. If program administrative activities will be contracted out; identify who the contractor(s) will be.

Response: The NSP will be administered by the City of Muskegon Community and Neighborhood Services officer.

4. Do you have any outstanding HUD Monitoring compliance issues?
☐ Yes ☒ No

If yes, explain and attach all correspondence related to resolution of the issue:

Response:

5. **Attach** the last two years HUD monitoring letters for you jurisdiction.

SECTION III. PROPOSED BUDGET

1. Give a detailed budget for the each proposed Eligible Activity, including leveraged funds.

ELIGIBLE ACTIVITY	NSP FUNDS REQUESTED	PROPOSED NUMBER OF NSP UNITS	PROPOSED NUMBER OF NON-NSP UNITS	LEVERAGED FUNDS
Financing Mechanisms				
Reduced interest rates on multifamily rental projects				
Homebuyer Assistance	187,500	15	5	10,000
Sub-Total	187,500	15	5	10,000
Redevelopment of Abandoned and Foreclosed Properties				
Acquisition	275,000	12	0	108,000
Disposition	0	0	0	0
Relocation	0	0	0	0
Direct homeownership assistance	0	0	0	0
Rehabilitation & preservation	500,000	0	0	0
Counseling	5,000	0	0	0
Sub-Total	780,000	12	0	108,000
Displacement Prevention for Foreclosed Households				
Acquisition				
Disposition				
Relocation				
Direct homeownership assistance				
Rehabilitation & preservation				
Counseling				
Sub-Total				
Land Banking				
Acquisition				
Disposition				
Sub-total				
Demolition of Blighted Structures				
Demolition	150,000	25	0	15,000
Sub-Total	150,000	25	0	15,000
Redevelopment of Demolished or Vacant Properties				
Acquisition	20,000	4	3	120,000
Disposition	0	0	0	0
Public Facilities	0	0	0	0
Housing Counseling	7,500	0	0	0
Relocation	0	0	0	0
Direct Homeownership Assistance	0	0	0	0
New Construction	255,000	0	0	0
Sub-Total	282,500	4	3	120,000
TOTAL	1,400,000	56	8	253,000

2. **Indicate** over what time period the funds will be committed and expended. Note: Grantees have **12 months** to use NSP funds. HUD has defined "use" as being obligated for eligible activities. NSP funds are obligated when orders are placed, contracts awarded, or services received for a specific address.

Response: It is the intent of the City of Muskegon to have all the funds committed by no later than March 1, 2010. The City of Muskegon expects to have the total entitlement funding under the Neighborhood Stabilization Program spent by no later than June 15, 2012, with the majority of the funding being spent by December 1, 2011. Within 60 days of receiving the first allotment of funding, the CNS office expects to be able to start the demolition component of the projects; while before the end of the first 90 days of the program, the city will begin the rehabilitation component and after that while monitoring the market it is hoped that during the first six months the economic conditions will dictate the need to start the new construction projects and the other support programs.

SECTION IV. CERTIFICATIONS

The following Certifications are to be signed by the highest elected official, or their designee, for the jurisdiction.

- (1) **Affirmatively further fair housing.** The jurisdiction will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.
- (2) **Anti-lobbying.** The jurisdiction will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.
- (3) **Authority of Jurisdiction.** The jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
- (4) **Consistency with Plan.** The housing activities to be undertaken with NSP funds are consistent with its consolidated plan, which means that NSP funds will be used to meet the congressionally identified needs of abandoned and foreclosed homes in the targeted area set forth in the grantee's substantial amendment.
- (5) **Acquisition and relocation.** The jurisdiction will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the Notice for the NSP program published by HUD.
- (6) **Section 3.** The jurisdiction will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
- (7) **Citizen Participation.** The jurisdiction is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.
- (8) **Following Plan.** The jurisdiction is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.
- (9) **Use of funds in 12 months.** The jurisdiction will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008 by using, as defined in the NSP Notice, all of its grant funds within 12 months of receipt of the grant.
- (10) **Use NSP funds $\leq$ 120 of AMI.** The jurisdiction will comply with the requirement that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120% of area median income.
- (11) **Assessments.** The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and

moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

(12) **Excessive Force.** The jurisdiction certifies that it has adopted and is enforcing: (1) a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and (2) a policy of enforcing applicable State and local laws against physically barring entrance to or exit from, a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.

(13) **Compliance with anti-discrimination laws.** The NSP grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(14) **Compliance with lead-based paint procedures.** The activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(15) **Compliance with laws.** The jurisdiction will comply with applicable laws.

Date: January 29, 2009

Signed by: Stephen J. Warmington
Title: Mayor, City of Muskegon

J. Information by NSP Activity #1

- (1) Activity Name: City of Muskegon Neighborhood Stabilization 'Blight Buster Demolition Program'
- (2) Activity Type: Demolition of blighted structures.
- (3) National Objective: Addressing Slum and Blight.
- (4) Activity Description: The City of Muskegon Blight Buster Demolition Program will be somewhat targeted by focusing on the areas of the city that are classified as the city's low/moderate income neighborhoods (see map), as well as the areas that have a high rate of foreclosure or are threatened with significant foreclosure in the future. The benefit to low/income residents in the immediate area will be the elimination of potential nuisances from their community as well as, of course, elimination of blighted housing from their neighborhoods.
- (5) Location Description: At this time, some of the areas that are expected to be a recipient of the 'Blight Buster' activities are the 500 block of Orchard (approximately four homes to be demolished) and the 400 block of Isabella (approximately three homes to be demolishes). It is also projected that demolitions will take place in the following neighborhoods or Census Tracts:

<u>CENSUS TRACT</u>	<u>NEIGHBORHOOD</u>	<u>ESITMATED DEMOLITIONS</u>
1	Marquette	3
2	Jackson Hill	3
8	Nims	3
9	Campbell/Lakeside/Glenside	3
4	East Muskegon	1
6.01/6.02	Nelson	5

The total estimated Blight Buster projects are 25.

- (6) Performance Measurers:

50% AMI	12
51 – 80% AMI	8
81 – 120% AMI	5

- (7) Total Budget: \$150,000

- (8) Responsible Organization: The City of Muskegon Community and Neighborhood Services office, which is the City of Muskegon's Community Development department and is a component of the City's Community and Economic Development Department, is the responsible organization. The CNS office is located at 933 Terrace Street, Muskegon, MI. The administrator will be Wilmern

G. Griffin, CNS Director. The contact information is 231-724-6963 or wilmern.griffin@postman.org.

(9) Projected Start Date: May 1, 2009

(10) Projected End Date: June 1, 2010

(11) Specific Activity Requirements: The structure must be declared a blighted structure and be located in one of the eligible neighborhoods or Census Tracts. It must be declared that the structure has outlived its functional utility. It must be confirmed that the demolition of the building would be an asset to the immediate neighborhood or Census Tract.

J. Information by NSP Activity #2

- (1) Activity Name: City of Muskegon Operation Revise and Revamp (redevelopment of abandoned and foreclosed properties) – Operation R & R II
- (2) Activity Type: Redevelopment of abandoned and foreclosed properties.
- (3) National Objective: Benefiting low and moderate-income persons.
- (4) Activity Description: This activity will be targeted at the areas that have the classification of being low/moderate income areas. These areas are also the neighborhoods/Census Tracts that have the highest foreclosure rates. There are several benefits of this activity. First, it will eliminate vacant potential nuisance properties from the community. Secondly, it will increase the availability of quality, affordable housing in the community. Thirdly, it should be an impetus for neighborhood revitalization for the community. In addition, there is the possibility of a real economic impact with employment opportunities for some of the low-income residents in the community because of the significant investment that the NSP will be making in the community. At least 50% of the structures will be targeted at households with incomes below 50% of area median income.
- (5) Location Description: The targeted areas that will be a part of Operation R & R II are McLaughlin, Angell, Nelson, Jackson Hill, East Muskegon, Marquette and Nims.
- (6) Performance Measurers:

50% AMI	6
51 – 80% AMI	3
81 – 120% AMI	3
- (7) Total Budget: \$780,000
- (8) Responsible Organization: The City of Muskegon Community and Neighborhood Services office, which is the City of Muskegon's Community Development department and is a component of the City's Community and Economic Development Department, is the responsible organization. The CNS office is located at 933 Terrace Street, Muskegon, MI. The administrator will be Wilmern G. Griffin, CNS Director. The contact information is 231-724-6963 or wilmern.griffin@postman.org.
- (9) Projected Start Date: May 1, 2009
- (10) Projected End Date: May 1, 2012
- (11) Specific Activity Requirements: The structure must be located in one of the specified neighborhoods. The structure must be either abandoned or have been

foreclosed on by either a financial institution or the State of Michigan through the tax-reverted process. The redevelopment of the structure must be deemed an improvement to the surrounding neighborhood. The rehabilitation must be economically reasonable.

J. Information by NSP Activity #3

- (1) Activity Name: Muskegon Homeownership Assistances (home-buyer assistance)
- (2) Activity Type: Financial mechanism.
- (3) National Objective: Benefiting low/moderate income persons.
- (4) Activity Description: Funding will be used to assist persons purchasing the houses that the City of Muskegon rehabilitates or builds under the Neighborhood Stabilization Program. The amount of funding that will be available is a maximum of \$12,500 that can be used for down payment assistance and closing costs. Approximately 25% of the available funds will be targeted at families that have income that is less than or equal to 50% of area median income.
- (5) Location Description: The exact addresses aren't known at this time, but all of the homes will be located in the low/moderate income areas and/or the areas that have been shown to have high foreclosure rates.
- (6) Performance Measurers:

less than or equal to 50% AMI	7
51 – 80% AMI	6
81 – 120% AMI	7
- (7) Total Budget: \$187,500
- (8) Responsible Organization: The City of Muskegon Community and Neighborhood Services office, which is the City of Muskegon's Community Development department and is a component of the City's Community and Economic Development Department, is the responsible organization. The CNS office is located at 933 Terrace Street, Muskegon, MI. The administrator will be Wilmern G. Griffin, CNS Director. The contact information is 231-724-6963 or wilmern.griffin@postman.org.
- (9) Projected Start Date: May 1, 2009
- (10) Projected End Date: June 1, 2012
- (11) Specific Activity Requirements: The applicant must be a member of a household with an income less than 120% of AMI and must have completed all required homeownership training. The applicant must be purchasing an NSP assisted home and must accept the obligation of living in the property for three years. The forgivable loan (Homebuyers Assistance) will decrease by 33-1/3% per year.

J. Information by NSP Activity #4

- (1) Activity Name: City of Muskegon 3R's (Refertilize, Revitalize and Redevelop
- (2) Activity Type: Redevelopment of Vacant Properties.
- (3) National Objective: Benefiting low/moderate income persons and eliminating Slum and Blight.
- (4) Activity Description: This activity will initially target three areas: Angell, Nelson and Nims. The objective is to increase the availability of quality housing in the area, eliminate blight and continue the city's aggressive revitalization efforts. Two of the newly constructed homes will be targeted at households at 50% of AMI or less.
- (5) Location Description: The exact addresses aren't known at this time, but all of the homes will be located in the Angell, Nelson and Nims neighborhoods.
- (6) Performance Measurers:

less than or equal to 50% AMI	2
51 – 80% AMI	1
81 – 120% AMI	1
- (7) Total Budget: \$282,500
- (8) Responsible Organization: The City of Muskegon Community and Neighborhood Services office, which is the City of Muskegon's Community Development department and is a component of the City's Community and Economic Development Department, is the responsible organization. The CNS office is located at 933 Terrace Street, Muskegon, MI. The administrator will be Wilmern G. Griffin, CNS Director. The contact information is 231-724-6963 or wilmern.griffin@postman.org.
- (9) Projected Start Date: August 15, 2009
- (10) Projected End Date: June 1, 2012
- (11) Specific Activity Requirements: The parcel must be vacant, abandoned and must meet the City of Muskegon's present zoning requirements for new construction. The parcels must be located in Angell, Nelson and Nims neighborhood. It must be deemed that it makes economic sense to construct a home on the parcel and that the structure will be a welcome addition to the immediate community.

Section II. IMPLEMENTATION AND CAPACITY

2. Work Plan Time Frames – Attachment for Additional Activities/Production Targets

Activities/Production Targets	Responsible Individuals	X or R or C	Begin	End
Homebuyer Assistance	Wilmern G. Griffin	X	05/01/2009	06/01/2012
Environmental Review	Wilmern G. Griffin	X	05/01/2009	06/01/2009
Outreach and Public Information	Wilmern G. Griffin	X	05/01/2009	05/01/2012
Processing Application for Assistance	Oneata Bailey	X	06/01/2009	05/01/2012 (5 days each)
Homeownership Counseling	Tim Burgess (Neighborhood Investment Corp)	X	07/01/2009	05/15/2012
Processing Mortgage Lien Documents	Oneata Bailey	X	08/01/2009	05/15/2012 (10 days each)
Redevelopment of Vacant Properties	Wilmern G. Griffin	X	08/15/2009	06/01/2012
Environmental Review	Wilmern G. Griffin	X	05/01/2009	06/01/2009
Acquiring Properties	Wilmern G. Griffin	X	06/01/2009	12/01/2009
Performing Property Inspections	Wilmern G. Griffin, Inspections	X	05/01/2009	02/15/2010
Selection of Housing Designs	Wilmern G. Griffin	X	07/01/2009	12/15/2009
Bidding Out Process	Wilmern G. Griffin	X	08/15/2009	11/15/2012
Awarding Bids	CNS Staff	X	09/15/2009	05/15/2013