

CITY OF MUSKEGON

CITY COMMISSION MEETING

June 24, 2025 @ 5:30 PM

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

AGENDA

- ☐ CALL TO ORDER:
- ☐ PRAYER:
- ☐ PLEDGE OF ALLEGIANCE:
- ☐ ROLL CALL:
- ☐ HONORS, AWARDS, AND PRESENTATIONS:
 - A. Introduction of Isabela Gonzalez, Economic Development Analyst
Economic Development
- ☐ PUBLIC HEARINGS:
- ☐ FEDERAL/STATE/COUNTY OFFICIALS UPDATE:
- ☐ PUBLIC COMMENT ON AGENDA ITEMS:
- ☐ CONSENT AGENDA:
 - A. Approval of Minutes City Clerk
 - B. Resolution for Housing Tax Exemption at 524 and 528 Oak Duplex/ADU Project Economic Development
 - C. Workforce Housing Restrictive Covenant, 524 and 528 Oak Duplex/ADU Project Economic Development
 - D. Sale of 528 Oak Planning
 - E. Resolution for Housing Tax Exemption at 300, 310, and 370 Allen Duplex/ADU Project Economic Development
 - F. Workforce Housing Restrictive Covenant, 300, 310, and 370 Allen Duplex ADU Project Economic Development
 - G. Sale of 300, 310, & 370 Allen Planning

- H. Resolution for Housing Tax Exemption at 280 Allen and 305 Amity Duplex/ADU Project Economic Development
- I. Workforce Housing Restrictive Covenant, 280 Allen and 305 Amity Duplex/ADU Project Economic Development
- J. Sale of 305 Amity & 280 Allen Planning
- K. Resolution for Housing Tax Exemption at 313 Orchard Duplex/ADU Project Economic Development
- L. Workforce Housing Restrictive Covenant, 313 Orchard Duplex/ADU Project Economic Development
- M. Sale of 313 Orchard Planning
- N. Sale of 420 Oak, 452 Oak, and 451 Erickson. Planning
- O. Sale of 447 Oak Planning
- P. Fire Records and Compliance Program Public Safety
- Q. Revision to County Human Resources Contract Manager's Office
- R. Contract with Mediation & Restorative Services Planning
- S. Janitorial Service Contract Public Works
- T. Rezoning of 62 Irwin Ave from Neighborhood Residential (R) to Low-Density Multiple Family Residential (RM-1). Planning
- U. Rezoning of 1188 Lakeshore Dr from Lakefront Recreation (LR) to Form Based Code, Urban Residential (FBC, UR). Planning
- V. Neighborhood Enterprise Zone Certificate Transfer for 302 Terrace Point Circle Economic Development
- W. Adjustment to FY 2024/25 Budget, Manager's Office, Contracted Services (Climate Action Plan) Manager's Office

☐ **UNFINISHED BUSINESS:**

- A. Official City of Muskegon Pride & Juneteenth Flags Mayor's Office

☐ **NEW BUSINESS:**

☐ **ANY OTHER BUSINESS:**

☐ **GENERAL PUBLIC COMMENT:**

► Reminder: Individuals who would like to address the City Commission shall do the following: ► Fill out a request to speak form attached to the agenda or located in the back of the room. ► Submit the form to the City Clerk. ► Be recognized by the Chair. ► Step forward to the microphone. ► State name. ► Limit of 3 minutes to address the Commission.

☐ **CLOSED SESSION:**

A. City Manager Evaluation City Clerk

☐ **ADJOURNMENT:**

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

To give comment on a live-streamed meeting the city will provide a call-in telephone number to the public to be able to call and give comment. For a public meeting that is not live-streamed, and which a citizen would like to watch and give comment, they must contact the City Clerk's Office with at least a two-business day notice. The participant will then receive a zoom link which will allow them to watch live and give comment. Contact information is below. For more details, please visit:

www.shorelinecity.com

The City of Muskegon will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities who want to attend the meeting with twenty-four (24) hours' notice to the City of Muskegon. Individuals with disabilities requiring auxiliary aids or services should contact the City of Muskegon by writing or by calling the following:

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



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Approval of Minutes															
Submitted by: Ann Meisch, City Clerk	Department: City Clerk															
Brief Summary: To approve minutes of the June 9, 2025, Commission Worksession Meeting, and the June 10, 2025, City Commission Meeting.																
Detailed Summary & Background:																
Goal/Focus Area/Action Item Addressed: <u>Key Focus Areas:</u> <u>Goal/Action Item:</u>																
Amount Requested:	Budgeted Item: <table border="1"> <tr> <td>Yes</td> <td></td> <td>No</td> <td></td> <td>N/A</td> <td>x</td> <td></td> </tr> </table>	Yes		No		N/A	x									
Yes		No		N/A	x											
Fund(s) or Account(s):	Budget Amendment Needed: <table border="1"> <tr> <td>Yes</td> <td></td> <td>No</td> <td></td> <td>N/A</td> <td>x</td> <td></td> </tr> </table>	Yes		No		N/A	x									
Yes		No		N/A	x											
Recommended Motion: Approval of the minutes.																
Approvals: <table border="1"> <tr> <td>Immediate Division Head</td> <td></td> <td></td> </tr> <tr> <td>Information Technology</td> <td></td> <td></td> </tr> <tr> <td>Other Division Heads</td> <td></td> <td></td> </tr> <tr> <td>Communication</td> <td></td> <td></td> </tr> <tr> <td>Legal Review</td> <td></td> <td></td> </tr> </table>	Immediate Division Head			Information Technology			Other Division Heads			Communication			Legal Review			Guest(s) Invited / Presenting: No
Immediate Division Head																
Information Technology																
Other Division Heads																
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CITY OF MUSKEGON

CITY COMMISSION WORKSESSION

June 9, 2025 @ 5:30 PM

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

MINUTES

Present: Mayor Ken Johnson, Vice Mayor Rebecca St. Clair, Commissioners Katrina Kochin, Jay Kilgo, and Rachel Gorman (arrived at 6:05 p.m.), City Manager Jonathan Seyferth, and City Clerk Ann Marie Meisch
Absent: Commissioners Willie German, Jr., and Destinee Keener

NEW BUSINESS

A. FY 2026 Budget Discussion Manager's Office

City Manager, Jonathan Seyferth presented the Fiscal Year 2025 budget for discussion. On May 12th, the City Commission received a copy of the draft FY 2026 budget. On May 27th, staff presented the budget and held a public hearing as required by law. This is simply another opportunity for the City Commission to discuss the budget ahead of budget adoption at our June 10th City Commission meeting.

B. Nelson House Realtor RFP Planning

Jake Eckholm, Director of Development Services for the City of Muskegon updated the Commission on the Nelson House. Following revisions to the conditions for the purchase and redevelopment of the Nelson House approved in March of this year, staff has drafted a request for proposals for real estate broker services for the sale of the Nelson House and is seeking to update the Commission and incorporate any feedback before publishing the RFP. The City of Muskegon Development Services Division will be seeking proposals from real estate brokers/firms to market and sell the Nelson House located at 382 W. Muskegon Avenue. The Nelson House Purchase and Redevelopment Conditions of Sale approved by the City Commission on March 11, 2025, will be adhered to throughout the marketing and sale process. It is the intent of this request for proposals to have the successful broker/firm enter into a Professional Services Contract with the City to supply real estate services as outlined; such a contract will return to the City Commission for final approval.

PUBLIC COMMENT

Public comments received.

ADJOURNMENT

The City Commission meeting adjourned at 7:12 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC City Clerk

CITY OF MUSKEGON

CITY COMMISSION MEETING

June 10, 2025 @ 5:30 PM

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

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Tuesday, June 10, 2025. Mayor Johnson opened the meeting with a moment of silence, after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL

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

2025-45 HONORS, AWARDS, AND PRESENTATIONS

A. Women's Veterans Day Resolution Manager's Office

Mayor Johnson read the Women's Veterans Day Resolution and presented it to the Women Veterans who were in attendance thanking them for coming and for their service.

B. Climate Action Plan - Fresh Coast Climate Solutions Government Relations & Strategic Operations

Peter Wills, Director of Government Relations and Strategic Operations, introduced Rebecca Elder and Jenny Oorbeck from Fresh Coast Climate Solutions who presented the City's Government Operations Climate Action Plan (CAP). A CAP exists for assets owned and operated by the City. The CAP establishes a roadmap for achieving net-zero greenhouse gas emissions from municipal operations by 2040.

2025-46 PUBLIC HEARINGS

A. Neighborhood Enterprise Zone Certificate - 351 W. Western Ave (Units 7A-7B) (Floors 2-5) Economic Development

The staff is requesting the approval of a Neighborhood Enterprise Zone (NEZ) certificate for 15 years for new construction apartments at 351 W. Western Ave. An application for a Neighborhood Enterprise Zone (NEZ) certificate has been received from 351 Phase II LLC for the construction of 64 new apartment units (41 studios and 23 one-bedroom units) located at 351 W. Western Avenue. The project also includes retail space. The City Commission previously approved a Brownfield Plan amendment for this project on May 13, 2025. According to the Brownfield Plan, approximately 50% of the apartments will be designated for individuals earning 120% or less of the area median income (AMI) for a period of 30 years. The cost of construction is estimated at \$232,160 per unit. This project represents the second phase of the Lakeview Lofts development. The applicant has met both local and state requirements for the issuance of the NEZ certificate.

STAFF RECOMMENDATION: I move to close the public hearing and approve the Neighborhood Enterprise Zone (NEZ) certificate for 15 years for 351 W. Western Ave (Units 7A & 7B) (Floors 2-5) and authorize the City Clerk and Mayor to sign the certificate and resolution.

The Public Hearing opened to hear and consider any comments from the public. No public comments were made.

Motion by Commissioner German, second by Commissioner Kochin, to close the public hearing and approve the Neighborhood Enterprise Zone (NEZ) certificate for 15 years for 351 W. Western Ave (Units 7A & 7B) (Floors 2-5) and authorize the City Clerk and Mayor to sign the certificate and resolution.

**ROLL VOTE: Ayes: St.Clair, Johnson, German, Gorman, and Kochin
Nays: None**

MOTION PASSES

B. Community and Neighborhood Services 2025 Annual Action Plan Community & Neighborhood Services

Citizen input is a necessary process of program activities for the CDBG/HOME annual allocations. The 2025 Annual Action Plan comment period is another opportunity to comment on the programs and activities proposed during the Hearing.

The Annual Action Plan is [available on our website](#) for citizen review and comment. The comment period is 30 days from June 2 to July 1, 2025. A public hearing is another opportunity to comment about the Federal CDBG and HOME program activities performed during the fiscal year 2024 (July 1, 2025 -

June 30, 2026).

STAFF RECOMMENDATION: To host a hearing for the Annual Action Plan 2025. The Public Hearing opened to hear and consider any comments from the public. No public comments were made.

Motion by Vice Mayor St.Clair, second by Commissioner Kochin, to close the Public Hearing.

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

MOTION PASSES

FEDERAL/STATE/COUNTY OFFICIALS UPDATE

Jessica Cook, Muskegon County Commissioner for District 6, stated they just signed a new 3-year contract with the County Administrator, Mark Eisenbarth. Michigan Department of Health and Human Services awarded accreditation to the Public Health Department. Accepted an increase in the DTE Energy Assistance Program. Original budget was 3.8 million dollars and they just increased it to 7.3 million dollars.

PUBLIC COMMENT ON AGENDA ITEMS

Public comments received.

2025-47 CONSENT AGENDA

A. Approval of Minutes City Clerk

To approve minutes of the May 27, 2025, City Commission Meeting.

STAFF RECOMMENDATION: Approval of the minutes.

B. Fresh Coast Climate Solutions - Climate Action Plan Manager's Office

Staff to present and seek adoption of the City's Government Operations Climate Action Plan (CAP) as prepared by Fresh Coast Climate Solutions. A CAP exists for assets owned and operated by the City. The CAP establishes a roadmap for achieving net-zero greenhouse gas (GHG) emissions from municipal operations by 2040.

In April 2023, the City Commission passed a resolution declaring the city's commitment to climate action initiatives and to combat the impact of climate change on our community and planet. The city intends to reduce its organizational GHG emissions through deliberative budget, policy, and administrative actions.

In February 2024, a [Government Operations Greenhouse Gas Inventory](#) was

completed. Results of this Inventory were intended to inform the development of a Climate Action Plan.

This CAP's content is organized into 5 focus areas, 18 objectives, and 97 actions.

Understanding which facilities are the highest contributors to the city's organizational GHG emissions can inform investments in energy efficiency, renewable energy, and operational improvements to maximize emissions reductions.

The City received a \$75,000 Community Energy Management Program grant through EGLE to offset the cost of the contract.

Documents related to Climate Action can be found [here](#).

<https://muskegon-mi.gov/city-services/elected-officials/climate-action/>

STAFF RECOMMENDATION: I move to adopt the City of Muskegon Government Operations-Climate Action Plan, as presented.

C. FY 2025-26 Budget Manager's Office

Presenting a draft of the Fiscal Year 2026 budget - the total appropriation across all funds is \$111.9 million, with \$44.1 million appropriated from the general fund.

Staff distributed the Fiscal Year 2026 budget on May 12, 2025. We held our public hearing on May 27, 2025, and further discussion took place at our work session on Monday, June 9. The staff recommends approval of the FY 2026 budget as presented, with total appropriations of \$111.9 million, including \$44.1 million in the general fund. The General Fund budget is presented with a budget surplus (in the black) of \$232,972.

STAFF RECOMMENDATION: Move to approve the budget resolution for Fiscal Year 2025-26, which begins on Tuesday, July 1, 2025.

H. Contract for expungement clinics with G.U.N.S. Planning

The City has partnered with G.U.N.S. (Gaining UNITY through Non-Violent Solutions) for the past two years to provide expungement clinics. This contract is for another three expungement clinics to be held over the next year.

The City has partnered with G.U.N.S. (Gaining UNITY through Non-Violent Solutions) for the past two years to provide expungement clinics. These services are paid for by the Muskegon Social Equity Program, which is funded through excise tax dollars from adult-use marijuana. This contract is for another three expungement clinics to be held over the next year. These services are free of charge to all residents of the City.

At their May 28 meeting, the Legislative Policy Committee recommended entering into an agreement with G.U.N.S. to provide expungement clinic services.

STAFF RECOMMENDATION: I move to approve the contract with G.U.N.S. as presented.

I. 4th Quarter Reforecast FY 2024-25 Finance

At this time, staff is seeking approval of the 4th Quarter budget reforecast for the 24/25 fiscal year.

Overall, the revenues in the General Fund went up by \$399,000. However, the General Fund expenditures went up by \$989,000. Payroll and benefits make up a largest portion of the General Fund increased expenditures. Legal fees expenditures are expected to go up by \$175,000 from the original budget.

STAFF RECOMMENDATION: To approve the 4th Quarter fiscal year 2024-25 budget reforecast as presented by staff.

K. Resolution for 292 W Western Ave Unit 103 Social District Permit Manager's Office

Puerto Vallarta Mexican Grill and Bar LLC is requesting to join the Downtown Muskegon Social District for their new restaurant, Puerto Vallarta Mexican Grill and Bar, located at 292 W Western Ave Unit 103—in the Leonard Building, alongside Hometown Creamery and the Exchange. To meet state requirements under MCL 436.1551, the business must receive approval from the City Commission in order to apply for a Social District Permit. Puerto Vallarta Mexican Grill and Bar plans to open on June 20, 2025, and will feature a full bar and Mexican food. Upon approval, staff will coordinate with the business to provide training on social district rules as outlined in our social district processes.

STAFF RECOMMENDATION: to approve the Social District Permit for Puerto Vallarta Mexican Grill and Bar LLC at 292 W Western Ave Unit 103, Muskegon, MI 49440 for consideration by the Michigan Liquor Control Commission.

L. Charter Amendment Language Manager's Office

Staff is seeking approval of proposed ballot language for a charter amendment.

A petition was circulated to amend Chapter III, Section 3 of the City Charter establishing a 12 year term limit for City Commissioners. The resolution is presented for commission approval.

STAFF RECOMMENDATION: to approve the resolution approving ballot language for a 12 year term limit for service on the City Commission.

M. Concur with CRC Recommendation City Clerk

To concur with CRC recommendation to accept resignation and make appointments.

To accept the resignation of Shaundrica Roberts from the Citizen's Police Review Board; appoint Heather Garretson to the Citizen's Police Review Board as citizen at-large; and appoint Scott Plummer to the Construction Code Board of Appeals as plumbing.

STAFF RECOMMENDATION: To accept the resignation of Shaundrica Roberts and appoint Heather Garretson and Scott Plummer.

Motion by Commissioner Gorman, second by Vice Mayor St.Clair, to adopt the Consent Agenda as presented minus items D, E, F, G, and J.

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

MOTION PASSES

2025-48 ITEMS REMOVED FROM THE CONSENT AGENDA

D. Social Media Policy & Guidelines Community Engagement

Staff recommends the approval of the Social Media Use Policy and Guidelines. To address the evolving landscape of online communication and ensure responsible, effective, and consistent use of social media by the City of Muskegon, a comprehensive Social Media Use Policy and Guidelines has been developed. This Policy establishes protocols for social media use by City officials and employees, ensuring communications are properly authorized, formatted, and legally compliant, particularly considering rulings such as *Lindke v. Freed*, 601 U.S. 187 (2024).

At the May 28, 2025 Legislative Policy Committee Meeting, Commissioners reviewed a draft social media policy. Based on their feedback, staff made two clarifying updates:

1. **Elected Official Pages (Page 2):** Updated language encourages officials to distinguish their elected pages from personal ones and understand legal responsibilities. A previous request to separate campaign and official pages was removed, recognizing that incumbents may use official pages for campaigning.
2. **Oversight and Enforcement (Page 3):** Corrected wording to specify that City-controlled pages—not individual staff or officials—are prohibited from posting certain types of content, including confidential information, copyright violations, offensive language, partisan political views, and commercial content.

STAFF RECOMMENDATION: to approve the Social Media Use Policy and Guidelines as presented, authorizing its immediate implementation.

Motion by Commissioner Kochin, second by Commissioner German, to approve the Social Media Use Policy and Guidelines as presented, authorizing its immediate implementation.

**ROLL VOTE: Ayes: German, Gorman, Kochin, St.Claire, and Johnson
Nays: None**

MOTION PASSES

E. Sale of 286 Myrtle, 518 Oak, and 450 Orchard. Planning

Staff is seeking authorization to sell the City-owned vacant lots at 286 Myrtle, 518 Oak, and 450 Orchard to RSW Holdings LLC and Barrowstone Capital LLC. RSW Holdings LLC and Barrowstone Capital LLC would like to purchase the City-owned buildable lots at 286 Myrtle, 518 Oak, and 450 Orchard for \$8,400 (75% of the True Cash Value of \$11,200) plus half of the closing costs, and the fee to register the deed. RSW Holdings LLC and Barrowstone Capital LLC will be constructing a single-family home on each property. Both 286 Myrtle and 450 Orchard will be split into two build-able lots, for a total of five (5) single-family homes to be built.

STAFF RECOMMENDATION: Authorize staff to sell the City-owned vacant lots at 286 Myrtle, 518 Oak, and 450 Orchard to RSW Holdings LLC and Barrowstone Capital LLC.

Motion by Commissioner German, second by Vice Mayor St.Claire, to authorize staff to sell the City-owned vacant lots at 286 Myrtle, 518 Oak, and 450 Orchard to RSW Holdings LLC and Barrowstone Capital LLC.

**ROLL VOTE: Ayes: Gorman, Kochin, St.Claire, and Johnson
Nays: German**

MOTION PASSES

F. Contract Award: SP92339 City Parks Parking Lot Improvements DPW-Engineering

Staff is requesting authorization to enter into a contract with McCormick Sand, Inc. in the amount of \$621,571.00 for parking lot reconstruction work within Reese Playfield, Sheldon Park, Beukema Playfield, and Grand Trunk Launch Ramp.

Bids were solicited for a construction project to reconstruct the parking lots within three parks and one boat launch; Reese Playfield, Sheldon Park, Beukema Playfield, and Grand Trunk Launch Ramp. McCormick Sand of Whitehall provided the low bid. This work is being funded by ARPA dollars

dedicated to Parks capital improvement needs.

STAFF RECOMMENDATION: Move to authorize staff to enter into a contract with McCormick Sand, Inc. in the amount of \$621,571.00 for parking lot reconstruction work within Reese Playfield, Sheldon Park, Beukema Playfield, and Grand Trunk Launch Ramp.

Motion by Vice Mayor St.Clair, second by Commissioner Kochin, to authorize staff to enter into a contract with McCormick Sand, Inc. in the amount of \$621,571.00 for parking lot reconstruction work within Reese Playfield, Sheldon Park, Beukema Playfield, and Grand Trunk Launch Ramp.

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

MOTION PASSES

G. Kruse Park Nature Scape Playground Award DPW- Parks

Staff requests approval to enter into a contract with Nature Playscapes in the amount of \$152,597 for a "nature scape" playground at Kruse Park based on their innovation, sustainability, qualifications and experience building nature scapes in Michigan.

Through our park master planning efforts, the community identified Kruse Park as the perfect location for a Nature Scape Playground. A nature scape playground (also known as a natural playground or nature-based play area) is a play environment that uses natural elements—such as trees, rocks, sand, water, logs, and native plants—instead of traditional playground equipment like plastic slides and metal swings. Natural materials (wood, boulders, plants, soil), unstructured elements that encourage creative play (e.g., tree stumps for jumping, logs for balancing), integration with the natural landscape, and design reflecting the local ecosystem emphasize open-ended play rather than fixed play. Several proposals provided a nice playground design but failed to represent a true natural playground. Out of the 4 bids we received, Nature Playscapes shows the most innovative and sustainable design that fits into the natural playground criteria. This playground was budgeted at \$160,000. The bid tab is shown below.

Nature Playscapes - \$152,927

Kinetic Recreation - \$149,457

Park Vision - \$149,535

WeBuildFun - \$93,768

STAFF RECOMMENDATION: Move to approve staff to enter into a contract with Nature Playscapes in the amount of \$152,597 for a "nature scape" playground at Kruse Park based on their innovation, sustainability, qualifications and

experience building nature scapes in Michigan.

Motion by Commissioner Kochin, second by Vice Mayor St.Clair, to approve staff to enter into a contract with Nature Playscapes in the amount of \$152,597 for a "nature scape" playground at Kruse Park based on their innovation, sustainability, qualifications and experience building nature scapes in Michigan.

**ROLL VOTE: Ayes: St.Clair, Johnson, German, Gorman, and Kochin
Nays: None**

MOTION PASSES

J. Official City of Muskegon Pride & Juneteenth Flags Manager's Office

A proposal to adopt two additional Official City Flags modeled on the Intersex Pride Flag & the Juneteenth Flag.

Cities across the country have taken steps to ensure inclusive symbols can be used in their cities. One way to achieve this is by adopting multiple official city flags that can be flown at any time. It is proposed that the City of Muskegon adopt two additional city flags based on the Intersex Pride Flag, with the city's tile "M" in the lower right corner of the flag. And another flag based on the Official Juneteenth Flag with the city's tile "M" in the upper left corner of the flag.

STAFF RECOMMENDATION: To adopt the City of Muskegon Pride Flag and the City of Muskegon Juneteenth Flag as alternative official City flags.

Motion by Commissioner German, second by Commissioner Kochin, to adopt the City of Muskegon Pride Flag and the City of Muskegon Juneteenth Flag as alternative official City flags.

Motion by Commissioner German, second by Vice Mayor St.Clair, to table this item to the June 24th Commission Meeting.

**ROLL VOTE: Ayes: German, Gorman, Kochin, St.Clair, and Johnson
Nays: None**

MOTION PASSES

ANY OTHER BUSINESS

Mayor Johnson celebrated the Muskegon Pride Group, as well as JC's, and all the other sponsors and vendors that put on the Pride Festival at Hackley Park. Vice Mayor St.Clair reminded everyone about the Juneteenth Parade on Thursday, June 19th at 11:00.

Commissioner Kochin stated that Thursday, June 12th, at 3:30 at Fisherman's Landing is the Public Safety Youth Fishing Derby.

GENERAL PUBLIC COMMENT

Public comments received.

ADJOURNMENT

The City Commission meeting adjourned at 7:58 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC City Clerk



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Resolution for Housing Tax Exemption at 524 and 528 Oak Duplex/ADU Project				
Submitted by: Jake Eckholm, Development Services Director	Department: Economic Development				
Brief Summary: Arnoldink Properties, with Derek Sjaarda acting as builder, is requesting a housing tax exemption for the new construction infill of duplexes and ADU's on 2 lots in the Angell neighborhood.					
Detailed Summary & Background: Mr. Sjaarda has been working with Development Services Staff and leadership in order to facilitate new construction rental housing in the city of Muskegon. These proposed lots will be utilized for two 2 story duplexes with an accessory dwelling unit behind each for a total of 6 housing units. In this case Sjaarda Homes is acting as the owner's representative and builder for the Arnoldink family. They are proposing that all units be subject to the proposed PILOT, which will reserve them for only households under 120% of the Area Median Income (AMI) for Muskegon County. The duplex units are 3 bedroom, 2 bathroom and the ADU's are 1 bedroom, 1 bathroom. This resolution will result in the City assessing 10% of the annual rents on the property as a payment in lieu of taxes (PILOT) for a period of 15 years in exchange for the developer complying with MSHDA rent limits. With recent changes to state statute, these properties can benefit the City's scattered site Brownfield TIF program despite being part of the PILOT. This is the same incentive program we approved for Allen Edwin in 2023, but with smaller incremental developers.					
Goal/Focus Area/Action Item Addressed: <u>Key Focus Areas:</u> Diverse housing types Retain youth within the city Progress toward completion of ongoing economic development projects <u>Goal/Action Item:</u> 2027 Goal 2: Economic Development Housing and Business					
Amount Requested: NA	Budgeted Item: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; text-align: center;">Yes</td> <td style="width: 25%; text-align: center;">No</td> <td style="width: 25%; text-align: center;">N/A</td> <td style="width: 25%; text-align: center;"> </td> </tr> </table>	Yes	No	N/A	
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Yes	No	N/A			

Recommended Motion:

Motion to adopt the Resolution for Housing Tax Exemption for Arnoldink Properties, LLC and to authorize the mayor and clerk to sign.

Approvals:

Immediate Division Head	☒	
Information Technology	☐	
Other Division Heads	☐	
Communication	☐	
Legal Review	☒	

Guest(s) Invited / Presenting:

Yes

Resolution Setting Annual Service Fee
for the Workforce Housing Development
by Arnoldink Properties, LLC

Whereas, Arnoldink Properties, LLC (the “Sponsor”), has applied to the City of Muskegon for a determination that a proposed workforce housing project sponsored by it at 524 Oak Avenue and 528 Oak Avenue is entitled to the exemption from taxes authorized by Chapter 82 of the City of Muskegon Code of Ordinances; now therefore, be it

Resolved, that the proposed workforce housing project is within the class of housing developments entitled to an exemption under Chapter 82, if it meets the following contingencies:

- a. Sponsor shall provide documentation to the City substantiating ownership of the subject properties.
- b. Construction of at least 2 units of the proposed workforce housing project shall be commenced within twelve (12) months from the date of the Michigan State Housing Development Authority’s (“MSHDA”) notification of exemption, or this resolution shall be void and of no effect.
- c. For the life of the this Workforce Housing Resolution, 100% of the dwelling units in the proposed workforce housing project will be restricted to rental units or other housing options that are reasonably affordable to, and occupied by, a household whose total household income is not greater than 120% of the area median income published by the United States Department of Housing and Urban Development.
- d. The Sponsor shall submit an affidavit to MSHDA in the form required by MSHDA for certification that the workforce housing project is eligible for the workforce housing exemption.
- e. Upon receipt of notification from MSHDA that the workforce housing project is eligible for a workforce housing exemption, the Sponsor shall file the certified notification of exemption with the City Assessor before November 1 of the year preceding the tax year in which the exemption is to be effective; and,
- f. Sponsor shall record a restrictive covenant in a form acceptable to the City Attorney. The restrictive covenant shall be recorded in the register of deeds for the county in which the workforce housing project is located and shall comply with the requirements of Chapter 82; and, further be it

Resolved, that in lieu of ad valorem property taxes, the Sponsor shall pay an annual service charge equal to ten percent (10%) of the “Annual Shelter Rents” as defined in Section 82-52 for that portion of the workforce housing project occupied for Workforce Housing; and, further be it

- Resolved, that annually, no later than April 29, the Sponsor shall provide the City Assessor the Sponsor's budget for Annual Shelter Rent for the current calendar year and a copy of Sponsor's financial statements for the preceding calendar year, prepared in accordance with generally accepted auditing standards or, if Sponsor is not subject to an audit requirement, Sponsor's compiled financial statements for the preceding calendar year prepared in accordance with generally accepted accounting principles and certified by Sponsor; and, further be it
- Resolved, that the tax exempt status granted by this Resolution shall remain in effect for 15 years, unless otherwise terminated pursuant to Chapter 82 or this Resolution; and, further be it
- Resolved, that all portions of Chapter 82 are hereby incorporated by reference; and, further be it
- Resolved, that this Resolution may be assigned by the Sponsor only to subsequent owners of the workforce housing project who shall agree to abide to its terms. If not assigned, to and accepted by subsequent owners of the workforce housing project, it shall automatically terminate; and further be it
- Resolved, that the Mayor and City Clerk execute a contract with the Sponsor providing the tax exemption and acceptance of payments in lieu of taxes as defined within this resolution and its application, such contract subject to approval as to substance by the City Manager and as to form by the City Attorney.

YEAS: _____

NAYS: _____

I hereby certify that the above Resolution was adopted by the City Commission of the City of Muskegon at its regular meeting held on _____, in the Commission Chambers, City Hall, 933 Terrace, Muskegon, Michigan.

Ann Meisch, City Clerk



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Workforce Housing Restrictive Covenant, 524 and 528 Oak Duplex/ADU Project						
Submitted by: Jake Eckholm, Development Services Director	Department: Economic Development						
Brief Summary: Arnoldink Properties, with Derek Sjaarda acting as builder, is requesting a housing tax exemption for the new construction infill of duplexes and ADU's on 2 lots in the Angell neighborhood.							
Detailed Summary & Background: Mr. Sjaarda has been working with Development Services Staff and leadership in order to facilitate new construction rental housing in the city of Muskegon. These proposed lots will be utilized for two 2 story duplexes with an accessory dwelling unit behind each for a total of 6 housing units. In this case Sjaarda Homes is acting as the owner's representative and builder for the Arnoldink family. They are proposing that all units be subject to the proposed PILOT, which will reserve them for only households under 120% of the Area Median Income (AMI) for Muskegon County. The duplex units are 3 bedroom, 2 bathroom and the ADU's are 1 bedroom, 1 bathroom. This restrictive covenant establishes the terms by which the city has agreed to authorize a PILOT as opposed to ad valorem property taxes for these parcels. It is to be attached to an affidavit the developer must submit to MSHDA to prove they have local approval for the project and to their commitment to reserving these units for households within the MSHDA income thresholds.							
Goal/Focus Area/Action Item Addressed: Key Focus Areas: Diverse housing types Retain youth within the city Progress toward completion of ongoing economic development projects Goal/Action Item: 2027 Goal 2: Economic Development Housing and Business							
Amount Requested: NA	Budgeted Item: <table border="1"><tr><td>Yes</td><td></td><td>No</td><td></td><td>N/A</td><td>☒</td></tr></table>	Yes		No		N/A	☒
Yes		No		N/A	☒		
Fund(s) or Account(s): NA	Budget Amendment Needed: <table border="1"><tr><td>Yes</td><td></td><td>No</td><td></td><td>N/A</td><td>☒</td></tr></table>	Yes		No		N/A	☒
Yes		No		N/A	☒		
Recommended Motion:							

Motion to adopt the Workforce Housing Restrictive Covenant between Arnoldink Properties, LLC and the City and to authorize the Mayor and Clerk to sign.

Approvals:

Immediate Division Head		
Information Technology		
Other Division Heads		
Communication		
Legal Review		

Guest(s) Invited / Presenting:

Yes

WORKFORCE HOUSING RESTRICTIVE COVENANT

This Workforce Housing Restrictive Covenant (“Restrictive Covenant”) is made by and between the City of Muskegon, Michigan (“Municipality”) and Arnoldink Properties, LLC, a Michigan limited liability company, presently of Holland MI 49424 (the “Sponsor”) as of June 24th, 2025.

R E C I T A L S:

A. Sponsor is the owner of certain real property located in the City of Muskegon, County of Muskegon, State of Michigan, and more particularly described on the attached Exhibit A (the “Property”), which is attached hereto and incorporated by reference into this Agreement.

B. Sponsor has offered to provide nine “Workforce housing” units as defined by MCL 125.1415a(10)(d) on the Property (the “Project”) and has applied to Municipality for a workforce housing exemption from *ad valorem* property taxes under Section 15a of the State Housing Development Authority Act, being Public Act 346 of 1966, as amended (the “Act”).

C. In consideration of Sponsor’s offer to undertake the Project, Municipality has agreed to exempt the Property from all *ad valorem* property taxes imposed by any taxing jurisdiction and to accept in lieu thereof payment of an annual service charge for a period of 15-years as provided by Chapter 82 of the City Code of Ordinances, as amended (the “Ordinance”).

D. Upon completion of the Project, the annual service charge paid in lieu of all *ad valorem* property taxes shall be equal to ten percent (10%) of the annual shelter rents collected from the Project and shall be paid as provided in the Ordinance.

E. Sponsor and Municipality agree that the economic feasibility of the Project depends upon the continuing effect of the annual service charge in lieu of all *ad valorem* taxes approved by Municipality for the 15-year exemption period.

F. Accordingly, upon recording with the Muskegon County Register of Deeds, this Restrictive Covenant will restrict use of the Property to Workforce housing for the 15-year exemption period.

NOW, THEREFORE, in consideration of Municipality’s acceptance of payment of the annual service charge in lieu of all *ad valorem* property taxes and Sponsor’s commitment to construct or rehabilitate the Project, Sponsor and Municipality hereby covenant as follows:

1. **Recitals.** The above recitals are acknowledged as true and correct and are incorporated by reference into this paragraph.

2. **Definitions.** All words and phrases used in this Restrictive Covenant have the same meaning as defined in the Act or the Ordinance.

3. **Workforce Housing Covenant.** The Project will, upon completion of the proposed construction or rehabilitation, constitute workforce housing for households for persons and families whose household income is not greater than 120% of the area median income, as published by the Michigan State Housing Development Authority ("the Authority") for Muskegon County, adjusted for family size. All of the housing units in the Project will be rented, or available for rental, on a continuous basis to members of the general public throughout the term of this Restrictive Covenant.

4. **Term of Exemption.** The exemption from *ad valorem* property taxes approved by Municipality shall remain in effect in accordance with this Restrictive Covenant restricting use of the Project to workforce housing for a period of 15-years, ending on December 31, 2040, or so long as the Project is used as workforce housing, whichever is less.

5. **No Violation.** Sponsor agrees that it will not knowingly take or permit any action that would result in a violation of the requirements of this Restrictive Covenant or the Ordinance, which is incorporated herein as if a part of this Restrictive Covenant. Further, Sponsor agrees to take any required action, including the amendment of this Restrictive Covenant, as may be necessary, in the determination of the Municipality or of the Authority, to comply with the Ordinance. If Municipality determines that the Project is not in compliance with the requirements of this Restrictive Covenant, and Sponsor, after receiving written notice of the non-compliance from Municipality, does not correct such non-compliance within thirty (30) days, Municipality shall be entitled to take such actions as it deems necessary to enforce the provisions of this Restrictive Covenant.

6. **Sponsor to Demonstrate Compliance.** Sponsor will provide Municipality with such certifications, reports and other information as are required by Municipality to demonstrate compliance with the Ordinance. Sponsor will provide Municipality and Authority with an annual verification of compliance with this Restrictive Covenant, in a form specified by the Authority.

7. **Transfer of Ownership.** Sponsor will, prior to a sale or other voluntary transfer of ownership of the Project or any part thereof, notify Municipality in writing, and will enter into any agreements with the purchaser or transferee as may be prescribed by Municipality to ensure such purchaser's or transferee's compliance with this Restrictive Covenant and Michigan law.

8. **Enforceability.** This Restrictive Covenant is enforceable in any court in the State of Michigan having jurisdiction thereof, by Municipality, and to the extent required by the Ordinance, by any individuals who are tenants of the Project.

9. **Covenant Running with the Land; Binding Effect.** The foregoing covenant shall constitute and be enforced as a covenant running with the land under Michigan law and shall be binding on all successors or assigns of Sponsor or Municipality and any future owner or operator of the Project for the full 15-year exemption period.

10. **Miscellaneous.** In the event of any conflict between the terms of this Restrictive Covenant and the requirements of the Ordinance the requirements of the Ordinance shall prevail. This Restrictive Covenant may only be amended or terminated by a writing signed by both Sponsor and Municipality. The invalidity of any clause or provision of this Restrictive Covenant shall not affect the validity of the remaining portions thereof.

IN WITNESS WHEREOF, is this Covenant is effective as of December 1st, 2025.

[Signature Pages Follow]

CITY OF MUSKEGON

By: _____

Its: _____

STATE OF MICHIGAN)
) ss
COUNTY OF MUSKEGON)

The foregoing instrument was acknowledged before me this day of June 24th, 2025 by Kenneth Johnson, as Mayor of the City of Muskegon, a municipal corporation of the State of Michigan.

Notary Public, _____ County, MI
My Commission Expires: _____
Acting in _____ County, MI

SPONSOR
Arnoldink Properties, LLC

By: _____

Its:

STATE OF MICHIGAN)
) ss
COUNTY OF MUSKEGON)

The foregoing instrument was acknowledged before me this ____ day of _____, by _____, as the manager/authorized member of Arnoldink Properties, a Michigan limited liability company, on behalf of said Company.

Notary Public, _____ County, MI
My Commission Expires: _____
Acting in _____ County, MI

DRAFTED BY:

WHEN RECORDED RETURN TO:

EXHIBIT A

Legal Description of Property

**Legal Description: CITY OF MUSKEGON REVISED PLAT OF 1903 E 1/2 LOT 12 & W
7.25 FT LOT 13 BLK 41**

Address: 524 OAK AVE, MUSKEGON, MI 49442

**Legal Description: CITY OF MUSKEGON REVISED PLAT OF 1903 E 40.25 FT LOT 13
BLK 41**

Address: 528 OAK AVE, MUSKEGON, MI 49442

Parcel #: 61- [24-205-041-0013-00](#)

Price: \$3,000.00



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Sale of 528 Oak							
Submitted by: Samantha Pulos, Code Coordinator	Department: Planning							
Brief Summary: Staff is seeking authorization to sell the City-owned vacant lot at 528 Oak to Arnoldink Properties LLC, Dave Arnoldink.								
Detailed Summary & Background: Arnoldink Properties LLC, Dave Arnoldink, would like to purchase the City-owned buildable lot at 528 Oak for \$3,000 (75% of the True Cash Value of \$4,000) plus half of the closing costs, and the fee to register the deed. 528 Oak will be split into two build-able lots and Arnoldink Properties LLC, Dave Arnoldink, will be constructing a duplex and an ADU on each property for a total of 2 duplexes and 2 ADUs.								
Goal/Focus Area/Action Item Addressed: Key Focus Areas: Goal/Focus Area/Action Item Addressed: Create an environment that effectively attracts new residents and retains existing residents by filling existing employment gaps, attracting new and diverse businesses to the city, and expanding access to a variety of high-quality housing options in Muskegon. Diverse housing types.								
Goal/Action Item: 2027 Goal 2: Economic Development Housing and Business								
Amount Requested: n/a	Budgeted Item: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">Yes</td> <td style="width: 15%;"></td> <td style="width: 15%;">No</td> <td style="width: 15%;"></td> <td style="width: 15%;">N/A</td> <td style="width: 15%;">x</td> <td style="width: 15%;"></td> </tr> </table>	Yes		No		N/A	x	
Yes		No		N/A	x			
Fund(s) or Account(s): n/a	Budget Amendment Needed: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">Yes</td> <td style="width: 15%;"></td> <td style="width: 15%;">No</td> <td style="width: 15%;"></td> <td style="width: 15%;">N/A</td> <td style="width: 15%;">x</td> <td style="width: 15%;"></td> </tr> </table>	Yes		No		N/A	x	
Yes		No		N/A	x			
Recommended Motion: Authorize staff to sell the City-owned vacant lot at 528 Oak to Arnoldink Properties LLC (Dave Arnoldink).								
Approvals:	Guest(s) Invited / Presenting:							

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

PURCHASE AND DEVELOPMENT AGREEMENT

This Purchase and Development Agreement ("Agreement") is made **June 10, 2025** ("Effective Date"), between the **City of Muskegon**, a Michigan municipal corporation, of 933 Terrace Street, Muskegon, Michigan 49440 ("City"), and Arnoldink Properties LLC, Dave Arnoldink, 4485 Grand Point, Holland, MI, 49424 ("Developer"), with reference to the following facts:

Background

A. Developer proposes to purchase and develop one (1) vacant property owned by City which is located in the City of Muskegon, Muskegon County, Michigan, and each commonly known and legally described on the attached **Exhibit A** (each property individually, a "Parcel" and collectively "Project Property").

B. City and Developer desire to establish the terms, covenants, and conditions upon which City will sell and Developer will purchase and develop the Project Property. Developer intends to develop on each of the Project Properties, one (1) duplex and one (1) ADU (Accessory Dwelling Unit), for a total of two (2) duplexes and two (2) ADUs. (the "Project").

Therefore, for good and valuable consideration, the parties agree as follows:

1. **Sale and Purchase of Project Property.** City agrees to sell to Developer, and Developer agrees to purchase from City, on the terms and subject to the conditions set forth in this Agreement, the Project Property, subject to reservations, restrictions, and easements of record.

2. **Purchase Price.** The total purchase price for the Project Property shall be **\$3,000.00**, which shall be paid in cash or other immediately available funds at Closing (defined below) less the \$400 deposit that the Developer has paid to the City of Muskegon.

Pursuant to Paragraph 3(b) below, the parties acknowledge and agree that Developer shall be eligible to be reimbursed all or a portion of the purchase price for the Parcel upon the completion of certain design standards as further described herein.

3. Construction and Development Requirements.

a. **Construction Dates.** The parties acknowledge and agree that Developer shall have a period of eighteen (18) months from the date of Closing to complete the Project ("Construction Period"), except as otherwise provided in this Agreement or as otherwise mutually agreed upon by the parties in writing.

b. **Construction Details; Purchase Price Reimbursement.** Developer's construction and development of the Project Property, including single-family homes, duplexes, triplexes, and accessory dwelling units, shall be in substantial conformance with its plans and specifications provided to City by Developer or as otherwise agreed upon in writing between City and Developer. As referenced above, Developer shall be eligible for reimbursement of all or a portion of the purchase price for the Project Property upon Developer's satisfaction of the following design standards for each single-family home, duplex, triplex, and accessory dwelling unit it constructs on the Project Property. If the Project includes an accessory dwelling unit, both the primary dwelling unit (single-family home, duplex, triplex) and the accessory dwelling unit must meet the design standards outlined below to be eligible for reimbursement.

Design Standard	Purchase Price Reimbursement for Parcel
Open front porch of at least 60 sq. ft.	20%
Picture or bay window	20%
Alley-loaded parcel	20%
Shutter or other acceptable window treatments	20%
Underground Sprinkling	20%

(By way of example only: If Developer completes three of the design standards listed above for the construction at the Parcel located at 528 Oak, Developer would be reimbursed \$1,800.00, which is 60% of the \$3,000.00 purchase price for this Parcel. If Developer completes all five design standards, Developer would be reimbursed the entire purchase price for this Parcel. If Developer builds a duplex or small multiplex, Developer would be reimbursed 100% of the purchase price for this Parcel.)

4. **Right of Reversion.** Notwithstanding anything herein to the contrary, and as security for Developer's obligation to commence and complete construction of a duplex and an ADU on each of the Project Property, the quit claim deed conveying the Project Property to Developer shall contain a right of reversion in all of the Project Property ("City's Reversionary Right"), which may be exercised by City, in its sole and absolute discretion, if any of the following conditions occur:

a. Developer does not commence construction within sixty (60) days after the date of Closing, in which case title to all of the Project Property shall automatically revert to City upon the terms and conditions further provided in this Paragraph 4 below. For purposes of this Paragraph 4(a), commencing construction means furnishing labor and materials to the Parcel of the Project Property and beginning installation of the approved duplex and ADU.

b. Developer does not complete construction of the Project Property prior to expiration of the Construction Period, in which case title to any of the Project Property that are not complete by the end of the Construction Period shall automatically revert to City upon the terms and conditions further provided in this Paragraph 4 below. For purposes of this Paragraph 4(b), completing construction means the issuance of an occupancy permit by City for the Project Property. Provided, however, the parties agree to reasonably negotiate an extension of the Construction Period up to a period of six (6) months for the Project Property that have a completed foundation before the expiration of the initial Construction Period.

If any of the above conditions occur, City shall automatically have City's Reversionary Right to reacquire title to the Project Property, as the case may be. To exercise City's Reversionary Right described herein, City must provide written notice to Developer (or its permitted successors, assigns, or transferees) within thirty (30) days of Developer's failure under this Agreement, but in any event prior to Developer satisfying the conditions set forth in Paragraph 4(a) or Paragraph 4(b) above, as the case may be, and record such notice with the Muskegon County Register of Deeds. Upon request of City, Developer shall take all reasonable steps to ensure City acquires marketable title to the Project Property, as the case may be, through its exercise of its rights under this Paragraph within thirty (30) days of City's demand, including without limitation, the execution of appropriate deeds and other documents.

In addition, if the Project Property revert to City, City may retain the purchase price for such Project Property free and clear of any claim of Developer or its assigns. In the event of reversion of title of the

Project Property, improvements made on such Project Property shall become the property of City. In no event shall the Project Property be in a worse condition than upon the date of Closing. These covenants and conditions shall run with the land and be recorded in the quit claim deed from City to Developer.

5. **Title Insurance.** Within five (5) days after the Effective Date, Developer shall order a title commitment for an extended coverage ALTA owner's policy of title insurance issued by Transnation Title Agency (the "Title Company") for the Project Property in the amount of the total purchase price for the Project Property and bearing a date later than the Effective Date, along with copies of all of the underlying documents referenced therein (the "Title Commitment"). Developer shall cause the Title Company to issue a marked-up commitment or *pro forma* owner's policy with respect to the Project Property at the Closing naming Developer as the insured and in form and substance reasonably satisfactory to Developer, but subject to Permitted Exceptions (defined below). As soon as possible after the Closing, Developer shall cause the Title Company to furnish to Developer an extended coverage ALTA owner's policy of title insurance with respect to the Project Property (the "Title Policy"). City shall be responsible for the cost of the Title Policy; provided, however, Developer shall be solely responsible for the cost of any endorsements to the Title Policy that Developer desires.

6. **Title Objections.** Developer shall have until the end of the Inspection Period (as defined below) within which to raise objections to the status of City's title to the Project Property. If objection to the title is made, City shall have seven (7) days from the date it is notified in writing of the particular defects claimed to either (a) remedy the objections, or (b) notify Developer that it will not remedy the objections. If Developer does not notify City in writing as to any title or survey objections, then Developer will be deemed to have accepted the condition of title as set forth in the Title Commitment. If City is unwilling or unable to remedy the title or obtain title insurance over such defects within the time period specified, then notwithstanding anything contained herein to the contrary, Developer may, at its option, upon written notice to City, either (i) terminate this Agreement and neither City nor Developer shall have any further obligation to the other pursuant to this Agreement, except as otherwise provided herein, or (ii) waive such objection, in which case such objection shall become a Permitted Exception, and thereafter proceed to the Closing according to the terms of this Agreement. Any matter disclosed on the Title Commitment that is waived or not objected to by Developer shall be deemed a "Permitted Exception."

7. **Property Taxes and Assessments.** City shall be responsible for the payment of all real estate taxes and assessments that become due and payable prior to Closing, without proration. Developer shall be responsible for the payment of all real estate taxes and assessments that become due and payable after Closing, without proration.

8. **Survey.** Developer at its own expense may obtain a survey of any or all of the Project Property, and Buyer or its surveyor or other agents may enter any of the Project Property for that purpose prior to Closing. If no survey is obtained, Developer agrees that Developer is relying solely upon Developer's own judgment as to the location, boundaries, and area of the Project Property and improvements thereon without regard to any representations that may have been made by City or any other person. In the event that a survey by a registered land surveyor made prior to Closing discloses an encroachment or substantial variation from the presumed land boundaries or area, City shall have the option of affecting a remedy within seven (7) days after disclosure, or terminate this Agreement. Developer may elect to purchase the Project Property subject to said encroachment or variation.

9. **Inspection Period.** At Developer's sole option and expense, Developer and Developer's agents may conduct inspections of each of the Project Property within thirty (30) days after the Effective Date ("Inspection Period"). Developer's inspection under this Paragraph may include, by way of example but not limitation, inspections of any existing improvements to each Parcel, other systems servicing the Parcel, zoning, and the suitability for Developer's intended purposes for each Parcel. If Developer, in

Developer's reasonable discretion, is not satisfied with the results of the inspections for any reason, Developer shall notify City in writing of Developer's prior to expiration of the 30-day Inspection Period. If Developer so notifies City, this Agreement shall be terminated and have no further force and effect. If no written objection is made by Developer within the stated period, this inspection contingency shall be deemed to be waived by Developer and the parties shall proceed to Closing in accordance with the terms of this Agreement.

10. **Condition of Project Property.** City and Developer acknowledge and agree that the Parcel in the Project Property is being sold and delivered "**AS IS**", "**WHERE IS**" in its present condition. Except as specifically set forth in this Agreement or any written disclosure statements, City has not made, does not make, and specifically disclaims any and all representations, warranties, or covenants of any kind or character whatsoever, whether implied or express, oral or written, as to or with respect to (i) the value, nature, quality, or condition of any of the Project Property, including without limitation, soil conditions, and any environmental conditions; (ii) the suitability of the Project Property for any or all of Developer's activities and uses; (iii) the compliance of or by the Project Property with any laws, codes, or ordinances; (iv) the habitability, marketability, profitability, or fitness for a particular purpose of the Project Property; (v) existence in, on, under, or over the Project Property of any hazardous substances; or (vi) any other matter with respect to the Project Property. Developer acknowledges and agrees that Developer has or will have the opportunity to perform inspections of the Project Property pursuant to this Agreement and that Developer is relying solely on Developer's own investigation of the Project Property and not on any information provided to or to be provided by City (except as specifically provided in this Agreement). If the transaction contemplated herein closes, Developer agrees to accept the respective Project Property acquired by Developer and waive all objections or claims against City arising from or related to such Project Property and any improvements thereon except for a breach of any representations or warranties or covenants specifically set forth in this Agreement. In the event this transaction closes, then subject to City's express representations, warranties, and covenants in this Agreement, Developer acknowledges and agrees that it has determined that the respective Project Property it has acquired and all improvements thereon are in a condition satisfactory to Developer based on Developer's own inspections and due diligence, and Developer has accepted such Project Property in their present condition and subject to ordinary wear and tear up to the date of Closing. The terms of this Paragraph shall survive the Closing and/or the delivery of the deed.

11. **Developer's Representations and Warranties of Developer.** Developer represents, covenants, and warrants the following to be true:

a. **Authority.** Developer has the power and authority to enter into and perform Developer's obligations under this Agreement.

b. **Litigation.** No judgment is outstanding against Developer and no litigation, action, suit, judgment, proceeding, or investigation is pending or outstanding before any forum, court, or governmental body, department or agency or, to the knowledge of Developer, threatened, that has the stated purpose or the probable effect of enjoining or preventing the Closing.

c. **Bankruptcy.** No insolvency proceeding, including, without limitation, bankruptcy, receivership, reorganization, composition, or arrangement with creditors, voluntary or involuntary, affecting Developer or any of Developer's assets or property, is now or on the Closing Date will be pending or, to the knowledge of Developer, threatened.

12. **Conditions Precedent.** This Agreement and all of the obligations of Developer under this Agreement are, at Developer's option, subject to the fulfillment, before or at the time of the Closing, of each of the following conditions:

a. **Performance.** The obligations, agreements, documents, and conditions required to be signed and performed by City shall have been performed and complied with before or at the date of the Closing.

b. **City Commission Approval.** This Agreement is approved by the Muskegon City Commission.

13. **Default.**

a. **By Developer.** In the event Developer fails to comply with any or all of the obligations, covenants, warranties, or agreements under this Agreement and such default is not cured within ten (10) days after receipt of notice (other than Developer's failure to tender the purchase price in full at Closing, a default for which no notice is required), then City may terminate this Agreement.

b. **By City.** In the event City fails to comply with any or all of the obligations, covenants, warranties or agreements under this Agreement, and such default is not cured within ten (10) days after receipt of notice, then Developer may either terminate this Agreement or Developer may pursue its legal and/or equitable remedies against City including, without limitation, specific performance.

14. **Closing.**

a. **Date of Closing.** The closing date of this sale shall be as mutually agreed by the parties, but in no event later than 60 days from the City Commission's approval of the sale ("Closing"), unless this Agreement is terminated in accordance with its provisions. The Closing shall be conducted at such time and location as the parties mutually agree.

b. **Costs.** The costs associated with this Agreement and the Closing shall be paid as follows: (i) Developer shall pay any state and county transfer taxes in the amount required by law; (ii) City shall pay the premium for the owner's Title Policy, provided that Developer shall pay for any and all endorsements to the Title Policy that Developer desires; (iii) City shall be responsible to pay for the recording of any instrument that must be recorded to clear title to the extent required by this Agreement; (iv) Developer shall pay for the cost of recording the deed; and (v) Developer and City shall each pay one-half of any closing fees charged by the Title Company.

c. **Deliveries.** At Closing, City shall deliver a quit claim deed for the Project Property and Developer shall pay the purchase price. The quit claim deed to be delivered by City at closing shall include the City Right of Reversion described in Paragraph 4 above. The parties shall execute and deliver such other documents reasonably required to effectuate the transaction contemplated by this Agreement.

15. **Real Estate Commission.** Developer and City shall each be responsible for any fees for any real estate agents, brokers, or salespersons regarding this sale that it has hired, but shall have no obligation as to any fees for any real estate agents, brokers, or salespersons regarding this sale that the other party has hired.

16. **Notices.** All notices, approvals, consents and other communications required under this Agreement shall be in writing and shall be deemed given: (i) when delivered in person; (ii) when sent by fax or email; (iii) when sent by a nationally-recognized receipted overnight delivery service with delivery

fees prepaid; or (iv) when sent by United States first-class, registered, or certified mail, postage prepaid. The notice shall be effective immediately upon personal delivery or upon transmission of the fax or email; one day after depositing with a nationally recognized overnight delivery service; and five (5) days after sending by first class, registered, or certified mail.

Notices shall be sent to the parties as follows:

To City: City of Muskegon
Attn.: Samantha Pulos, Code Coordinator
933 Terrace Street
Muskegon, MI 49440

w/ copy to: Parmenter Law
Attn.: John C. Schrier
601 Terrace Street, Suite 200
Muskegon, MI 49440
Email: john@parmenterlaw.com

To Developer: Arnoldink Properties LLC
Dave Arnoldink
4485 Grand Point
Holland, MI 49424
Email: davida@westedgerealty.com
Cell: 616-886-8262

17. **Miscellaneous.**

a. **Governing Law.** This Agreement will be governed by and interpreted in accordance with the laws of the state of Michigan.

b. **Entire Agreement.** This Agreement constitutes the entire agreement of the parties and supersedes any other agreements, written or oral, that may have been made by and between the parties with respect to the subject matter of this Agreement. All contemporaneous or prior negotiations and representations have been merged into this Agreement.

c. **Amendment.** This Agreement shall not be modified or amended except in a subsequent writing signed by all parties.

d. **Binding Effect.** This Agreement shall be binding upon and enforceable by the parties and their respective legal representatives, permitted successors, and assigns.

e. **Counterparts.** This Agreement may be executed in counterparts, and each set of duly delivered identical counterparts which includes all signatories, shall be deemed to be one original document.

f. **Full Execution.** This Agreement requires the signature of all parties. Until fully executed, on a single copy or in counterparts, this Agreement is of no binding force or effect and if not fully executed, this Agreement is void.

g. **Non-Waiver.** No waiver by any party of any provision of this Agreement shall constitute a waiver by such party of any other provision of this Agreement.

h. **Severability.** Should any one or more of the provisions of this Agreement be determined to be invalid, unlawful, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions of this Agreement shall not in any way be impaired or affected.

i. **No Reliance.** Each party acknowledges that it has had full opportunity to consult with legal and financial advisors as it has been deemed necessary or advisable in connection with its decision to knowingly enter into this Agreement. Neither party has executed this Agreement in reliance on any representations, warranties, or statements made by the other party other than those expressly set forth in this Agreement.

j. **Assignment or Delegation.** Except as otherwise specifically set forth in this Agreement, neither party shall assign all or any portion of its rights and obligations contained in this Agreement without the express or prior written approval of the other party, in which approval may be withheld in the other party's sole discretion.

k. **Venue and Jurisdiction.** The parties agree that for purposes of any dispute in connection with this Agreement, the Muskegon County Circuit Court shall have exclusive personal and subject matter jurisdiction and that Muskegon County is the exclusive venue.

This Agreement is executed effective as of the Effective Date set forth above.

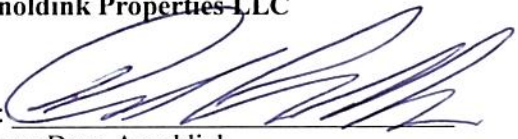
CITY:

DEVELOPER:

CITY OF MUSKEGON

Arnoldink Properties LLC

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

By: 
Name: Dave Arnoldink
Dated: 6-2-25

By: _____
Name: Ann Marie Meisch
Title: City Clerk
Dated: _____

Exhibit A

The following described premises located in the City of Muskegon, County of Muskegon, State of Michigan, and legally described as follows:

Legal Description: CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 13 ALSO THE E 1/2 LOT 12 BLK 41

Address: 528 OAK AVE, MUSKEGON, MI 49442

Parcel #: 61- 24-205-041-0013-00

Price: \$3,000.00

(Parcel will be split and one duplex and one ADU will be constructed on each half)



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Resolution for Housing Tax Exemption at 300, 310, and 370 Allen Duplex/ADU Project						
Submitted by: Jake Eckholm, Development Services Director	Department: Economic Development						
Brief Summary: OrangeFin Properties, owned by Kara Novak and her husband, are requesting a housing tax exemption for the new construction infill of duplexes and ADU's on 3 lots in the Angell neighborhood.							
Detailed Summary & Background: Mr. and Mrs. Novak have been working with Development Services Staff and leadership in order to facilitate new construction rental and for sale housing in the city of Muskegon. These proposed lots will be utilized for three 2 story duplexes with an accessory dwelling unit behind each for a total of 9 housing units. The Novaks are proposing that all units be subject to the proposed PILOT, which will reserve them for only households under 120% of the Area Median Income (AMI) for Muskegon County. The duplex units are 3 bedroom, 2 bathroom and the ADU's are 1 bedroom, 1 bathroom. The units at 370 Allen are potentially to be used for a partnership with Goodwill Industries to provide housing to returning citizens that have completed their independent living course and have full time employment. This resolution will result in the City assessing 10% of the annual rents on the property as a payment in lieu of taxes (PILOT) for a period of 15 years in exchange for the developer complying with MSHDA rent limits. With recent changes to state statute, these properties can benefit the City's scattered site Brownfield TIF program despite being part of the PILOT. This is the same incentive program we approved for Allen Edwin in 2023, but with smaller incremental developers.							
Goal/Focus Area/Action Item Addressed: Key Focus Areas: Diverse housing types Retain youth within the city Goal/Action Item: 2027 Goal 2: Economic Development Housing and Business							
Amount Requested: N/A	Budgeted Item: <table border="1"><tr><td>Yes</td><td></td><td>No</td><td></td><td>N/A</td><td></td></tr></table>	Yes		No		N/A	
Yes		No		N/A			

Fund(s) or Account(s): N/A		Budget Amendment Needed: <table border="1"> <tr> <td>Yes</td> <td></td> <td>No</td> <td></td> <td>N/A</td> <td></td> </tr> </table>				Yes		No		N/A										
Yes		No		N/A																
Recommended Motion: Motion to adopt the Resolution for Housing Tax Exemption for Orangefin Properties, LLC and to authorize the mayor and clerk to sign.																				
Approvals: <table border="1"> <tr> <td>Immediate Division Head</td> <td></td> <td></td> </tr> <tr> <td>Information Technology</td> <td></td> <td></td> </tr> <tr> <td>Other Division Heads</td> <td></td> <td></td> </tr> <tr> <td>Communication</td> <td></td> <td></td> </tr> <tr> <td>Legal Review</td> <td></td> <td></td> </tr> </table>		Immediate Division Head			Information Technology			Other Division Heads			Communication			Legal Review			Guest(s) Invited / Presenting: Yes			
Immediate Division Head																				
Information Technology																				
Other Division Heads																				
Communication																				
Legal Review																				

Resolution Setting Annual Service Fee
for the Workforce Housing Development
by OrangeFin Properties, LLC

Whereas, OrangeFin Properties, LLC (the “Sponsor”), has applied to the City of Muskegon for a determination that a proposed workforce housing project sponsored by it at 300 Allen Street, 310 Allen Street, and 370 Allen Street is entitled to the exemption from taxes authorized by Chapter 82 of the City of Muskegon Code of Ordinances; now therefore, be it

Resolved, that the proposed workforce housing project is within the class of housing developments entitled to an exemption under Chapter 82, if it meets the following contingencies:

- a. Sponsor shall provide documentation to the City substantiating ownership of the subject properties.
- b. Construction of at least 2 units of the proposed workforce housing project shall be commenced within twelve (12) months from the date of the Michigan State Housing Development Authority’s (“MSHDA”) notification of exemption, or this resolution shall be void and of no effect.
- c. For the life of the this Workforce Housing Resolution, 100% of the dwelling units in the proposed workforce housing project will be restricted to rental units or other housing options that are reasonably affordable to, and occupied by, a household whose total household income is not greater than 120% of the area median income published by the United States Department of Housing and Urban Development.
- d. The Sponsor shall submit an affidavit to MSHDA in the form required by MSHDA for certification that the workforce housing project is eligible for the workforce housing exemption.
- e. Upon receipt of notification from MSHDA that the workforce housing project is eligible for a workforce housing exemption, the Sponsor shall file the certified notification of exemption with the City Assessor before November 1 of the year preceding the tax year in which the exemption is to be effective; and,
- f. Sponsor shall record a restrictive covenant in a form acceptable to the City Attorney. The restrictive covenant shall be recorded in the register of deeds for the county in which the workforce housing project is located and shall comply with the requirements of Chapter 82; and, further be it

Resolved, that in lieu of ad valorem property taxes, the Sponsor shall pay an annual service charge equal to ten percent (10%) of the “Annual Shelter Rents” as defined in Section 82-52 for that portion of the workforce housing project occupied for Workforce Housing; and, further be it

Resolved, that annually, no later than April 29, the Sponsor shall provide the City Assessor the Sponsor's budget for Annual Shelter Rent for the current calendar year and a copy of Sponsor's financial statements for the preceding calendar year, prepared in accordance with generally accepted auditing standards or, if Sponsor is not subject to an audit requirement, Sponsor's compiled financial statements for the preceding calendar year prepared in accordance with generally accepted accounting principles and certified by Sponsor; and, further be it

Resolved, that the tax exempt status granted by this Resolution shall remain in effect for 15 years, unless otherwise terminated pursuant to Chapter 82 or this Resolution; and, further be it

Resolved, that all portions of Chapter 82 are hereby incorporated by reference; and, further be it

Resolved, that this Resolution may be assigned by the Sponsor only to subsequent owners of the workforce housing project who shall agree to abide to its terms. If not assigned, to and accepted by subsequent owners of the workforce housing project, it shall automatically terminate; and further be it

Resolved, that the Mayor and City Clerk execute a contract with the Sponsor providing the tax exemption and acceptance of payments in lieu of taxes as defined within this resolution and its application, such contract subject to approval as to substance by the City Manager and as to form by the City Attorney.

YEAS: _____

NAYS: _____

I hereby certify that the above Resolution was adopted by the City Commission of the City of Muskegon at its regular meeting held on _____, in the Commission Chambers, City Hall, 933 Terrace, Muskegon, Michigan.

Ann Meisch, City Clerk



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Workforce Housing Restrictive Covenant, 300, 310, and 370 Allen Duplex ADU Project						
Submitted by: Jake Eckholm, Development Services Director	Department: Economic Development						
Brief Summary: OrangeFin Properties, owned by Kara Novak and her husband, are requesting a housing tax exemption for the new construction infill of duplexes and ADU's on 3 lots in the Angell neighborhood.							
Detailed Summary & Background: Mr. and Mrs. Novak have been working with Development Services Staff and leadership in order to facilitate new construction rental and for sale housing in the city of Muskegon. These proposed lots will be utilized for three 2 story duplexes with an accessory dwelling unit behind each for a total of 9 housing units. The Novaks are proposing that all units be subject to the proposed PILOT, which will reserve them for only households under 120% of the Area Median Income (AMI) for Muskegon County. The duplex units are 3 bedroom, 2 bathroom and the ADU's are 1 bedroom, 1 bathroom. The units at 370 Allen are potentially to be used for a partnership with Goodwill Industries to provide housing to returning citizens that have completed their independent living course and have full time employment. This restrictive covenant establishes the terms by which the city has agreed to authorize a PILOT as opposed to ad valorem property taxes for these parcels. It is to be attached to an affidavit the developer must submit to MSHDA to prove they have local approval for the project and to their commitment to reserving these units for households within the MSHDA income thresholds.							
Goal/Focus Area/Action Item Addressed: Key Focus Areas: Diverse housing types Retain youth within the city Progress toward completion of ongoing economic development projects Goal/Action Item: 2027 Goal 2: Economic Development Housing and Business							
Amount Requested: NA	Budgeted Item: <table border="1"><tr><td>Yes</td><td></td><td>No</td><td></td><td>N/A</td><td></td></tr></table>	Yes		No		N/A	
Yes		No		N/A			
Fund(s) or Account(s):	Budget Amendment Needed:						

NA		<table border="1"><tr><td>Yes</td><td></td><td>No</td><td></td><td>N/A</td><td></td></tr></table>					Yes		No		N/A										
Yes		No		N/A																	
Recommended Motion: Motion to adopt the Workforce Housing Restrictive Covenant between Orangefin Properties, LLC and the City and to authorize the Mayor and Clerk to sign.																					
Approvals: <table border="1"><tr><td>Immediate Division Head</td><td></td><td></td></tr><tr><td>Information Technology</td><td></td><td></td></tr><tr><td>Other Division Heads</td><td></td><td></td></tr><tr><td>Communication</td><td></td><td></td></tr><tr><td>Legal Review</td><td></td><td></td></tr></table>			Immediate Division Head			Information Technology			Other Division Heads			Communication			Legal Review			Guest(s) Invited / Presenting: Yes			
Immediate Division Head																					
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Legal Review																					

WORKFORCE HOUSING RESTRICTIVE COVENANT

This Workforce Housing Restrictive Covenant (“Restrictive Covenant”) is made by and between the City of Muskegon, Michigan (“Municipality”) and OrangeFin Properties LLC, a Michigan limited liability company, presently of Holland MI 49424 (the “Sponsor”) as of June 24th, 2025.

R E C I T A L S:

A. Sponsor is the owner of certain real property located in the City of Muskegon, County of Muskegon, State of Michigan, and more particularly described on the attached Exhibit A (the “Property”), which is attached hereto and incorporated by reference into this Agreement.

B. Sponsor has offered to provide nine “Workforce housing” units as defined by MCL 125.1415a(10)(d) on the Property (the “Project”) and has applied to Municipality for a workforce housing exemption from *ad valorem* property taxes under Section 15a of the State Housing Development Authority Act, being Public Act 346 of 1966, as amended (the “Act”).

C. In consideration of Sponsor’s offer to undertake the Project, Municipality has agreed to exempt the Property from all *ad valorem* property taxes imposed by any taxing jurisdiction and to accept in lieu thereof payment of an annual service charge for a period of 15-years as provided by Chapter 82 of the City Code of Ordinances, as amended (the “Ordinance”).

D. Upon completion of the Project, the annual service charge paid in lieu of all *ad valorem* property taxes shall be equal to ten percent (10%) of the annual shelter rents collected from the Project and shall be paid as provided in the Ordinance.

E. Sponsor and Municipality agree that the economic feasibility of the Project depends upon the continuing effect of the annual service charge in lieu of all *ad valorem* taxes approved by Municipality for the 15-year exemption period.

F. Accordingly, upon recording with the Muskegon County Register of Deeds, this Restrictive Covenant will restrict use of the Property to Workforce housing for the 15-year exemption period.

NOW, THEREFORE, in consideration of Municipality’s acceptance of payment of the annual service charge in lieu of all *ad valorem* property taxes and Sponsor’s commitment to construct or rehabilitate the Project, Sponsor and Municipality hereby covenant as follows:

1. **Recitals.** The above recitals are acknowledged as true and correct and are incorporated by reference into this paragraph.

2. **Definitions.** All words and phrases used in this Restrictive Covenant have the same meaning as defined in the Act or the Ordinance.

3. **Workforce Housing Covenant.** The Project will, upon completion of the proposed construction or rehabilitation, constitute workforce housing for households for persons and families whose household income is not greater than 120% of the area median income, as published by the Michigan State Housing Development Authority ("the Authority") for Muskegon County, adjusted for family size. All of the housing units in the Project will be rented, or available for rental, on a continuous basis to members of the general public throughout the term of this Restrictive Covenant.

4. **Term of Exemption.** The exemption from *ad valorem* property taxes approved by Municipality shall remain in effect in accordance with this Restrictive Covenant restricting use of the Project to workforce housing for a period of 15-years, ending on December 31, 2040, or so long as the Project is used as workforce housing, whichever is less.

5. **No Violation.** Sponsor agrees that it will not knowingly take or permit any action that would result in a violation of the requirements of this Restrictive Covenant or the Ordinance, which is incorporated herein as if a part of this Restrictive Covenant. Further, Sponsor agrees to take any required action, including the amendment of this Restrictive Covenant, as may be necessary, in the determination of the Municipality or of the Authority, to comply with the Ordinance. If Municipality determines that the Project is not in compliance with the requirements of this Restrictive Covenant, and Sponsor, after receiving written notice of the non-compliance from Municipality, does not correct such non-compliance within thirty (30) days, Municipality shall be entitled to take such actions as it deems necessary to enforce the provisions of this Restrictive Covenant.

6. **Sponsor to Demonstrate Compliance.** Sponsor will provide Municipality with such certifications, reports and other information as are required by Municipality to demonstrate compliance with the Ordinance. Sponsor will provide Municipality and Authority with an annual verification of compliance with this Restrictive Covenant, in a form specified by the Authority.

7. **Transfer of Ownership.** Sponsor will, prior to a sale or other voluntary transfer of ownership of the Project or any part thereof, notify Municipality in writing, and will enter into any agreements with the purchaser or transferee as may be prescribed by Municipality to ensure such purchaser's or transferee's compliance with this Restrictive Covenant and Michigan law.

8. **Enforceability.** This Restrictive Covenant is enforceable in any court in the State of Michigan having jurisdiction thereof, by Municipality, and to the extent required by the Ordinance, by any individuals who are tenants of the Project.

9. **Covenant Running with the Land; Binding Effect.** The foregoing covenant shall constitute and be enforced as a covenant running with the land under Michigan law and shall be binding on all successors or assigns of Sponsor or Municipality and any future owner or operator of the Project for the full 15-year exemption period.

10. **Miscellaneous.** In the event of any conflict between the terms of this Restrictive Covenant and the requirements of the Ordinance the requirements of the Ordinance shall prevail. This Restrictive Covenant may only be amended or terminated by a writing signed by both Sponsor and Municipality. The invalidity of any clause or provision of this Restrictive Covenant shall not affect the validity of the remaining portions thereof.

IN WITNESS WHEREOF, is this Covenant is effective as of December 1st, 2025.

[Signature Pages Follow]

CITY OF MUSKEGON

By: _____

Its: _____

STATE OF MICHIGAN)
) ss
COUNTY OF MUSKEGON)

The foregoing instrument was acknowledged before me this day of June 24th, 2025 by Kenneth Johnson, as Mayor of the City of Muskegon, a municipal corporation of the State of Michigan.

Notary Public, _____ County, MI
My Commission Expires: _____
Acting in _____ County, MI

SPONSOR
OrangeFin Properties, LLC

By: _____

Its:

STATE OF MICHIGAN)
) ss
COUNTY OF MUSKEGON)

The foregoing instrument was acknowledged before me this ____ day of _____, by _____, as the manager/authorized member of OrangeFin Properties, a Michigan limit liability company, on behalf of said Company.

Notary Public, _____ County, MI
My Commission Expires: _____
Acting in _____ County, MI

DRAFTED BY:

WHEN RECORDED RETURN TO:

EXHIBIT A

Legal Description of Property

**Legal Description: CITY OF MUSKEGON REVISED PLAT OF 1903 EAST 33 FEET LOT
10 WEST 16.5 FEET LOT 11 BLOCK 210**

Address: 300 ALLEN AVE, MUSKEGON, MI 49442

Parcel #: 61-24-205-210-0010-10

**Legal Description: CITY OF MUSKEGON REVISED PLAT OF 1903 EAST 49.5 FEET
LOT 11 BLOCK 210**

Address: 310 ALLEN AVE, MUSKEGON, MI 49442

Parcel #: 61-24-205-210-0011-01

**Legal Description: CITY OF MUSKEGON
REVISED PLAT 1903 LOT 10 BLK 211**

Address: 370 ALLEN AVE, MUSKEGON, MI 49442

Parcel #: 61-24-205-211-0010-00



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Sale of 300, 310, & 370 Allen							
Submitted by: Samantha Pulos, Code Coordinator	Department: Planning							
Brief Summary: Staff is seeking authorization to sell the City-owned vacant lots at 300, 310, & 370 Allen to Sjaarda Homes and Properties LLC (Derek Sjaarda).								
Detailed Summary & Background: Sjaarda Homes and Properties LLC (Derek Sjaarda) would like to purchase the City-owned buildable lots at 300, 310, & 370 Allen for \$9,000 (75% of the True Cash Value of \$12,000) plus half of the closing costs, and the fee to register the deed. Sjaarda Homes and Properties LLC (Derek Sjaarda) will be constructing a duplex and an accessory dwelling unit (ADU) on each property. 300 Allen is adjacent to the current location of the Angell Neighborhood Association (NA) community garden (290 Allen). The Angell NA has given an official letter of support for the development of the lots.								
Goal/Focus Area/Action Item Addressed: Key Focus Areas: Goal/Focus Area/Action Item Addressed: Create an environment that effectively attracts new residents and retains existing residents by filling existing employment gaps, attracting new and diverse businesses to the city, and expanding access to a variety of high-quality housing options in Muskegon. Diverse housing types.								
Goal/Action Item: 2027 Goal 2: Economic Development Housing and Business								
Amount Requested: n/a	Budgeted Item: <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 15%;">Yes</td> <td style="width: 15%;"></td> <td style="width: 15%;">No</td> <td style="width: 15%;"></td> <td style="width: 15%;">N/A</td> <td style="width: 15%;">x</td> <td style="width: 15%;"></td> </tr> </table>	Yes		No		N/A	x	
Yes		No		N/A	x			
Fund(s) or Account(s): n/a	Budget Amendment Needed: <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 15%;">Yes</td> <td style="width: 15%;"></td> <td style="width: 15%;">No</td> <td style="width: 15%;"></td> <td style="width: 15%;">N/A</td> <td style="width: 15%;">x</td> <td style="width: 15%;"></td> </tr> </table>	Yes		No		N/A	x	
Yes		No		N/A	x			
Recommended Motion: Authorize staff to sell the City-owned vacant lots at 300, 310, & 370 Allen to Sjaarda Homes and Properties LLC (Derek Sjaarda).								

Approvals:

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

Guest(s) Invited / Presenting:

No

PURCHASE AND DEVELOPMENT AGREEMENT

This Purchase and Development Agreement (“Agreement”) is made **June 24, 2025** (“Effective Date”), between the **City of Muskegon**, a Michigan municipal corporation, of 933 Terrace Street, Muskegon, Michigan 49440 (“City”), and **Sjaarda Homes and Properties LLC**, Derek Sjaarda, 15131 Blueberry Ct, West Olive MI, 49460 (“Developer”), with reference to the following facts:

Background

A. Developer proposes to purchase and develop three (3) vacant properties owned by City which are located in the City of Muskegon, Muskegon County, Michigan, and each commonly known and legally described on the attached **Exhibit A** (each property individually, a “Parcel” and collectively “Project Property”).

B. City and Developer desire to establish the terms, covenants, and conditions upon which City will sell and Developer will purchase and develop the Project Property. Developer intends to develop on each of the Project Properties one (1) duplex and one (1) accessory dwelling unit (ADU), for a total of three (3) duplexes and three (3) ADUs. (the “Project”).

Therefore, for good and valuable consideration, the parties agree as follows:

1. **Sale and Purchase of Project Property.** City agrees to sell to Developer, and Developer agrees to purchase from City, on the terms and subject to the conditions set forth in this Agreement, the Project Property, subject to reservations, restrictions, and easements of record.

2. **Purchase Price.** The total purchase price for the Project Property shall be \$9,000.00, which shall be paid in cash or other immediately available funds at Closing (defined below) less the \$500 deposit that the Developer has paid to the City of Muskegon.

Pursuant to Paragraph 3(b) below, the parties acknowledge and agree that Developer shall be eligible to be reimbursed all or a portion of the purchase price for the Parcel upon the completion of certain design standards as further described herein.

3. **Construction and Development Requirements.**

a. **Construction Dates.** The parties acknowledge and agree that Developer shall have a period of Twenty-Four (24) months from the date of Closing to complete the Project (“Construction Period”), except as otherwise provided in this Agreement or as otherwise mutually agreed upon by the parties in writing.

b. **Construction Details; Purchase Price Reimbursement.** Developer’s construction and development of the Project Property, including single-family homes, duplexes, triplexes, and accessory dwelling units, shall be in substantial conformance with its plans and specifications provided to City by Developer or as otherwise agreed upon in writing between City and Developer. As referenced above, Developer shall be eligible for reimbursement of all or a portion of the purchase price for the Project Property upon Developer’s satisfaction of the following design standards for each single-family home, duplex, triplex, and accessory dwelling unit it constructs on the Project Property. If the Project includes an accessory dwelling unit, both the primary dwelling unit (single-family home, duplex, triplex) and the accessory dwelling unit must meet the design standards outlined below to be eligible for reimbursement.

Design Standard	Purchase Price Reimbursement for Parcel
Open front porch of at least 60 sq. ft.	20%
Picture or bay window	20%
Alley-loaded parcel	20%
Shutter or other acceptable window treatments	20%
Underground Sprinkling	20%

(By way of example only: If Developer completes three of the design standards listed above for the construction at the Parcel located at 300 Allen, Developer would be reimbursed \$1,800.00, which is 60% of the \$3,000.00 purchase price for this Parcel. If Developer completes all five design standards, Developer would be reimbursed the entire purchase price for this Parcel. If Developer builds a duplex or small multiplex, Developer would be reimbursed 100% of the purchase price for this Parcel.)

4. **Right of Reversion.** Notwithstanding anything herein to the contrary, and as security for Developer's obligation to commence and complete construction of a duplex and an ADU on each of the Project Properties, the quit claim deed conveying the Project Property to Developer shall contain a right of reversion in all of the Project Property ("City's Reversionary Right"), which may be exercised by City, in its sole and absolute discretion, if any of the following conditions occur:

a. Developer does not commence construction within sixty (60) days after the date of Closing, in which case title to all of the Project Property shall automatically revert to City upon the terms and conditions further provided in this Paragraph 4 below. For purposes of this Paragraph 4(a), commencing construction means furnishing labor and materials to the Parcel of the Project Property and beginning installation of the approved duplex and/or ADU.

b. Developer does not complete construction of the Project Property prior to expiration of the Construction Period, in which case title to any of the Project Property that are not complete by the end of the Construction Period shall automatically revert to City upon the terms and conditions further provided in this Paragraph 4 below. For purposes of this Paragraph 4(b), completing construction means the issuance of an occupancy permit by City for the Project Property. Provided, however, the parties agree to reasonably negotiate an extension of the Construction Period up to a period of six (6) months for the Project Property that have a completed foundation before the expiration of the initial Construction Period.

If any of the above conditions occur, City shall automatically have City's Reversionary Right to reacquire title to the Project Property, as the case may be. To exercise City's Reversionary Right described herein, City must provide written notice to Developer (or its permitted successors, assigns, or transferees) within thirty (30) days of Developer's failure under this Agreement, but in any event prior to Developer satisfying the conditions set forth in Paragraph 4(a) or Paragraph 4(b) above, as the case may be, and record such notice with the Muskegon County Register of Deeds. Upon request of City, Developer shall take all reasonable steps to ensure City acquires marketable title to the Project Property, as the case may be, through its exercise of its rights under this Paragraph within thirty (30) days of City's demand, including without limitation, the execution of appropriate deeds and other documents.

In addition, if the Project Property revert to City, City may retain the purchase price for such Project Property free and clear of any claim of Developer or its assigns. In the event of reversion of title of the Project Property, improvements made on such Project Property shall become the property of City. In no event shall the Project Property be in a worse condition than upon the date of Closing. These covenants and conditions shall run with the land and be recorded in the quit claim deed from City to Developer.

5. **Title Insurance.** Within five (5) days after the Effective Date, Developer shall order a title commitment for an extended coverage ALTA owner's policy of title insurance issued by Transnation Title Agency (the "Title Company") for the Project Property in the amount of the total purchase price for the Project Property and bearing a date later than the Effective Date, along with copies of all of the underlying documents referenced therein (the "Title Commitment"). Developer shall cause the Title Company to issue a marked-up commitment or *pro forma* owner's policy with respect to the Project Property at the Closing naming Developer as the insured and in form and substance reasonably satisfactory to Developer, but subject to Permitted Exceptions (defined below). As soon as possible after the Closing, Developer shall cause the Title Company to furnish to Developer an extended coverage ALTA owner's policy of title insurance with respect to the Project Property (the "Title Policy"). City shall be responsible for the cost of the Title Policy; provided, however, Developer shall be solely responsible for the cost of any endorsements to the Title Policy that Developer desires.

6. **Title Objections.** Developer shall have until the end of the Inspection Period (as defined below) within which to raise objections to the status of City's title to the Project Property. If objection to the title is made, City shall have seven (7) days from the date it is notified in writing of the particular defects claimed to either (a) remedy the objections, or (b) notify Developer that it will not remedy the objections. If Developer does not notify City in writing as to any title or survey objections, then Developer will be deemed to have accepted the condition of title as set forth in the Title Commitment. If City is unwilling or unable to remedy the title or obtain title insurance over such defects within the time period specified, then notwithstanding anything contained herein to the contrary, Developer may, at its option, upon written notice to City, either (i) terminate this Agreement and neither City nor Developer shall have any further obligation to the other pursuant to this Agreement, except as otherwise provided herein, or (ii) waive such objection, in which case such objection shall become a Permitted Exception, and thereafter proceed to the Closing according to the terms of this Agreement. Any matter disclosed on the Title Commitment that is waived or not objected to by Developer shall be deemed a "Permitted Exception."

7. **Property Taxes and Assessments.** City shall be responsible for the payment of all real estate taxes and assessments that become due and payable prior to Closing, without proration. Developer shall be responsible for the payment of all real estate taxes and assessments that become due and payable after Closing, without proration.

8. **Survey.** Developer at its own expense may obtain a survey of any or all of the Project Property, and Buyer or its surveyor or other agents may enter any of the Project Property for that purpose prior to Closing. If no survey is obtained, Developer agrees that Developer is relying solely upon Developer's own judgment as to the location, boundaries, and area of the Project Property and improvements thereon without regard to any representations that may have been made by City or any other person. In the event that a survey by a registered land surveyor made prior to Closing discloses an encroachment or substantial variation from the presumed land boundaries or area, City shall have the option of affecting a remedy within seven (7) days after disclosure, or terminate this Agreement. Developer may elect to purchase the Project Property subject to said encroachment or variation.

9. **Inspection Period.** At Developer's sole option and expense, Developer and Developer's agents may conduct inspections of each of the Project Property within thirty (30) days after the Effective Date ("Inspection Period"). Developer's inspection under this Paragraph may include, by way of example

but not limitation, inspections of any existing improvements to each Parcel, other systems servicing the Parcel, zoning, and the suitability for Developer's intended purposes for each Parcel. If Developer, in Developer's reasonable discretion, is not satisfied with the results of the inspections for any reason, Developer shall notify City in writing of Developer's prior to expiration of the 30-day Inspection Period. If Developer so notifies City, this Agreement shall be terminated and have no further force and effect. If no written objection is made by Developer within the stated period, this inspection contingency shall be deemed to be waived by Developer and the parties shall proceed to Closing in accordance with the terms of this Agreement.

10. **Condition of Project Property.** City and Developer acknowledge and agree that the Parcel in the Project Property is being sold and delivered "**AS IS**", "**WHERE IS**" in its present condition. Except as specifically set forth in this Agreement or any written disclosure statements, City has not made, does not make, and specifically disclaims any and all representations, warranties, or covenants of any kind or character whatsoever, whether implied or express, oral or written, as to or with respect to (i) the value, nature, quality, or condition of any of the Project Property, including without limitation, soil conditions, and any environmental conditions; (ii) the suitability of the Project Property for any or all of Developer's activities and uses; (iii) the compliance of or by the Project Property with any laws, codes, or ordinances; (iv) the habitability, marketability, profitability, or fitness for a particular purpose of the Project Property; (v) existence in, on, under, or over the Project Property of any hazardous substances; or (vi) any other matter with respect to the Project Property. Developer acknowledges and agrees that Developer has or will have the opportunity to perform inspections of the Project Property pursuant to this Agreement and that Developer is relying solely on Developer's own investigation of the Project Property and not on any information provided to or to be provided by City (except as specifically provided in this Agreement). If the transaction contemplated herein closes, Developer agrees to accept the respective Project Property acquired by Developer and waive all objections or claims against City arising from or related to such Project Property and any improvements thereon except for a breach of any representations or warranties or covenants specifically set forth in this Agreement. In the event this transaction closes, then subject to City's express representations, warranties, and covenants in this Agreement, Developer acknowledges and agrees that it has determined that the respective Project Property it has acquired and all improvements thereon are in a condition satisfactory to Developer based on Developer's own inspections and due diligence, and Developer has accepted such Project Property in their present condition and subject to ordinary wear and tear up to the date of Closing. The terms of this Paragraph shall survive the Closing and/or the delivery of the deed.

11. **Developer's Representations and Warranties of Developer.** Developer represents, covenants, and warrants the following to be true:

a. **Authority.** Developer has the power and authority to enter into and perform Developer's obligations under this Agreement.

b. **Litigation.** No judgment is outstanding against Developer and no litigation, action, suit, judgment, proceeding, or investigation is pending or outstanding before any forum, court, or governmental body, department or agency or, to the knowledge of Developer, threatened, that has the stated purpose or the probable effect of enjoining or preventing the Closing.

c. **Bankruptcy.** No insolvency proceeding, including, without limitation, bankruptcy, receivership, reorganization, composition, or arrangement with creditors, voluntary or involuntary, affecting Developer or any of Developer's assets or property, is now or on the Closing Date will be pending or, to the knowledge of Developer, threatened.

12. **Conditions Precedent.** This Agreement and all of the obligations of Developer under this Agreement are, at Developer's option, subject to the fulfillment, before or at the time of the Closing, of each of the following conditions:

a. **Performance.** The obligations, agreements, documents, and conditions required to be signed and performed by City shall have been performed and complied with before or at the date of the Closing.

b. **City Commission Approval.** This Agreement is approved by the Muskegon City Commission.

13. **Default.**

a. **By Developer.** In the event Developer fails to comply with any or all of the obligations, covenants, warranties, or agreements under this Agreement and such default is not cured within ten (10) days after receipt of notice (other than Developer's failure to tender the purchase price in full at Closing, a default for which no notice is required), then City may terminate this Agreement.

b. **By City.** In the event City fails to comply with any or all of the obligations, covenants, warranties or agreements under this Agreement, and such default is not cured within ten (10) days after receipt of notice, then Developer may either terminate this Agreement or Developer may pursue its legal and/or equitable remedies against City including, without limitation, specific performance.

14. **Closing.**

a. **Date of Closing.** The closing date of this sale shall be as mutually agreed by the parties, but in no event later than 60 days from the City Commission's approval of the sale ("Closing"), unless this Agreement is terminated in accordance with its provisions. The Closing shall be conducted at such time and location as the parties mutually agree.

b. **Costs.** The costs associated with this Agreement and the Closing shall be paid as follows: (i) Developer shall pay any state and county transfer taxes in the amount required by law; (ii) City shall pay the premium for the owner's Title Policy, provided that Developer shall pay for any and all endorsements to the Title Policy that Developer desires; (iii) City shall be responsible to pay for the recording of any instrument that must be recorded to clear title to the extent required by this Agreement; (iv) Developer shall pay for the cost of recording the deed; and (v) Developer and City shall each pay one-half of any closing fees charged by the Title Company.

c. **Deliveries.** At Closing, City shall deliver a quit claim deed for the Project Property and Developer shall pay the purchase price. The quit claim deed to be delivered by City at closing shall include the City Right of Reversion described in Paragraph 4 above. The parties shall execute and deliver such other documents reasonably required to effectuate the transaction contemplated by this Agreement.

15. **Real Estate Commission.** Developer and City shall each be responsible for any fees for any real estate agents, brokers, or salespersons regarding this sale that it has hired, but shall have no obligation as to any fees for any real estate agents, brokers, or salespersons regarding this sale that the other party has hired.

16. **Notices.** All notices, approvals, consents and other communications required under this Agreement shall be in writing and shall be deemed given: (i) when delivered in person; (ii) when sent by fax or email; (iii) when sent by a nationally-recognized receipted overnight delivery service with delivery fees prepaid; or (iv) when sent by United States first-class, registered, or certified mail, postage prepaid. The notice shall be effective immediately upon personal delivery or upon transmission of the fax or email; one day after depositing with a nationally recognized overnight delivery service; and five (5) days after sending by first class, registered, or certified mail.

Notices shall be sent to the parties as follows:

To City: City of Muskegon
Attn.: Samantha Pulos, Code Coordinator
933 Terrace Street
Muskegon, MI 49440

To Developer: Sjaarda Homes and Properties LLC
Derek Sjaarda
15131 Blueberry Ct
West Olive MI 49460
Email: dlsjaarda@gmail.com
Cell: 616-723-7130

17. **Miscellaneous.**

a. **Governing Law.** This Agreement will be governed by and interpreted in accordance with the laws of the state of Michigan.

b. **Entire Agreement.** This Agreement constitutes the entire agreement of the parties and supersedes any other agreements, written or oral, that may have been made by and between the parties with respect to the subject matter of this Agreement. All contemporaneous or prior negotiations and representations have been merged into this Agreement.

c. **Amendment.** This Agreement shall not be modified or amended except in a subsequent writing signed by all parties.

d. **Binding Effect.** This Agreement shall be binding upon and enforceable by the parties and their respective legal representatives, permitted successors, and assigns.

e. **Counterparts.** This Agreement may be executed in counterparts, and each set of duly delivered identical counterparts which includes all signatories, shall be deemed to be one original document.

f. **Full Execution.** This Agreement requires the signature of all parties. Until fully executed, on a single copy or in counterparts, this Agreement is of no binding force or effect and if not fully executed, this Agreement is void.

g. **Non-Waiver.** No waiver by any party of any provision of this Agreement shall constitute a waiver by such party of any other provision of this Agreement.

h. **Severability.** Should any one or more of the provisions of this Agreement be determined to be invalid, unlawful, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions of this Agreement shall not in any way be impaired or affected.

i. **No Reliance.** Each party acknowledges that it has had full opportunity to consult with legal and financial advisors as it has been deemed necessary or advisable in connection with its decision to knowingly enter into this Agreement. Neither party has executed this Agreement in reliance on any representations, warranties, or statements made by the other party other than those expressly set forth in this Agreement.

j. **Assignment or Delegation.** Except as otherwise specifically set forth in this Agreement, neither party shall assign all or any portion of its rights and obligations contained in this Agreement without the express or prior written approval of the other party, in which approval may be withheld in the other party's sole discretion.

k. **Venue and Jurisdiction.** The parties agree that for purposes of any dispute in connection with this Agreement, the Muskegon County Circuit Court shall have exclusive personal and subject matter jurisdiction and that Muskegon County is the exclusive venue.

This Agreement is executed effective as of the Effective Date set forth above.

CITY:

DEVELOPER:

CITY OF MUSKEGON

Sjaarda Homes and Properties LLC

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

By: _____
Name: Derek Sjaarda
Dated: _____

By: _____
Name: Ann Marie Meisch
Title: City Clerk
Dated: _____

Exhibit A

The following described premises located in the City of Muskegon, County of Muskegon, State of Michigan, and legally described as follows:

**Legal Description: CITY OF MUSKEGON REVISED PLAT OF 1903 EAST 33 FEET LOT 10
WEST 16.5 FEET LOT 11 BLOCK 210**

Address: 300 ALLEN AVE, MUSKEGON, MI 49442

Parcel #: 61-24-205-210-0010-10

Price: \$3,000.00

**Legal Description: CITY OF MUSKEGON REVISED PLAT OF 1903 EAST 49.5 FEET LOT 11
BLOCK 210**

Address: 310 ALLEN AVE, MUSKEGON, MI 49442

Parcel #: 61-24-205-210-0011-01

Price: \$3,000.00

**Legal Description: CITY OF MUSKEGON
REVISED PLAT 1903 LOT 10 BLK 211**

Address: 370 ALLEN AVE, MUSKEGON, MI 49442

Parcel #: 61-24-205- 211-0010-00

Price: \$3,000.00

17 June 2025

From: Angell Neighborhood Association

To: City of Muskegon, City Commission

Dear Commissioners:

In regard to the Angell Grows Community Garden, we understand that the present location, was a temporary location due to pending development.

We support the garden and agree with the relocation of this garden to allow the development at this current site. We do not agree with the garden being moved to McCrea Park.

We would like to express our support of the housing that is proposed to be built at the location of the current garden, 290 & 300 Allen Ave. We are informed every year at the beginning of each Adopt A Lot Program season that all vacant lots in the program are for-sale and could be bought and built on at any time. We support the efforts of the City to development housing, and understand that we are at a shortage throughout the City. We are supportive of the recent and ongoing new homes being constructed in Angell Neighborhood and throughout the City.

Sincerely,

Angell Neighborhood Association

Evelyn Hough Name
Neighborhood President Title
6-17-2025 Date



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Resolution for Housing Tax Exemption at 280 Allen and 305 Amity Duplex/ADU Project						
Submitted by: Jake Eckholm, Development Services Director	Department: Economic Development						
Brief Summary: Joe and Jennifer Helms, represented by builder Derek Sjaarda, is requesting a housing tax exemption for the new construction infill of duplexes and ADU's on 2 lots in the Angell neighborhood.							
Detailed Summary & Background: Mr. Sjaarda has been working with Development Services Staff and leadership in order to facilitate new construction rental housing in the city of Muskegon and is acting as the contractor and owners rep for Joe and Jennifer Helms in this case. These proposed lots will be utilized for two 2 story duplexes with an accessory dwelling unit behind each for a total of 6 housing units. Mr. Sjaarda is proposing that all units be subject to the proposed PILOT, which will reserve them for only households under 120% of the Area Median Income (AMI) for Muskegon County. The duplex units are 3 bedroom, 2 bathroom and the ADU's are 1 bedroom, 1 bathroom. This resolution will result in the City assessing 10% of the annual rents on the property as a payment in lieu of taxes (PILOT) for a period of 15 years in exchange for the developer complying with MSHDA rent limits. With recent changes to state statute, these properties can benefit the City's scattered site Brownfield TIF program despite being part of the PILOT. This is the same incentive program we approved for Allen Edwin in 2023, but with smaller incremental developers.							
Goal/Focus Area/Action Item Addressed: Key Focus Areas: Diverse housing types Retain youth within the city Goal/Action Item: 2027 Goal 2: Economic Development Housing and Business							
Amount Requested: NA	Budgeted Item: <table border="1"><tr><td>Yes</td><td></td><td>No</td><td></td><td>N/A</td><td>☒</td></tr></table>	Yes		No		N/A	☒
Yes		No		N/A	☒		
Fund(s) or Account(s): NA	Budget Amendment Needed: <table border="1"><tr><td>Yes</td><td></td><td>No</td><td></td><td>N/A</td><td>☒</td></tr></table>	Yes		No		N/A	☒
Yes		No		N/A	☒		
Recommended Motion:							

Motion to adopt the Resolution for Housing Tax Exemption for Helm Group, LLC and to authorize the mayor and clerk to sign.

Approvals:

Immediate Division Head	☒	
Information Technology	☐	
Other Division Heads	☐	
Communication	☐	
Legal Review	☒	

Guest(s) Invited / Presenting:

Yes

Resolution Setting Annual Service Fee
for the Workforce Housing Development
by Helms Group, LLC

Whereas, Helms Group, LLC (the “Sponsor”), has applied to the City of Muskegon for a determination that a proposed workforce housing project sponsored by it at 280 Allen Street and 305 Amity Street is entitled to the exemption from taxes authorized by Chapter 82 of the City of Muskegon Code of Ordinances; now therefore, be it

Resolved, that the proposed workforce housing project is within the class of housing developments entitled to an exemption under Chapter 82, if it meets the following contingencies:

- a. Sponsor shall provide documentation to the City substantiating ownership of the subject properties.
- b. Construction of at least 2 units of the proposed workforce housing project shall be commenced within twelve (12) months from the date of the Michigan State Housing Development Authority’s (“MSHDA”) notification of exemption, or this resolution shall be void and of no effect.
- c. For the life of the this Workforce Housing Resolution, 100% of the dwelling units in the proposed workforce housing project will be restricted to rental units or other housing options that are reasonably affordable to, and occupied by, a household whose total household income is not greater than 120% of the area median income published by the United States Department of Housing and Urban Development.
- d. The Sponsor shall submit an affidavit to MSHDA in the form required by MSHDA for certification that the workforce housing project is eligible for the workforce housing exemption.
- e. Upon receipt of notification from MSHDA that the workforce housing project is eligible for a workforce housing exemption, the Sponsor shall file the certified notification of exemption with the City Assessor before November 1 of the year preceding the tax year in which the exemption is to be effective; and,
- f. Sponsor shall record a restrictive covenant in a form acceptable to the City Attorney. The restrictive covenant shall be recorded in the register of deeds for the county in which the workforce housing project is located and shall comply with the requirements of Chapter 82; and, further be it

Resolved, that in lieu of ad valorem property taxes, the Sponsor shall pay an annual service charge equal to ten percent (10%) of the “Annual Shelter Rents” as defined in Section 82-52 for that portion of the workforce housing project occupied for Workforce Housing; and, further be it

Resolved, that annually, no later than April 29, the Sponsor shall provide the City Assessor the Sponsor’s budget for Annual Shelter Rent for the current calendar year and a

copy of Sponsor's financial statements for the preceding calendar year, prepared in accordance with generally accepted auditing standards or, if Sponsor is not subject to an audit requirement, Sponsor's compiled financial statements for the preceding calendar year prepared in accordance with generally accepted accounting principles and certified by Sponsor; and, further be it

Resolved, that the tax exempt status granted by this Resolution shall remain in effect for 15 years, unless otherwise terminated pursuant to Chapter 82 or this Resolution; and, further be it

Resolved, that all portions of Chapter 82 are hereby incorporated by reference; and, further be it

Resolved, that this Resolution may be assigned by the Sponsor only to subsequent owners of the workforce housing project who shall agree to abide to its terms. If not assigned, to and accepted by subsequent owners of the workforce housing project, it shall automatically terminate; and further be it

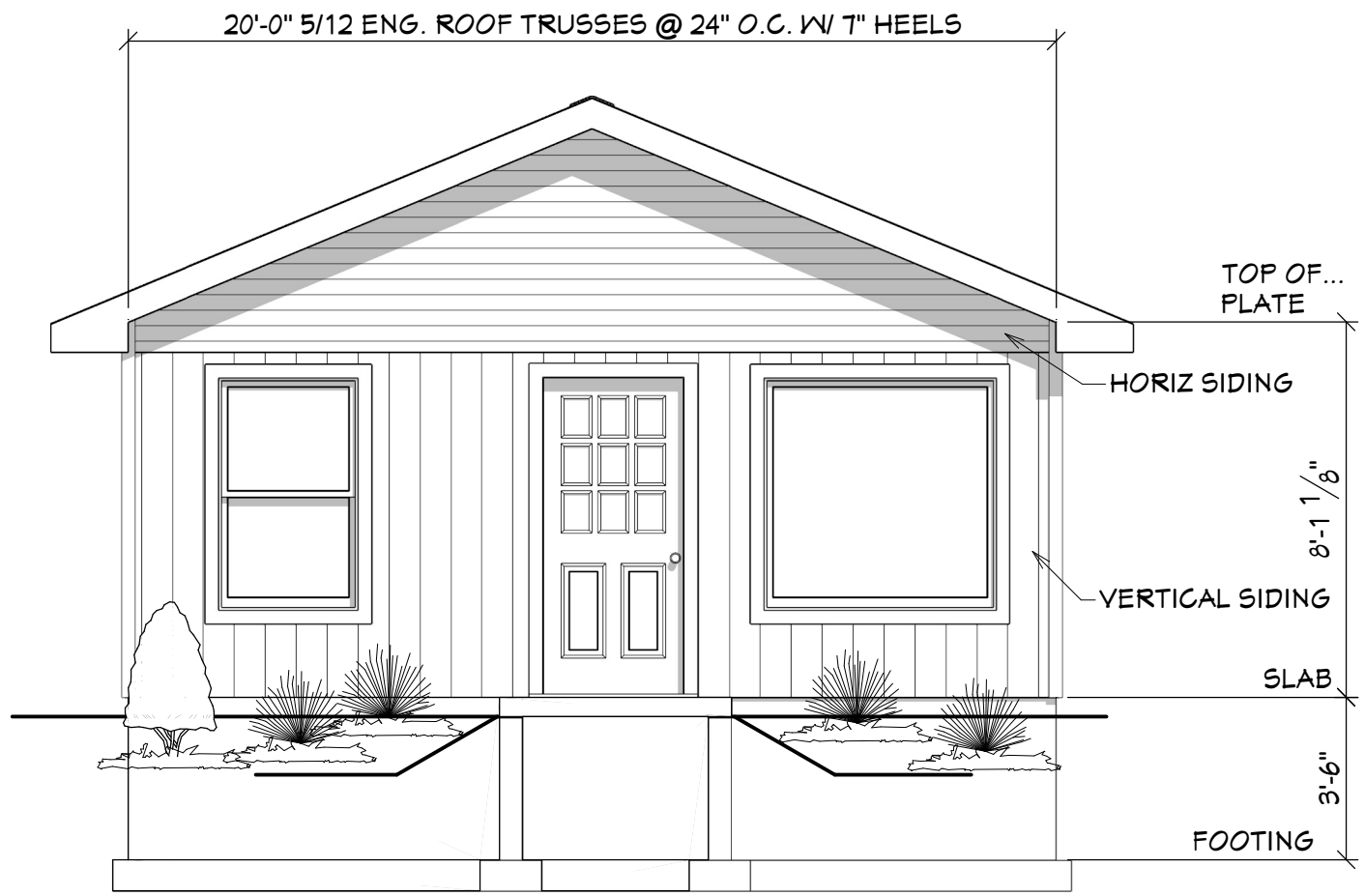
Resolved, that the Mayor and City Clerk execute a contract with the Sponsor providing the tax exemption and acceptance of payments in lieu of taxes as defined within this resolution and its application, such contract subject to approval as to substance by the City Manager and as to form by the City Attorney.

YEAS: _____

NAYS: _____

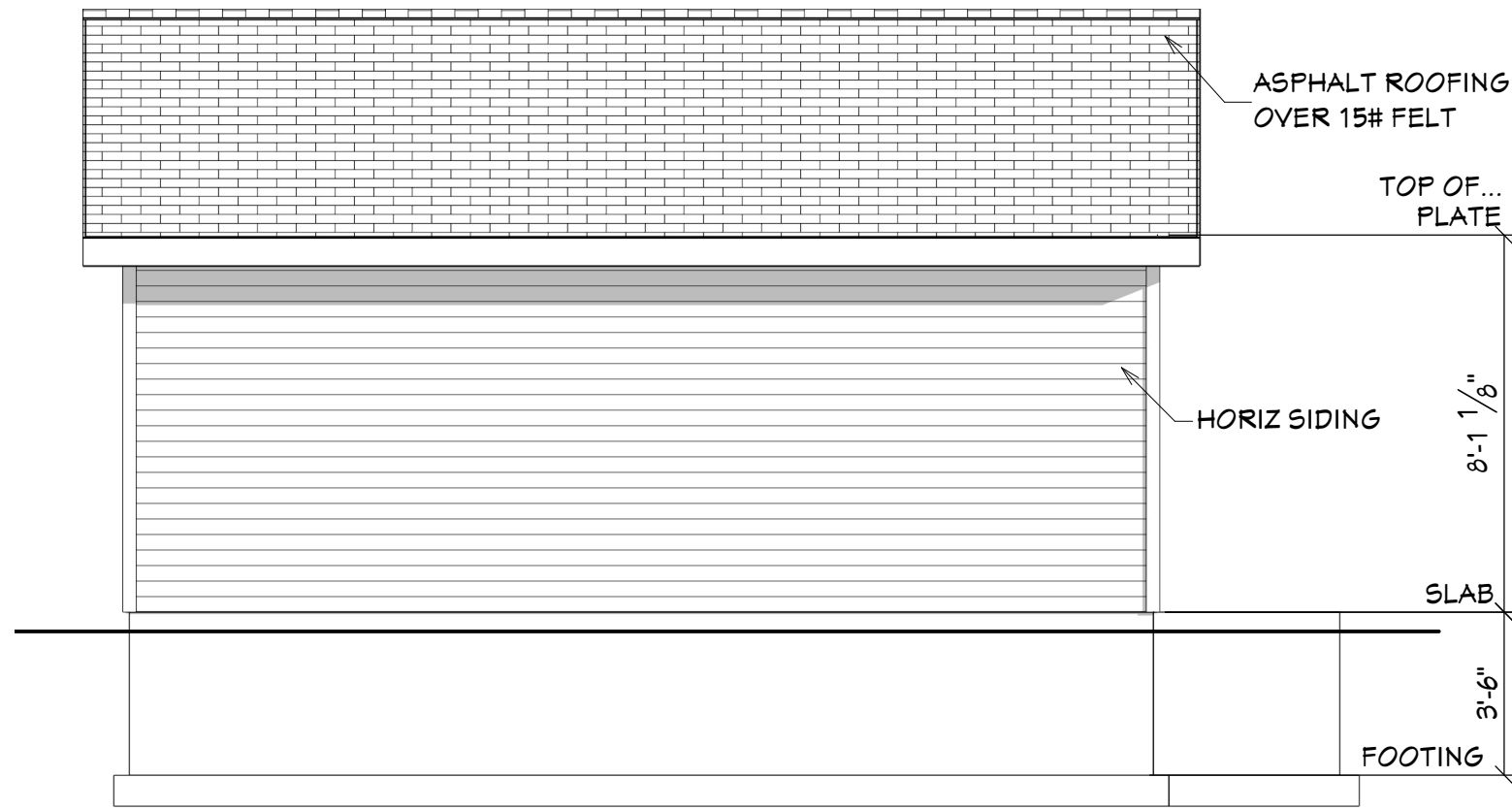
I hereby certify that the above Resolution was adopted by the City Commission of the City of Muskegon at its regular meeting held on _____, in the Commission Chambers, City Hall, 933 Terrace, Muskegon, Michigan.

Ann Meisch, City Clerk



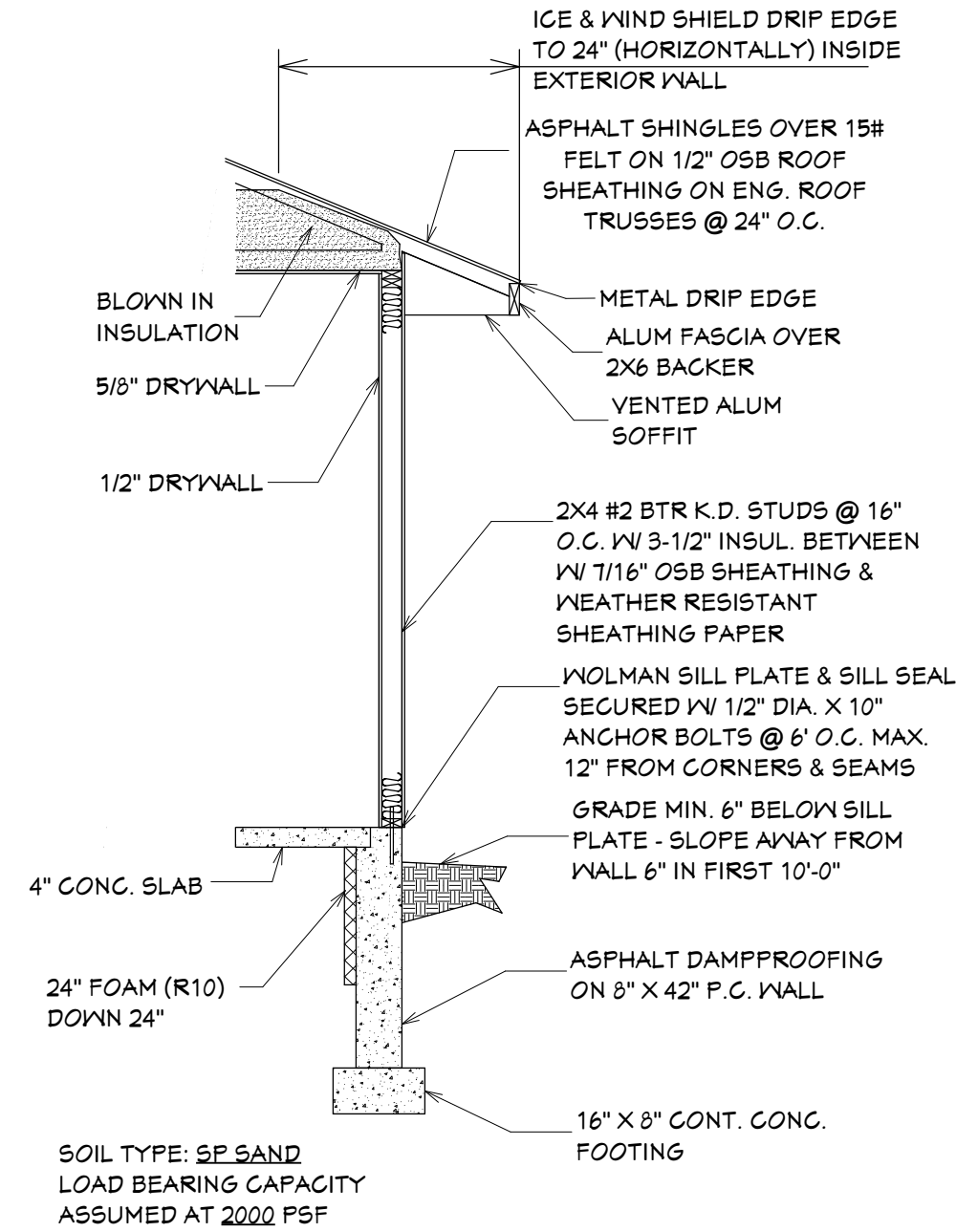
FRONT ELEVATION

1/4" = 1'0"



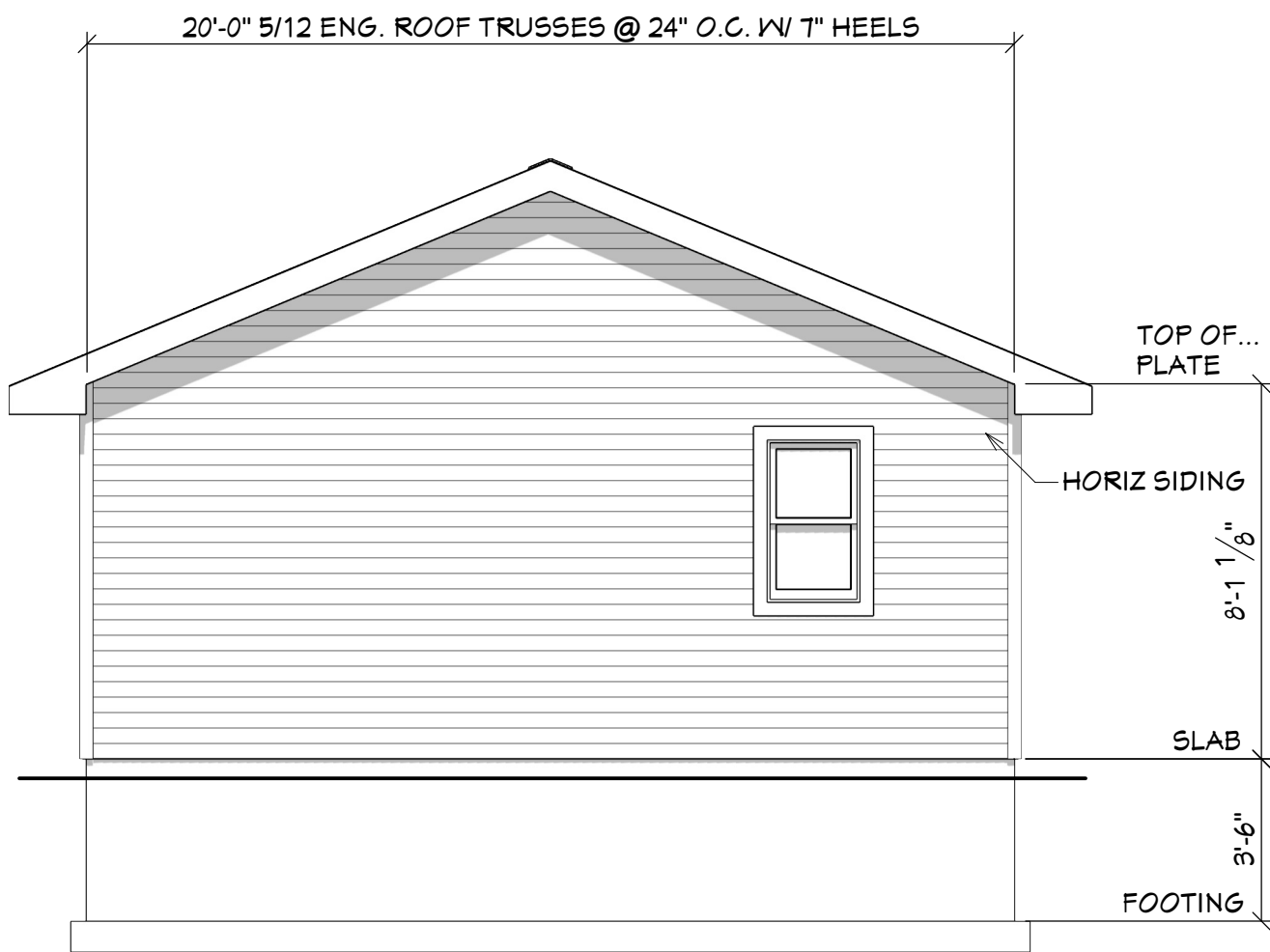
LEFT ELEVATION

1/4" = 1'0"



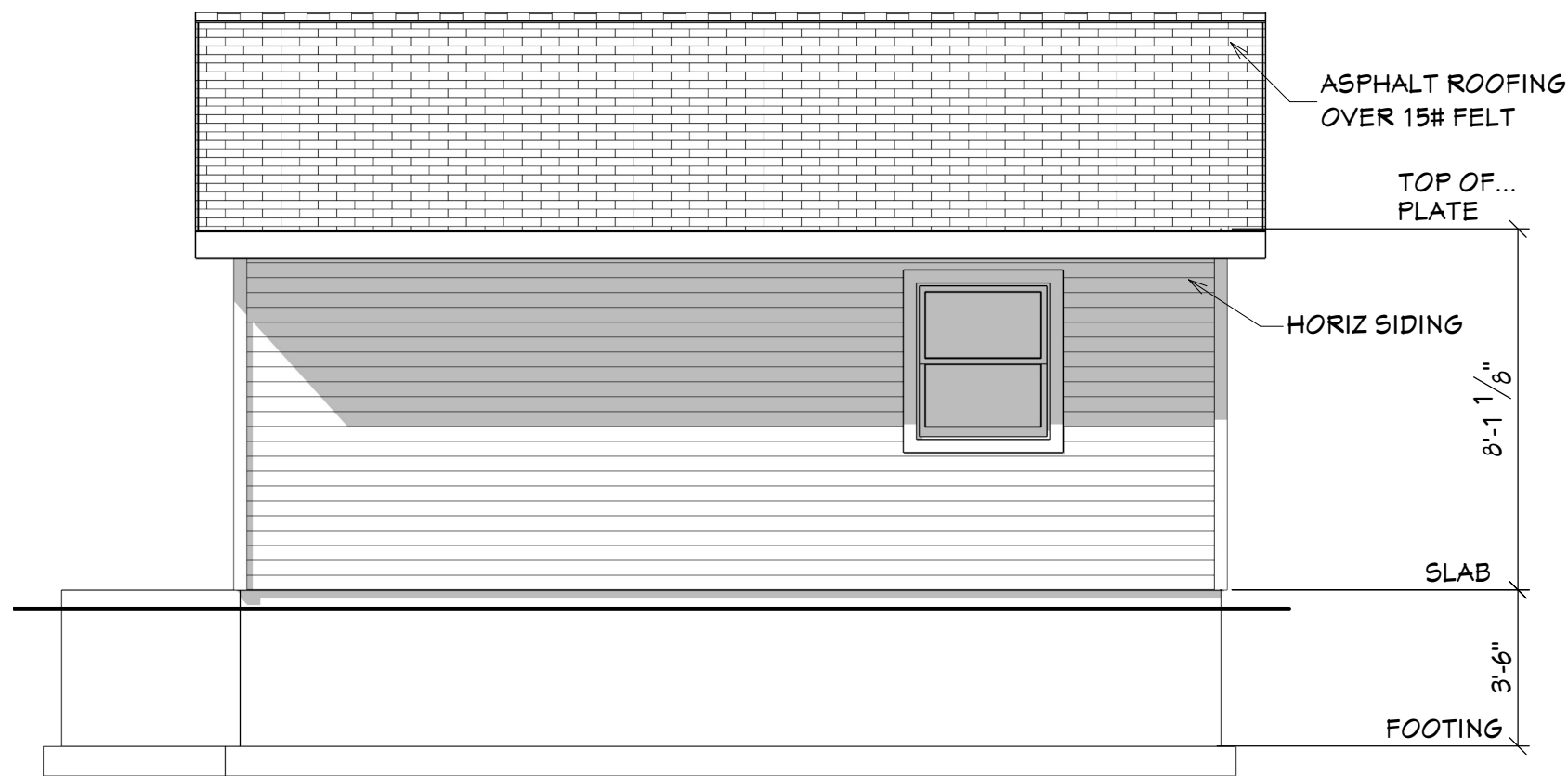
WALL SECTION

3/8" = 1'0"



REAR ELEVATION

1/4" = 1'0"



RIGHT ELEVATION

1/4" = 1'0"

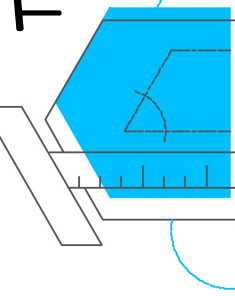
NOTES:
ROOF LIVE LOAD/ SNOW
LOAD 40 PSF
EXPOSURE CATEGORY B
BASIC WIND SPEED
3 SECOND GUST 115 MPH

THE DRAWING BOARD, INC.

1285 RANSOM ST. - ZEELAND, MI 49464

616-875-DRAW (3729)

tim@thedrawingboard.us



ADU PLANS FOR:

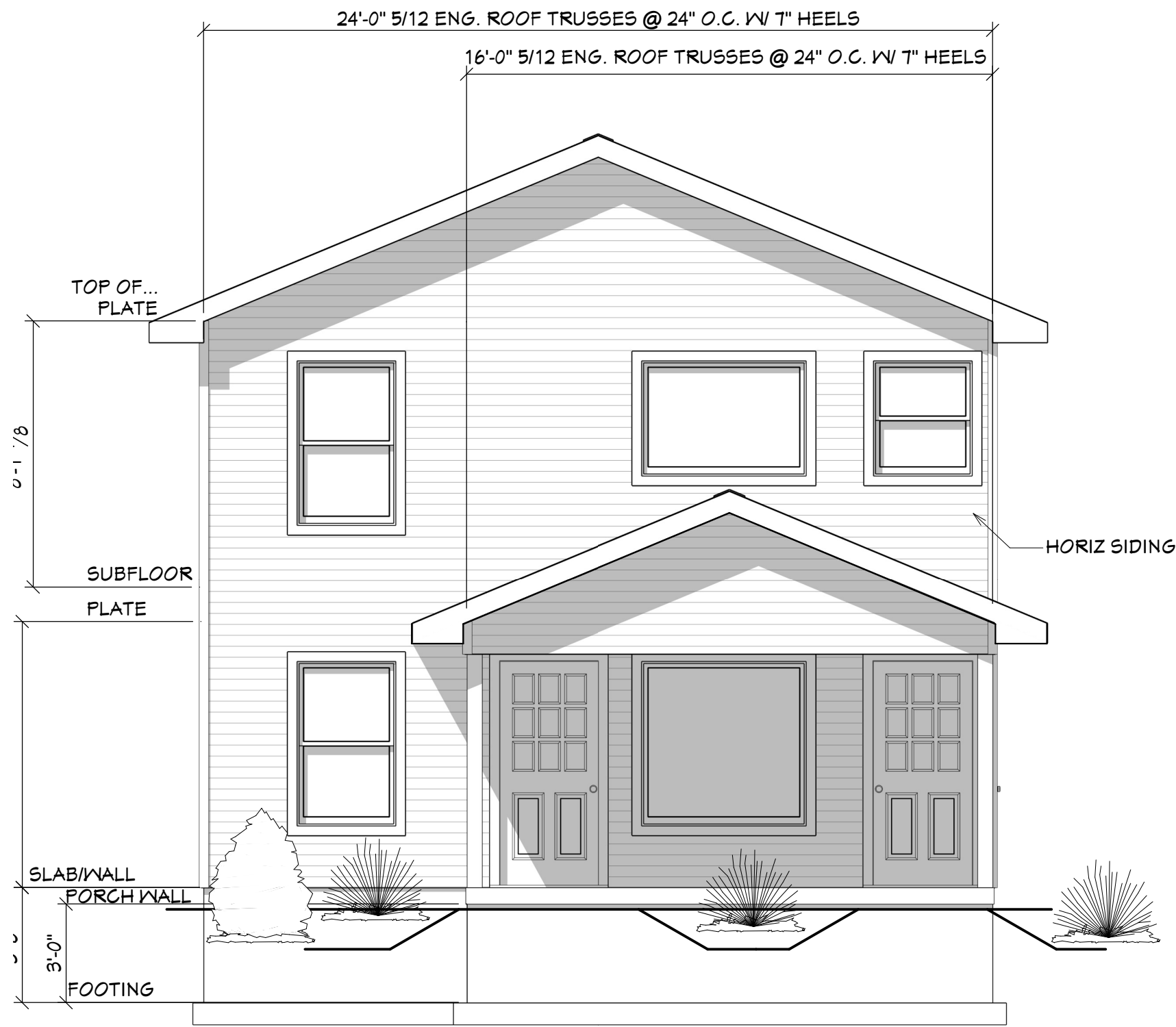
SJAARDA HOMES - NOVAK RENTAL

REVISIONS:

PLAN
225075

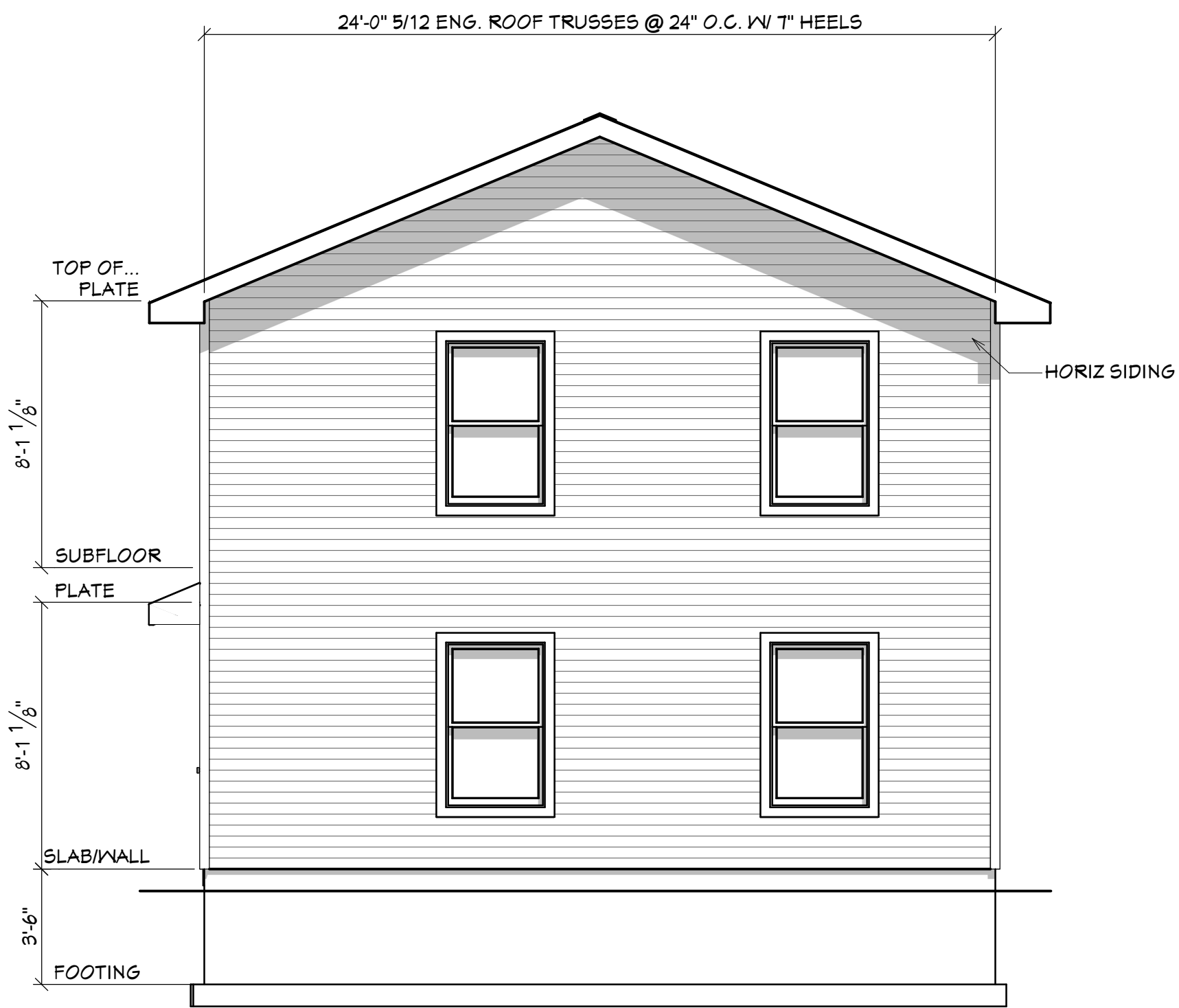
SHEET
2

OF 2



FRONT ELEVATION

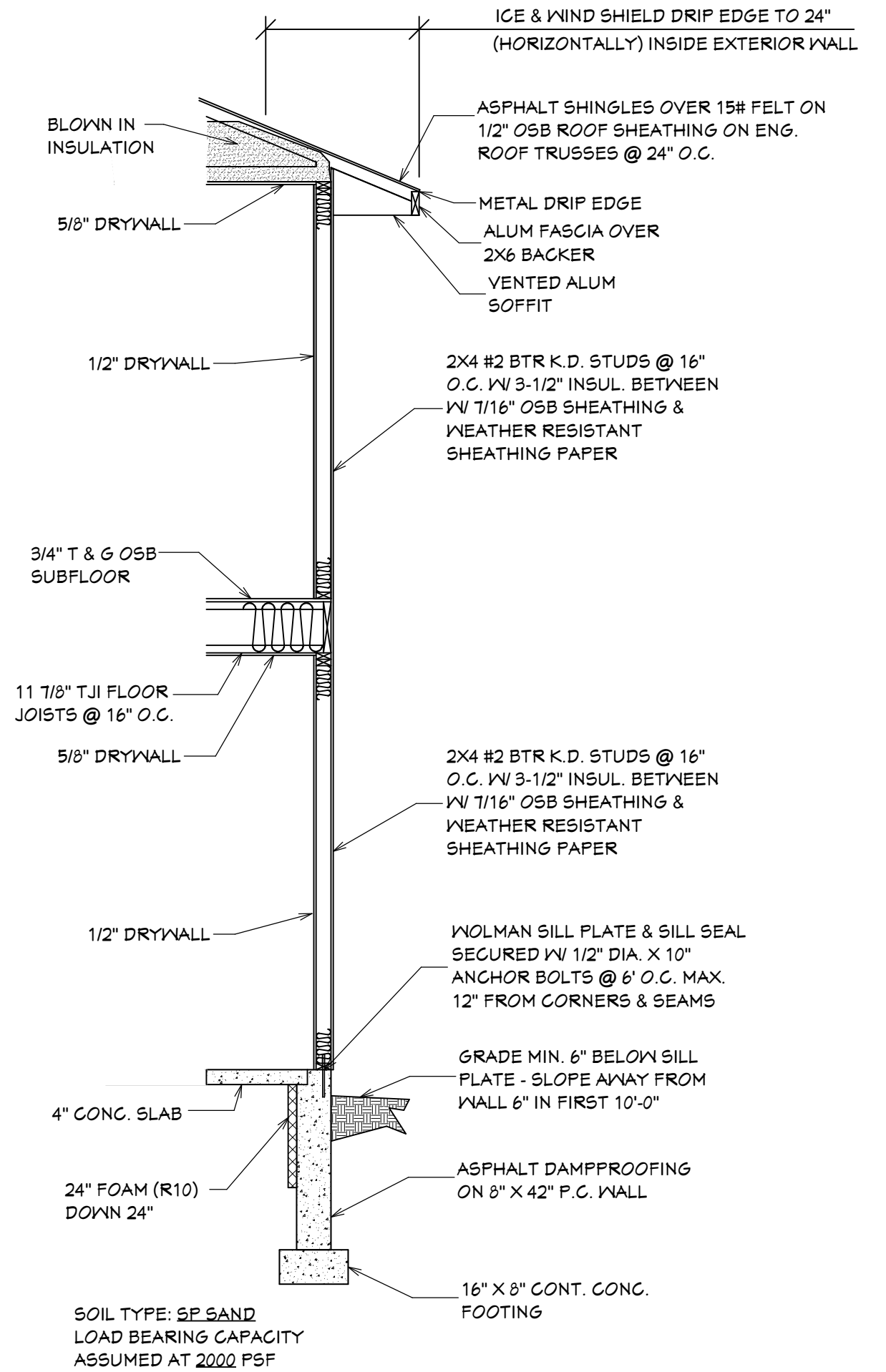
1/4" = 1'0"



REAR ELEVATION

1/4" = 1'0"

NOTES:
ROOF LIVE LOAD/ SNOW
LOAD 40 PSF
EXPOSURE CATEGORY B
BASIC WIND SPEED
3 SECOND GUST 115 MPH



WALL SECTION

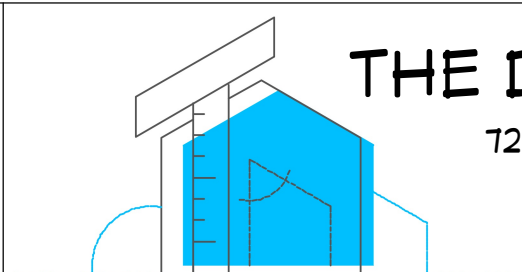
3/8" = 1'0"

SHEET
4
OF 5

PLAN
225039

REVISIONS:

DUPLEX PLANS FOR:
SJAARDA HOMES - NOVAK RENTAL



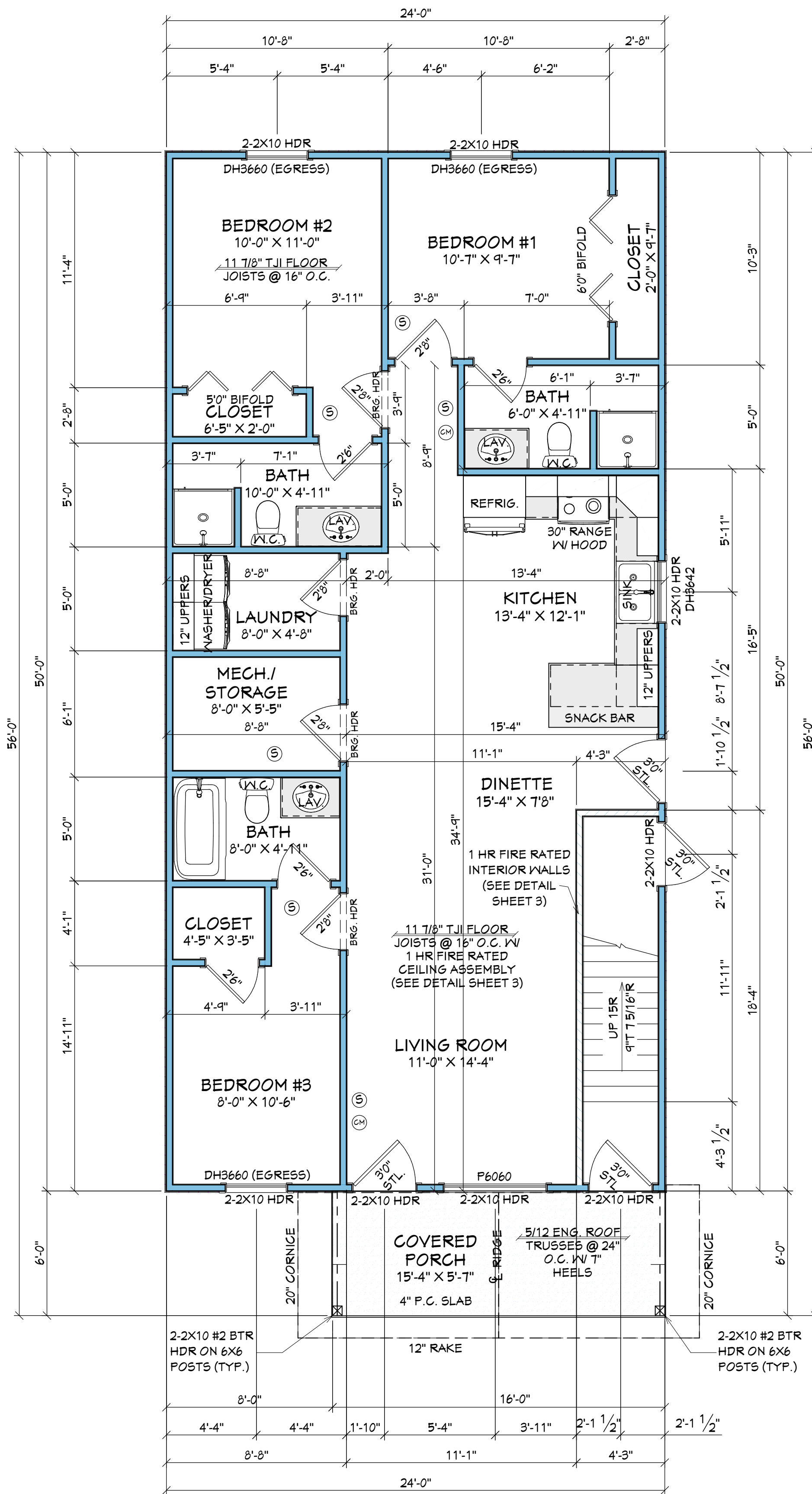
THE DRAWING BOARD, INC.

7285 RANSOM ST. - ZEELAND, MI 49464

616-875-DRAW (3729)

tim@thedrawingboard.us

Note: Every attempt has been made in the preparation of this plan to avoid mistakes. However, the maker cannot guarantee against human error. Dimensions and details must be checked by contractor and subcontractors on the job. All dimensions are figured as rough, 2 X 4 being 1- 1/2" X 3- 1/2".
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NOTES:
8'-1 1/8" PLATE HEIGHT
⑤ - SMOKE DETECTORS - INTERCONNECTED W/ BATTERY BACKUP
⑥ - CARBON MONOXIDE DETECTOR
UNLESS OTHERWISE NOTED, ALL DIMENSIONAL HEADERS SHALL BE #2 BETTER HEM FIR & ALL WINDOW & DOOR HEADERS & BEAMS ARE CALCULATED TO HAVE A MAXIMUM DEFLECTION OF .33"
WINDOWS WITH OPENINGS LOCATED MORE THAN 12" ABOVE FINISHED GRADE & 24" OR LESS ABOVE THE FINISHED FLOOR SHALL BE EQUIPPED WITH WINDOW OPENING LIMITING DEVICES OR APPROVED FALL PREVENTION DEVICES.
EXTERIOR WALLS FIGURED AS 4" & 6" (3 1/2" STUD & 1/2" SHEATHING OR 5 1/2" STUD & 1/2" SHEATHING)
ALL ATTIC ACCESS DOORS TO BE WEATHER STRIPPED AND INSULATED TO MEET REQUIRED INSULATION R-VALUE OF SURROUNDING SURFACES.
ALL WINDOW & EXTERIOR DOOR HDRS @ 6'-10 1/2" UNLESS OTHERWISE NOTED

FLOOR PLAN

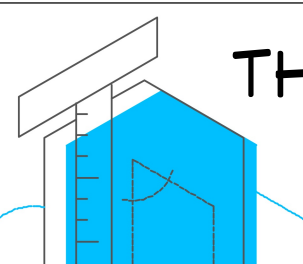
1/4" = 1'0"

SHEET
1
OF 5

PLAN
225039
1098
SQ. FT.
24' X 56'

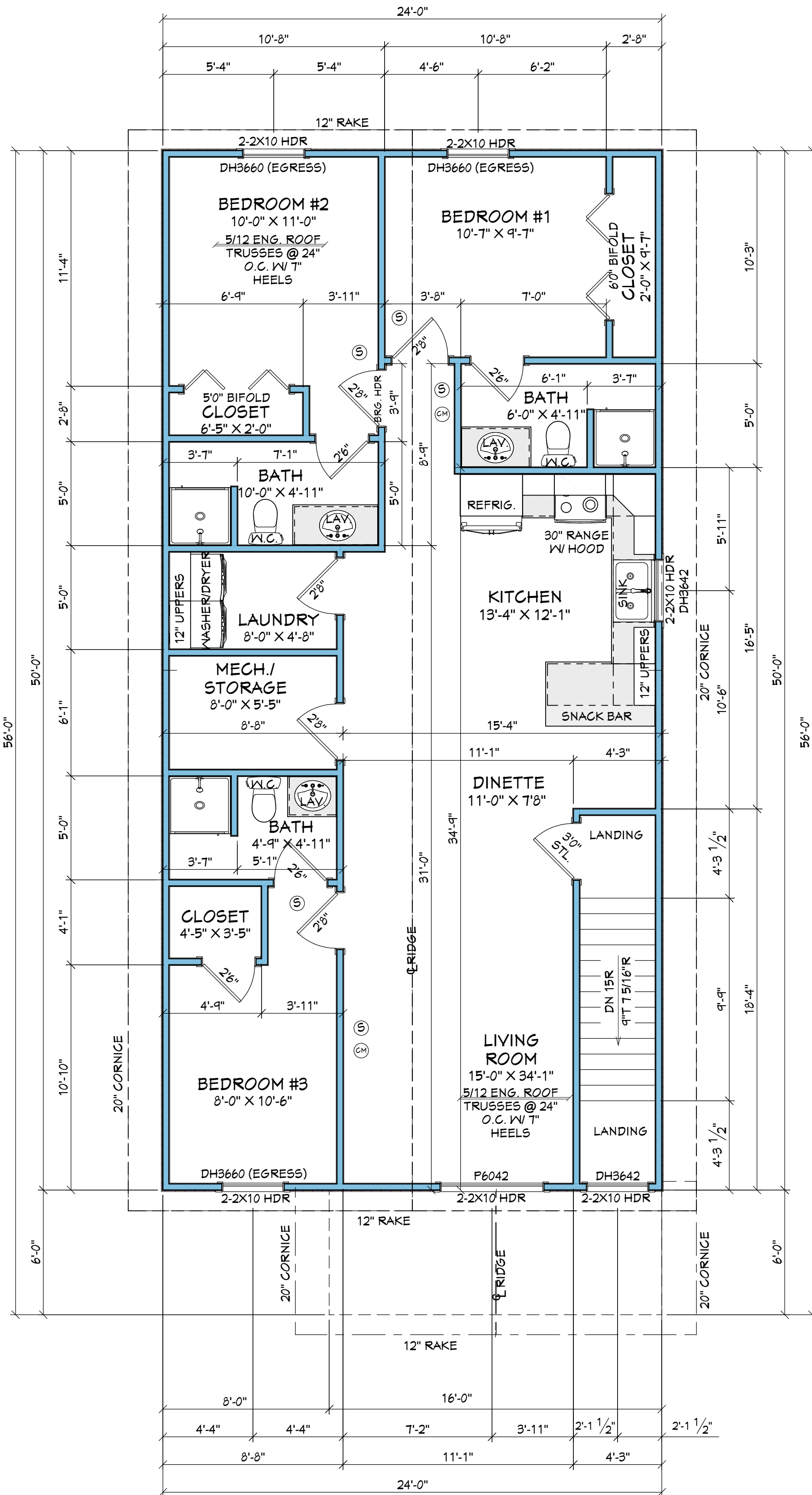
REVISIONS:

DUPLEX PLANS FOR:
SJAARDA HOMES - NOVAK RENTAL



THE DRAWING BOARD, INC.
7285 RANSOM ST. - ZEELAND, MI 49464
616-875-DRAW (3729)
tim@thedrawingboard.us

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Unauthorized reproduction of these plans is prohibited by law.



NOTES:
 8'-1 1/8" PLATE HEIGHT
 (S) - SMOKE DETECTORS - INTERCONNECTED W/ BATTERY BACKUP
 (CM) - CARBON MONOXIDE DETECTOR
 UNLESS OTHERWISE NOTED, ALL DIMENSIONAL HEADERS SHALL BE #2 BETTER HEM FIR & ALL WINDOW & DOOR HEADERS & BEAMS ARE CALCULATED TO HAVE A MAXIMUM DEFLECTION OF .33"
 WINDOWS WITH OPENINGS LOCATED MORE THAN 12" ABOVE FINISHED GRADE & 24" OR LESS ABOVE THE FINISHED FLOOR SHALL BE EQUIPPED WITH WINDOW OPENING LIMITING DEVICES OR APPROVED FALL PREVENTION DEVICES.
 EXTERIOR WALLS FIGURED AS 4" & 6" (3 1/2" STUD & 1/2" SHEATHING OR 5 1/2" STUD & 1/2" SHEATHING)
 ALL ATTIC ACCESS DOORS TO BE WEATHER STRIPPED AND INSULATED TO MEET REQUIRED INSULATION R-VALUE OF SURROUNDING SURFACES.
 ALL WINDOW & EXTERIOR DOOR HDRS @ 6'-10 1/2" UNLESS OTHERWISE NOTED

SECOND FLOOR PLAN

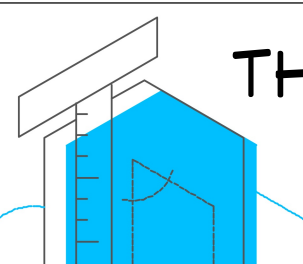
1/4" = 1'0"

SHEET
2
OF 5

PLAN
225039
1154
SQ. FT.

REVISIONS:

DUPLEX PLANS FOR:
SJAARDA HOMES - NOVAK RENTAL



THE DRAWING BOARD, INC.

7285 RANSOM ST. - ZEELAND, MI 49464

616-875-DRAW (3729)

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Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Workforce Housing Restrictive Covenant, 280 Allen and 305 Amity Duplex/ADU Project				
Submitted by: Jake Eckholm, Development Services Director	Department: Economic Development				
Brief Summary: Joe and Jennifer Helm, represented by builder Derek Sjaarda, is requesting a housing tax exemption for the new construction infill of duplexes and ADU's on 2 lots in the Angell neighborhood.					
Detailed Summary & Background: Mr. Sjaarda has been working with Development Services Staff and leadership in order to facilitate new construction rental and housing in the city of Muskegon. These proposed lots will be utilized for two 2 story duplexes with an accessory dwelling unit behind each for a total of 6 housing units. Mr. Sjaarda is proposing that all units be subject to the proposed PILOT, which will reserve them for only households under 120% of the Area Median Income (AMI) for Muskegon County. The duplex units are 3 bedroom, 2 bathroom and the ADU's are 1 bedroom, 1 bathroom. The units at 370 Allen are potentially to be used for a partnership with Goodwill Industries to provide housing to returning citizens that have completed their independent living course and have full time employment. This restrictive covenant establishes the terms by which the city has agreed to authorize a PILOT as opposed to ad valorem property taxes for these parcels. It is to be attached to an affidavit the developer must submit to MSHDA to prove they have local approval for the project and to their commitment to reserving these units for households within the MSHDA income thresholds.					
Goal/Focus Area/Action Item Addressed: <u>Key Focus Areas:</u> Diverse housing types Retain youth within the city <u>Goal/Action Item:</u> 2027 Goal 2: Economic Development Housing and Business					
Amount Requested: NA	Budgeted Item: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; text-align: center;">Yes</td> <td style="width: 25%; text-align: center;">No</td> <td style="width: 25%; text-align: center;">N/A</td> <td style="width: 25%; text-align: center;"> </td> </tr> </table>	Yes	No	N/A	
Yes	No	N/A			
Fund(s) or Account(s): NA	Budget Amendment Needed: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; text-align: center;">Yes</td> <td style="width: 25%; text-align: center;">No</td> <td style="width: 25%; text-align: center;">N/A</td> <td style="width: 25%; text-align: center;"> </td> </tr> </table>	Yes	No	N/A	
Yes	No	N/A			

Recommended Motion:

Motion to adopt the Workforce Housing Restrictive Covenant between Helm Group, LLC and the City and to authorize the Mayor and Clerk to sign.

Approvals:

Immediate Division Head	☒	
Information Technology	☐	
Other Division Heads	☐	
Communication	☐	
Legal Review	☒	

Guest(s) Invited / Presenting:

Yes

WORKFORCE HOUSING RESTRICTIVE COVENANT

This Workforce Housing Restrictive Covenant (“Restrictive Covenant”) is made by and between the City of Muskegon, Michigan (“Municipality”) and Helms Group, LLC, a Michigan limited liability company, presently of Holland MI 49424 (the “Sponsor”) as of June 24th, 2025.

R E C I T A L S:

A. Sponsor is the owner of certain real property located in the City of Muskegon, County of Muskegon, State of Michigan, and more particularly described on the attached Exhibit A (the “Property”), which is attached hereto and incorporated by reference into this Agreement.

B. Sponsor has offered to provide nine “Workforce housing” units as defined by MCL 125.1415a(10)(d) on the Property (the “Project”) and has applied to Municipality for a workforce housing exemption from *ad valorem* property taxes under Section 15a of the State Housing Development Authority Act, being Public Act 346 of 1966, as amended (the “Act”).

C. In consideration of Sponsor’s offer to undertake the Project, Municipality has agreed to exempt the Property from all *ad valorem* property taxes imposed by any taxing jurisdiction and to accept in lieu thereof payment of an annual service charge for a period of 15-years as provided by Chapter 82 of the City Code of Ordinances, as amended (the “Ordinance”).

D. Upon completion of the Project, the annual service charge paid in lieu of all *ad valorem* property taxes shall be equal to ten percent (10%) of the annual shelter rents collected from the Project and shall be paid as provided in the Ordinance.

E. Sponsor and Municipality agree that the economic feasibility of the Project depends upon the continuing effect of the annual service charge in lieu of all *ad valorem* taxes approved by Municipality for the 15-year exemption period.

F. Accordingly, upon recording with the Muskegon County Register of Deeds, this Restrictive Covenant will restrict use of the Property to Workforce housing for the 15-year exemption period.

NOW, THEREFORE, in consideration of Municipality’s acceptance of payment of the annual service charge in lieu of all *ad valorem* property taxes and Sponsor’s commitment to construct or rehabilitate the Project, Sponsor and Municipality hereby covenant as follows:

1. **Recitals.** The above recitals are acknowledged as true and correct and are incorporated by reference into this paragraph.

2. **Definitions.** All words and phrases used in this Restrictive Covenant have the same meaning as defined in the Act or the Ordinance.

3. **Workforce Housing Covenant.** The Project will, upon completion of the proposed construction or rehabilitation, constitute workforce housing for households for persons and families whose household income is not greater than 120% of the area median income, as published by the Michigan State Housing Development Authority ("the Authority") for Muskegon County, adjusted for family size. All of the housing units in the Project will be rented, or available for rental, on a continuous basis to members of the general public throughout the term of this Restrictive Covenant.

4. **Term of Exemption.** The exemption from *ad valorem* property taxes approved by Municipality shall remain in effect in accordance with this Restrictive Covenant restricting use of the Project to workforce housing for a period of 15-years, ending on December 31, 2040, or so long as the Project is used as workforce housing, whichever is less.

5. **No Violation.** Sponsor agrees that it will not knowingly take or permit any action that would result in a violation of the requirements of this Restrictive Covenant or the Ordinance, which is incorporated herein as if a part of this Restrictive Covenant. Further, Sponsor agrees to take any required action, including the amendment of this Restrictive Covenant, as may be necessary, in the determination of the Municipality or of the Authority, to comply with the Ordinance. If Municipality determines that the Project is not in compliance with the requirements of this Restrictive Covenant, and Sponsor, after receiving written notice of the non-compliance from Municipality, does not correct such non-compliance within thirty (30) days, Municipality shall be entitled to take such actions as it deems necessary to enforce the provisions of this Restrictive Covenant.

6. **Sponsor to Demonstrate Compliance.** Sponsor will provide Municipality with such certifications, reports and other information as are required by Municipality to demonstrate compliance with the Ordinance. Sponsor will provide Municipality and Authority with an annual verification of compliance with this Restrictive Covenant, in a form specified by the Authority.

7. **Transfer of Ownership.** Sponsor will, prior to a sale or other voluntary transfer of ownership of the Project or any part thereof, notify Municipality in writing, and will enter into any agreements with the purchaser or transferee as may be prescribed by Municipality to ensure such purchaser's or transferee's compliance with this Restrictive Covenant and Michigan law.

8. **Enforceability.** This Restrictive Covenant is enforceable in any court in the State of Michigan having jurisdiction thereof, by Municipality, and to the extent required by the Ordinance, by any individuals who are tenants of the Project.

9. **Covenant Running with the Land; Binding Effect.** The foregoing covenant shall constitute and be enforced as a covenant running with the land under Michigan law and shall be binding on all successors or assigns of Sponsor or Municipality and any future owner or operator of the Project for the full 15-year exemption period.

10. **Miscellaneous.** In the event of any conflict between the terms of this Restrictive Covenant and the requirements of the Ordinance the requirements of the Ordinance shall prevail. This Restrictive Covenant may only be amended or terminated by a writing signed by both Sponsor and Municipality. The invalidity of any clause or provision of this Restrictive Covenant shall not affect the validity of the remaining portions thereof.

IN WITNESS WHEREOF, is this Covenant is effective as of December 1st, 2025.

[Signature Pages Follow]

CITY OF MUSKEGON

By: _____

Its: _____

STATE OF MICHIGAN)
) ss
COUNTY OF MUSKEGON)

The foregoing instrument was acknowledged before me this day of June 24th, 2025 by Kenneth Johnson, as Mayor of the City of Muskegon, a municipal corporation of the State of Michigan.

Notary Public, _____ County, MI
My Commission Expires: _____
Acting in _____ County, MI

SPONSOR
Helms Group, LLC

By: _____

Its:

STATE OF MICHIGAN)
) ss
COUNTY OF MUSKEGON)

The foregoing instrument was acknowledged before me this ____ day of _____, by _____, as the manager/authorized member of Helms Group, a Michigan limited liability company, on behalf of said Company.

Notary Public, _____ County, MI
My Commission Expires: _____
Acting in _____ County, MI

DRAFTED BY:

WHEN RECORDED RETURN TO:

EXHIBIT A

Legal Description of Property

**Legal Description: CITY OF MUSKEGON REVISED PLAT OF 1903 WEST 49.5 FEET
LOT 9 BLOCK 210**

Address: 280 ALLEN AVE, MUSKEGON, MI 49442

Parcel #: 61-24-205-210-0009-01

Legal Description: CITY OF MUSKEGON REVISED PLAT 1903 LOT 3 BLK 210

Address: 305 AMITY AVE, MUSKEGON, MI 49442

Parcel #: 61- 24-205-210-0003-00



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Sale of 305 Amity & 280 Allen							
Submitted by: Samantha Pulos, Code Coordinator	Department: Planning							
Brief Summary: Staff is seeking authorization to sell the City-owned vacant lots at 305 Amity & 280 Allen to Helms Group (Joe Helms).								
Detailed Summary & Background: Helms Group (Joe Helms) would like to purchase the City-owned buildable lots at 305 Amity & 280 Allen for \$6,000 (75% of the True Cash Value of \$8,000) plus half of the closing costs, and the fee to register the deed. Helms Group (Joe Helms) will be constructing a duplex and an accessory dwelling unit (ADU) on each property. 280 Allen is adjacent to the current location of the Angell Neighborhood Association (NA) community garden (290 Allen). The Angell NA has given an official letter of support for the development of the lots.								
Goal/Focus Area/Action Item Addressed: Key Focus Areas: Goal/Focus Area/Action Item Addressed: Create an environment that effectively attracts new residents and retains existing residents by filling existing employment gaps, attracting new and diverse businesses to the city, and expanding access to a variety of high-quality housing options in Muskegon. Diverse housing types.								
Goal/Action Item: 2027 Goal 2: Economic Development Housing and Business								
Amount Requested: n/a	Budgeted Item: <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 15%;">Yes</td> <td style="width: 15%;"></td> <td style="width: 15%;">No</td> <td style="width: 15%;"></td> <td style="width: 15%;">N/A</td> <td style="width: 15%;">x</td> <td style="width: 15%;"></td> </tr> </table>	Yes		No		N/A	x	
Yes		No		N/A	x			
Fund(s) or Account(s): n/a	Budget Amendment Needed: <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 15%;">Yes</td> <td style="width: 15%;"></td> <td style="width: 15%;">No</td> <td style="width: 15%;"></td> <td style="width: 15%;">N/A</td> <td style="width: 15%;">x</td> <td style="width: 15%;"></td> </tr> </table>	Yes		No		N/A	x	
Yes		No		N/A	x			
Recommended Motion: Authorize staff to sell the City-owned vacant lots at 305 Amity & 280 Allen to Helms Group (Joe Helms).								

Approvals:

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

Guest(s) Invited / Presenting:

No

17 June 2025

From: Angell Neighborhood Association

To: City of Muskegon, City Commission

Dear Commissioners:

In regard to the Angell Grows Community Garden, we understand that the present location, was a temporary location due to pending development.

We support the garden and agree with the relocation of this garden to allow the development at this current site. We do not agree with the garden being moved to McCrea Park.

We would like to express our support of the housing that is proposed to be built at the location of the current garden, 290 & 300 Allen Ave. We are informed every year at the beginning of each Adopt A Lot Program season that all vacant lots in the program are for-sale and could be bought and built on at any time. We support the efforts of the City to development housing, and understand that we are at a shortage throughout the City. We are supportive of the recent and ongoing new homes being constructed in Angell Neighborhood and throughout the City.

Sincerely,

Angell Neighborhood Association

Evelyn Hough Name
Neighborhood President Title
6-17-2025 Date

PURCHASE AND DEVELOPMENT AGREEMENT

This Purchase and Development Agreement (“Agreement”) is made **June 24, 2025** (“Effective Date”), between the **City of Muskegon**, a Michigan municipal corporation, of 933 Terrace Street, Muskegon, Michigan 49440 (“City”), and **Helms Group**, Joe Helms, 3035 152nd Ave, Holland, MI, 49424,

Background

A. Developer proposes to purchase and develop two (2) vacant properties owned by City which are located in the City of Muskegon, Muskegon County, Michigan, and each commonly known and legally described on the attached **Exhibit A** (each property individually, a “Parcel” and collectively “Project Property”).

B. City and Developer desire to establish the terms, covenants, and conditions upon which City will sell and Developer will purchase and develop the Project Property. Developer intends to develop on each of the Project Properties one (1) duplex and one (1) accessory dwelling unit (ADU), for a total of two (2) duplexes and two (2) ADUs. (the “Project”).

Therefore, for good and valuable consideration, the parties agree as follows:

1. **Sale and Purchase of Project Property.** City agrees to sell to Developer, and Developer agrees to purchase from City, on the terms and subject to the conditions set forth in this Agreement, the Project Property, subject to reservations, restrictions, and easements of record.

2. **Purchase Price.** The total purchase price for the Project Property shall be \$6,000.00, which shall be paid in cash or other immediately available funds at Closing (defined below) less the \$800 deposit that the Developer has paid to the City of Muskegon.

Pursuant to Paragraph 3(b) below, the parties acknowledge and agree that Developer shall be eligible to be reimbursed all or a portion of the purchase price for the Parcel upon the completion of certain design standards as further described herein.

3. **Construction and Development Requirements.**

a. **Construction Dates.** The parties acknowledge and agree that Developer shall have a period of Twenty-Four (24) months from the date of Closing to complete the Project (“Construction Period”), except as otherwise provided in this Agreement or as otherwise mutually agreed upon by the parties in writing.

b. **Construction Details; Purchase Price Reimbursement.** Developer’s construction and development of the Project Property, including single-family homes, duplexes, triplexes, and accessory dwelling units, shall be in substantial conformance with its plans and specifications provided to City by Developer or as otherwise agreed upon in writing between City and Developer. As referenced above, Developer shall be eligible for reimbursement of all or a portion of the purchase price for the Project Property upon Developer’s satisfaction of the following design standards for each single-family home, duplex, triplex, and accessory dwelling unit it constructs on the Project Property. If the Project includes an accessory dwelling unit, both the primary dwelling unit (single-family home, duplex, triplex) and the accessory dwelling unit must meet the design standards outlined below to be eligible for reimbursement.

Design Standard	Purchase Price Reimbursement for Parcel
Open front porch of at least 60 sq. ft.	20%
Picture or bay window	20%
Alley-loaded parcel	20%
Shutter or other acceptable window treatments	20%
Underground Sprinkling	20%

(By way of example only: If Developer completes three of the design standards listed above for the construction at the Parcel located at 310 Allen, Developer would be reimbursed \$1,800.00, which is 60% of the \$3,000.00 purchase price for this Parcel. If Developer completes all five design standards, Developer would be reimbursed the entire purchase price for this Parcel. If Developer builds a duplex or small multiplex, Developer would be reimbursed 100% of the purchase price for this Parcel.)

4. **Right of Reversion.** Notwithstanding anything herein to the contrary, and as security for Developer's obligation to commence and complete construction of a duplex and an ADU on each of the Project Properties, the quit claim deed conveying the Project Property to Developer shall contain a right of reversion in all of the Project Property ("City's Reversionary Right"), which may be exercised by City, in its sole and absolute discretion, if any of the following conditions occur:

a. Developer does not commence construction within sixty (60) days after the date of Closing, in which case title to all of the Project Property shall automatically revert to City upon the terms and conditions further provided in this Paragraph 4 below. For purposes of this Paragraph 4(a), commencing construction means furnishing labor and materials to the Parcel of the Project Property and beginning installation of the approved duplex and/or ADU.

b. Developer does not complete construction of the Project Property prior to expiration of the Construction Period, in which case title to any of the Project Property that are not complete by the end of the Construction Period shall automatically revert to City upon the terms and conditions further provided in this Paragraph 4 below. For purposes of this Paragraph 4(b), completing construction means the issuance of an occupancy permit by City for the Project Property. Provided, however, the parties agree to reasonably negotiate an extension of the Construction Period up to a period of six (6) months for the Project Property that have a completed foundation before the expiration of the initial Construction Period.

If any of the above conditions occur, City shall automatically have City's Reversionary Right to reacquire title to the Project Property, as the case may be. To exercise City's Reversionary Right described herein, City must provide written notice to Developer (or its permitted successors, assigns, or transferees) within thirty (30) days of Developer's failure under this Agreement, but in any event prior to Developer satisfying the conditions set forth in Paragraph 4(a) or Paragraph 4(b) above, as the case may be, and record such notice with the Muskegon County Register of Deeds. Upon request of City, Developer shall take all reasonable steps to ensure City acquires marketable title to the Project Property, as the case may be, through its exercise of its rights under this Paragraph within thirty (30) days of City's demand, including without limitation, the execution of appropriate deeds and other documents.

In addition, if the Project Property revert to City, City may retain the purchase price for such Project Property free and clear of any claim of Developer or its assigns. In the event of reversion of title of the Project Property, improvements made on such Project Property shall become the property of City. In no event shall the Project Property be in a worse condition than upon the date of Closing. These covenants and conditions shall run with the land and be recorded in the quit claim deed from City to Developer.

5. **Title Insurance.** Within five (5) days after the Effective Date, Developer shall order a title commitment for an extended coverage ALTA owner's policy of title insurance issued by Transnation Title Agency (the "Title Company") for the Project Property in the amount of the total purchase price for the Project Property and bearing a date later than the Effective Date, along with copies of all of the underlying documents referenced therein (the "Title Commitment"). Developer shall cause the Title Company to issue a marked-up commitment or *pro forma* owner's policy with respect to the Project Property at the Closing naming Developer as the insured and in form and substance reasonably satisfactory to Developer, but subject to Permitted Exceptions (defined below). As soon as possible after the Closing, Developer shall cause the Title Company to furnish to Developer an extended coverage ALTA owner's policy of title insurance with respect to the Project Property (the "Title Policy"). City shall be responsible for the cost of the Title Policy; provided, however, Developer shall be solely responsible for the cost of any endorsements to the Title Policy that Developer desires.

6. **Title Objections.** Developer shall have until the end of the Inspection Period (as defined below) within which to raise objections to the status of City's title to the Project Property. If objection to the title is made, City shall have seven (7) days from the date it is notified in writing of the particular defects claimed to either (a) remedy the objections, or (b) notify Developer that it will not remedy the objections. If Developer does not notify City in writing as to any title or survey objections, then Developer will be deemed to have accepted the condition of title as set forth in the Title Commitment. If City is unwilling or unable to remedy the title or obtain title insurance over such defects within the time period specified, then notwithstanding anything contained herein to the contrary, Developer may, at its option, upon written notice to City, either (i) terminate this Agreement and neither City nor Developer shall have any further obligation to the other pursuant to this Agreement, except as otherwise provided herein, or (ii) waive such objection, in which case such objection shall become a Permitted Exception, and thereafter proceed to the Closing according to the terms of this Agreement. Any matter disclosed on the Title Commitment that is waived or not objected to by Developer shall be deemed a "Permitted Exception."

7. **Property Taxes and Assessments.** City shall be responsible for the payment of all real estate taxes and assessments that become due and payable prior to Closing, without proration. Developer shall be responsible for the payment of all real estate taxes and assessments that become due and payable after Closing, without proration.

8. **Survey.** Developer at its own expense may obtain a survey of any or all of the Project Property, and Buyer or its surveyor or other agents may enter any of the Project Property for that purpose prior to Closing. If no survey is obtained, Developer agrees that Developer is relying solely upon Developer's own judgment as to the location, boundaries, and area of the Project Property and improvements thereon without regard to any representations that may have been made by City or any other person. In the event that a survey by a registered land surveyor made prior to Closing discloses an encroachment or substantial variation from the presumed land boundaries or area, City shall have the option of affecting a remedy within seven (7) days after disclosure, or terminate this Agreement. Developer may elect to purchase the Project Property subject to said encroachment or variation.

9. **Inspection Period.** At Developer's sole option and expense, Developer and Developer's agents may conduct inspections of each of the Project Property within thirty (30) days after the Effective Date ("Inspection Period"). Developer's inspection under this Paragraph may include, by way of example

but not limitation, inspections of any existing improvements to each Parcel, other systems servicing the Parcel, zoning, and the suitability for Developer's intended purposes for each Parcel. If Developer, in Developer's reasonable discretion, is not satisfied with the results of the inspections for any reason, Developer shall notify City in writing of Developer's prior to expiration of the 30-day Inspection Period. If Developer so notifies City, this Agreement shall be terminated and have no further force and effect. If no written objection is made by Developer within the stated period, this inspection contingency shall be deemed to be waived by Developer and the parties shall proceed to Closing in accordance with the terms of this Agreement.

10. **Condition of Project Property.** City and Developer acknowledge and agree that the Parcel in the Project Property is being sold and delivered "**AS IS**", "**WHERE IS**" in its present condition. Except as specifically set forth in this Agreement or any written disclosure statements, City has not made, does not make, and specifically disclaims any and all representations, warranties, or covenants of any kind or character whatsoever, whether implied or express, oral or written, as to or with respect to (i) the value, nature, quality, or condition of any of the Project Property, including without limitation, soil conditions, and any environmental conditions; (ii) the suitability of the Project Property for any or all of Developer's activities and uses; (iii) the compliance of or by the Project Property with any laws, codes, or ordinances; (iv) the habitability, marketability, profitability, or fitness for a particular purpose of the Project Property; (v) existence in, on, under, or over the Project Property of any hazardous substances; or (vi) any other matter with respect to the Project Property. Developer acknowledges and agrees that Developer has or will have the opportunity to perform inspections of the Project Property pursuant to this Agreement and that Developer is relying solely on Developer's own investigation of the Project Property and not on any information provided to or to be provided by City (except as specifically provided in this Agreement). If the transaction contemplated herein closes, Developer agrees to accept the respective Project Property acquired by Developer and waive all objections or claims against City arising from or related to such Project Property and any improvements thereon except for a breach of any representations or warranties or covenants specifically set forth in this Agreement. In the event this transaction closes, then subject to City's express representations, warranties, and covenants in this Agreement, Developer acknowledges and agrees that it has determined that the respective Project Property it has acquired and all improvements thereon are in a condition satisfactory to Developer based on Developer's own inspections and due diligence, and Developer has accepted such Project Property in their present condition and subject to ordinary wear and tear up to the date of Closing. The terms of this Paragraph shall survive the Closing and/or the delivery of the deed.

11. **Developer's Representations and Warranties of Developer.** Developer represents, covenants, and warrants the following to be true:

a. **Authority.** Developer has the power and authority to enter into and perform Developer's obligations under this Agreement.

b. **Litigation.** No judgment is outstanding against Developer and no litigation, action, suit, judgment, proceeding, or investigation is pending or outstanding before any forum, court, or governmental body, department or agency or, to the knowledge of Developer, threatened, that has the stated purpose or the probable effect of enjoining or preventing the Closing.

c. **Bankruptcy.** No insolvency proceeding, including, without limitation, bankruptcy, receivership, reorganization, composition, or arrangement with creditors, voluntary or involuntary, affecting Developer or any of Developer's assets or property, is now or on the Closing Date will be pending or, to the knowledge of Developer, threatened.

12. **Conditions Precedent.** This Agreement and all of the obligations of Developer under this Agreement are, at Developer's option, subject to the fulfillment, before or at the time of the Closing, of each of the following conditions:

a. **Performance.** The obligations, agreements, documents, and conditions required to be signed and performed by City shall have been performed and complied with before or at the date of the Closing.

b. **City Commission Approval.** This Agreement is approved by the Muskegon City Commission.

13. **Default.**

a. **By Developer.** In the event Developer fails to comply with any or all of the obligations, covenants, warranties, or agreements under this Agreement and such default is not cured within ten (10) days after receipt of notice (other than Developer's failure to tender the purchase price in full at Closing, a default for which no notice is required), then City may terminate this Agreement.

b. **By City.** In the event City fails to comply with any or all of the obligations, covenants, warranties or agreements under this Agreement, and such default is not cured within ten (10) days after receipt of notice, then Developer may either terminate this Agreement or Developer may pursue its legal and/or equitable remedies against City including, without limitation, specific performance.

14. **Closing.**

a. **Date of Closing.** The closing date of this sale shall be as mutually agreed by the parties, but in no event later than 60 days from the City Commission's approval of the sale ("Closing"), unless this Agreement is terminated in accordance with its provisions. The Closing shall be conducted at such time and location as the parties mutually agree.

b. **Costs.** The costs associated with this Agreement and the Closing shall be paid as follows: (i) Developer shall pay any state and county transfer taxes in the amount required by law; (ii) City shall pay the premium for the owner's Title Policy, provided that Developer shall pay for any and all endorsements to the Title Policy that Developer desires; (iii) City shall be responsible to pay for the recording of any instrument that must be recorded to clear title to the extent required by this Agreement; (iv) Developer shall pay for the cost of recording the deed; and (v) Developer and City shall each pay one-half of any closing fees charged by the Title Company.

c. **Deliveries.** At Closing, City shall deliver a quit claim deed for the Project Property and Developer shall pay the purchase price. The quit claim deed to be delivered by City at closing shall include the City Right of Reversion described in Paragraph 4 above. The parties shall execute and deliver such other documents reasonably required to effectuate the transaction contemplated by this Agreement.

15. **Real Estate Commission.** Developer and City shall each be responsible for any fees for any real estate agents, brokers, or salespersons regarding this sale that it has hired, but shall have no obligation as to any fees for any real estate agents, brokers, or salespersons regarding this sale that the other party has hired.

16. **Notices.** All notices, approvals, consents and other communications required under this Agreement shall be in writing and shall be deemed given: (i) when delivered in person; (ii) when sent by fax or email; (iii) when sent by a nationally-recognized receipted overnight delivery service with delivery fees prepaid; or (iv) when sent by United States first-class, registered, or certified mail, postage prepaid. The notice shall be effective immediately upon personal delivery or upon transmission of the fax or email; one day after depositing with a nationally recognized overnight delivery service; and five (5) days after sending by first class, registered, or certified mail.

Notices shall be sent to the parties as follows:

To City: City of Muskegon
Attn.: Samantha Pulos, Code Coordinator
933 Terrace Street
Muskegon, MI 49440

To Developer: Helms Group
Joe Helms
3035 152nd Ave
Holland, MI 49424
Email: helmsj25@yahoo.com
Cell: 616-510-5079

17. **Miscellaneous.**

a. **Governing Law.** This Agreement will be governed by and interpreted in accordance with the laws of the state of Michigan.

b. **Entire Agreement.** This Agreement constitutes the entire agreement of the parties and supersedes any other agreements, written or oral, that may have been made by and between the parties with respect to the subject matter of this Agreement. All contemporaneous or prior negotiations and representations have been merged into this Agreement.

c. **Amendment.** This Agreement shall not be modified or amended except in a subsequent writing signed by all parties.

d. **Binding Effect.** This Agreement shall be binding upon and enforceable by the parties and their respective legal representatives, permitted successors, and assigns.

e. **Counterparts.** This Agreement may be executed in counterparts, and each set of duly delivered identical counterparts which includes all signatories, shall be deemed to be one original document.

f. **Full Execution.** This Agreement requires the signature of all parties. Until fully executed, on a single copy or in counterparts, this Agreement is of no binding force or effect and if not fully executed, this Agreement is void.

g. **Non-Waiver.** No waiver by any party of any provision of this Agreement shall constitute a waiver by such party of any other provision of this Agreement.

h. **Severability.** Should any one or more of the provisions of this Agreement be determined to be invalid, unlawful, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions of this Agreement shall not in any way be impaired or affected.

i. **No Reliance.** Each party acknowledges that it has had full opportunity to consult with legal and financial advisors as it has been deemed necessary or advisable in connection with its decision to knowingly enter into this Agreement. Neither party has executed this Agreement in reliance on any representations, warranties, or statements made by the other party other than those expressly set forth in this Agreement.

j. **Assignment or Delegation.** Except as otherwise specifically set forth in this Agreement, neither party shall assign all or any portion of its rights and obligations contained in this Agreement without the express or prior written approval of the other party, in which approval may be withheld in the other party's sole discretion.

k. **Venue and Jurisdiction.** The parties agree that for purposes of any dispute in connection with this Agreement, the Muskegon County Circuit Court shall have exclusive personal and subject matter jurisdiction and that Muskegon County is the exclusive venue.

This Agreement is executed effective as of the Effective Date set forth above.

CITY:

DEVELOPER:

CITY OF MUSKEGON

Helms Group

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

By: _____
Name: Joe Helms
Dated: _____

By: _____
Name: Ann Marie Meisch
Title: City Clerk
Dated: _____

Exhibit A

The following described premises located in the City of Muskegon, County of Muskegon, State of Michigan, and legally described as follows:

Legal Description: CITY OF MUSKEGON REVISED PLAT 1903 LOT 3 BLK 210

Address: 305 AMITY AVE, MUSKEGON, MI 49442

Parcel #: 61-24-205-210-0003-00

Price: \$3,000.00

**Legal Description: CITY OF MUSKEGON REVISED PLAT OF 1903 WEST 49.5 FEET LOT 9
BLOCK 210**

Address: 280 ALLEN AVE, MUSKEGON, MI 49442

Parcel #: 61-24-205-210-0009-01

Price: \$3,000.00



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Resolution for Housing Tax Exemption at 313 Orchard Duplex/ADU Project				
Submitted by: Jake Eckholm, Development Services Director	Department: Economic Development				
Brief Summary: JEB Group, with Derek Sjaarda acting as builder, is requesting a housing tax exemption for the new construction infill of duplexes and ADU's on 1 lot in the Angell neighborhood.					
Detailed Summary & Background: Mr. Sjaarda has been working with Development Services Staff and leadership in order to facilitate new construction rental housing in the city of Muskegon. These proposed lots will be utilized for two 2 story duplexes with an accessory dwelling unit behind each for a total of 6 housing units. In this case Sjaarda Homes is acting as the owner's representative and builder for the JEB Group, a small scale family property investment company. They are proposing that all units be subject to the proposed PILOT, which will reserve them for only households under 120% of the Area Median Income (AMI) for Muskegon County. The duplex units are 3 bedroom, 2 bathroom and the ADU's are 1 bedroom, 1 bathroom. This resolution will result in the City assessing 10% of the annual rents on the property as a payment in lieu of taxes (PILOT) for a period of 15 years in exchange for the developer complying with MSHDA rent limits. With recent changes to state statute, these properties can benefit the City's scattered site Brownfield TIF program despite being part of the PILOT. This is the same incentive program we approved for Allen Edwin in 2023, but with smaller incremental developers.					
Goal/Focus Area/Action Item Addressed: Key Focus Areas: Diverse housing types Retain youth within the city Progress toward completion of ongoing economic development projects Goal/Action Item: 2027 Goal 2: Economic Development Housing and Business					
Amount Requested: NA	Budgeted Item: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; text-align: center;">Yes</td> <td style="width: 25%; text-align: center;">No</td> <td style="width: 25%; text-align: center;">N/A</td> <td style="width: 25%; text-align: center;"> </td> </tr> </table>	Yes	No	N/A	
Yes	No	N/A			
Fund(s) or Account(s): NA	Budget Amendment Needed: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; text-align: center;">Yes</td> <td style="width: 25%; text-align: center;">No</td> <td style="width: 25%; text-align: center;">N/A</td> <td style="width: 25%; text-align: center;"> </td> </tr> </table>	Yes	No	N/A	
Yes	No	N/A			

Recommended Motion:

Motion to adopt the Resolution for Housing Tax Exemption for JEB Group, LLC and to authorize the mayor and clerk to sign.

Approvals:

Immediate Division Head	☒	
Information Technology	☐	
Other Division Heads	☐	
Communication	☐	
Legal Review	☒	

Guest(s) Invited / Presenting:

Yes

Resolution Setting Annual Service Fee
for the Workforce Housing Development
by JEB Group, LLC

Whereas, JEB Group, LLC (the “Sponsor”), has applied to the City of Muskegon for a determination that a proposed workforce housing project sponsored by it at 313 Orchard is entitled to the exemption from taxes authorized by Chapter 82 of the City of Muskegon Code of Ordinances; now therefore, be it

Resolved, that the proposed workforce housing project is within the class of housing developments entitled to an exemption under Chapter 82, if it meets the following contingencies:

- a. Sponsor shall provide documentation to the City substantiating ownership of the subject properties.
- b. Construction of at least 3 units of the proposed workforce housing project shall be commenced within twelve (12) months from the date of the Michigan State Housing Development Authority’s (“MSHDA”) notification of exemption, or this resolution shall be void and of no effect.
- c. For the life of the this Workforce Housing Resolution, 100% of the dwelling units in the proposed workforce housing project will be restricted to rental units or other housing options that are reasonably affordable to, and occupied by, a household whose total household income is not greater than 120% of the area median income published by the United States Department of Housing and Urban Development.
- d. The Sponsor shall submit an affidavit to MSHDA in the form required by MSHDA for certification that the workforce housing project is eligible for the workforce housing exemption.
- e. Upon receipt of notification from MSHDA that the workforce housing project is eligible for a workforce housing exemption, the Sponsor shall file the certified notification of exemption with the City Assessor before November 1 of the year preceding the tax year in which the exemption is to be effective; and,
- f. Sponsor shall record a restrictive covenant in a form acceptable to the City Attorney. The restrictive covenant shall be recorded in the register of deeds for the county in which the workforce housing project is located and shall comply with the requirements of Chapter 82; and, further be it

Resolved, that in lieu of ad valorem property taxes, the Sponsor shall pay an annual service charge equal to ten percent (10%) of the “Annual Shelter Rents” as defined in Section 82-52 for that portion of the workforce housing project occupied for Workforce Housing; and, further be it

Resolved, that annually, no later than April 29, the Sponsor shall provide the City Assessor the Sponsor’s budget for Annual Shelter Rent for the current calendar year and a

copy of Sponsor's financial statements for the preceding calendar year, prepared in accordance with generally accepted auditing standards or, if Sponsor is not subject to an audit requirement, Sponsor's compiled financial statements for the preceding calendar year prepared in accordance with generally accepted accounting principles and certified by Sponsor; and, further be it

Resolved, that the tax exempt status granted by this Resolution shall remain in effect for 15 years, unless otherwise terminated pursuant to Chapter 82 or this Resolution; and, further be it

Resolved, that all portions of Chapter 82 are hereby incorporated by reference; and, further be it

Resolved, that this Resolution may be assigned by the Sponsor only to subsequent owners of the workforce housing project who shall agree to abide to its terms. If not assigned, to and accepted by subsequent owners of the workforce housing project, it shall automatically terminate; and further be it

Resolved, that the Mayor and City Clerk execute a contract with the Sponsor providing the tax exemption and acceptance of payments in lieu of taxes as defined within this resolution and its application, such contract subject to approval as to substance by the City Manager and as to form by the City Attorney.

YEAS: _____

NAYS: _____

I hereby certify that the above Resolution was adopted by the City Commission of the City of Muskegon at its regular meeting held on _____, in the Commission Chambers, City Hall, 933 Terrace, Muskegon, Michigan.

Ann Meisch, City Clerk



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Workforce Housing Restrictive Covenant, 313 Orchard Duplex/ADU Project				
Submitted by: Jake Eckholm, Development Services Director	Department: Economic Development				
Brief Summary: JEB Group, with builder Derek Sjaarda, is requesting a housing tax exemption for the new construction infill of a duplex and ADU on 1 lot in the Angell neighborhood.					
Detailed Summary & Background: Mr. Sjaarda has been working with Development Services Staff and leadership in order to facilitate new construction rental housing in the city of Muskegon. These proposed lots will be utilized for 1 2 story duplex with an accessory dwelling unit behind each for a total of 3 housing units. In this case Sjaarda Homes is acting as the owner's representative and builder for the JEB Group, a small family owned property investment company. They are proposing that all units be subject to the proposed PILOT, which will reserve them for only households under 120% of the Area Median Income (AMI) for Muskegon County. The duplex units are 3 bedroom, 2 bathroom and the ADU is 1 bedroom, 1 bathroom. This restrictive covenant establishes the terms by which the city has agreed to authorize a PILOT as opposed to ad valorem property taxes for these parcels. It is to be attached to an affidavit the developer must submit to MSHDA to prove they have local approval for the project and to their commitment to reserving these units for households within the MSHDA income thresholds.					
Goal/Focus Area/Action Item Addressed: Key Focus Areas: Diverse housing types Retain youth within the city Progress toward completion of ongoing economic development projects Goal/Action Item: 2027 Goal 2: Economic Development Housing and Business					
Amount Requested: NA	Budgeted Item: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; text-align: center;">Yes</td> <td style="width: 25%; text-align: center;">No</td> <td style="width: 25%; text-align: center;">N/A</td> <td style="width: 25%; text-align: center;"> </td> </tr> </table>	Yes	No	N/A	
Yes	No	N/A			
Fund(s) or Account(s): NA	Budget Amendment Needed: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; text-align: center;">Yes</td> <td style="width: 25%; text-align: center;">No</td> <td style="width: 25%; text-align: center;">N/A</td> <td style="width: 25%; text-align: center;"> </td> </tr> </table>	Yes	No	N/A	
Yes	No	N/A			

Recommended Motion:

Motion to adopt the Workforce Housing Restrictive Covenant between JEB Group, LLC and the City and to authorize the Mayor and Clerk to sign.

Approvals:

Immediate Division Head	☒	
Information Technology	☐	
Other Division Heads	☐	
Communication	☐	
Legal Review	☒	

Guest(s) Invited / Presenting:

Yes

WORKFORCE HOUSING RESTRICTIVE COVENANT

This Workforce Housing Restrictive Covenant (“Restrictive Covenant”) is made by and between the City of Muskegon, Michigan (“Municipality”) and JEB Group, LLC, a Michigan limited liability company, presently of Holland MI 49424 (the “Sponsor”) as of June 24th, 2025.

RECITALS:

A. Sponsor is the owner of certain real property located in the City of Muskegon, County of Muskegon, State of Michigan, and more particularly described on the attached Exhibit A (the “Property”), which is attached hereto and incorporated by reference into this Agreement.

B. Sponsor has offered to provide nine “Workforce housing” units as defined by MCL 125.1415a(10)(d) on the Property (the “Project”) and has applied to Municipality for a workforce housing exemption from *ad valorem* property taxes under Section 15a of the State Housing Development Authority Act, being Public Act 346 of 1966, as amended (the “Act”).

C. In consideration of Sponsor’s offer to undertake the Project, Municipality has agreed to exempt the Property from all *ad valorem* property taxes imposed by any taxing jurisdiction and to accept in lieu thereof payment of an annual service charge for a period of 15-years as provided by Chapter 82 of the City Code of Ordinances, as amended (the “Ordinance”).

D. Upon completion of the Project, the annual service charge paid in lieu of all *ad valorem* property taxes shall be equal to ten percent (10%) of the annual shelter rents collected from the Project and shall be paid as provided in the Ordinance.

E. Sponsor and Municipality agree that the economic feasibility of the Project depends upon the continuing effect of the annual service charge in lieu of all *ad valorem* taxes approved by Municipality for the 15-year exemption period.

F. Accordingly, upon recording with the Muskegon County Register of Deeds, this Restrictive Covenant will restrict use of the Property to Workforce housing for the 15-year exemption period.

NOW, THEREFORE, in consideration of Municipality’s acceptance of payment of the annual service charge in lieu of all *ad valorem* property taxes and Sponsor’s commitment to construct or rehabilitate the Project, Sponsor and Municipality hereby covenant as follows:

1. **Recitals.** The above recitals are acknowledged as true and correct and are incorporated by reference into this paragraph.

2. **Definitions.** All words and phrases used in this Restrictive Covenant have the same meaning as defined in the Act or the Ordinance.

3. **Workforce Housing Covenant.** The Project will, upon completion of the proposed construction or rehabilitation, constitute workforce housing for households for persons and families whose household income is not greater than 120% of the area median income, as published by the Michigan State Housing Development Authority ("the Authority") for Muskegon County, adjusted for family size. All of the housing units in the Project will be rented, or available for rental, on a continuous basis to members of the general public throughout the term of this Restrictive Covenant.

4. **Term of Exemption.** The exemption from *ad valorem* property taxes approved by Municipality shall remain in effect in accordance with this Restrictive Covenant restricting use of the Project to workforce housing for a period of 15-years, ending on December 31, 2040, or so long as the Project is used as workforce housing, whichever is less.

5. **No Violation.** Sponsor agrees that it will not knowingly take or permit any action that would result in a violation of the requirements of this Restrictive Covenant or the Ordinance, which is incorporated herein as if a part of this Restrictive Covenant. Further, Sponsor agrees to take any required action, including the amendment of this Restrictive Covenant, as may be necessary, in the determination of the Municipality or of the Authority, to comply with the Ordinance. If Municipality determines that the Project is not in compliance with the requirements of this Restrictive Covenant, and Sponsor, after receiving written notice of the non-compliance from Municipality, does not correct such non-compliance within thirty (30) days, Municipality shall be entitled to take such actions as it deems necessary to enforce the provisions of this Restrictive Covenant.

6. **Sponsor to Demonstrate Compliance.** Sponsor will provide Municipality with such certifications, reports and other information as are required by Municipality to demonstrate compliance with the Ordinance. Sponsor will provide Municipality and Authority with an annual verification of compliance with this Restrictive Covenant, in a form specified by the Authority.

7. **Transfer of Ownership.** Sponsor will, prior to a sale or other voluntary transfer of ownership of the Project or any part thereof, notify Municipality in writing, and will enter into any agreements with the purchaser or transferee as may be prescribed by Municipality to ensure such purchaser's or transferee's compliance with this Restrictive Covenant and Michigan law.

8. **Enforceability.** This Restrictive Covenant is enforceable in any court in the State of Michigan having jurisdiction thereof, by Municipality, and to the extent required by the Ordinance, by any individuals who are tenants of the Project.

9. **Covenant Running with the Land; Binding Effect.** The foregoing covenant shall constitute and be enforced as a covenant running with the land under Michigan law and shall be binding on all successors or assigns of Sponsor or Municipality and any future owner or operator of the Project for the full 15-year exemption period.

10. **Miscellaneous.** In the event of any conflict between the terms of this Restrictive Covenant and the requirements of the Ordinance the requirements of the Ordinance shall prevail. This Restrictive Covenant may only be amended or terminated by a writing signed by both Sponsor and Municipality. The invalidity of any clause or provision of this Restrictive Covenant shall not affect the validity of the remaining portions thereof.

IN WITNESS WHEREOF, is this Covenant is effective as of December 1st, 2025.

[Signature Pages Follow]

CITY OF MUSKEGON

By: _____

Its: _____

STATE OF MICHIGAN)
) ss
COUNTY OF MUSKEGON)

The foregoing instrument was acknowledged before me this day of June 24th, 2025 by Kenneth Johnson, as Mayor of the City of Muskegon, a municipal corporation of the State of Michigan.

Notary Public, _____ County, MI
My Commission Expires: _____
Acting in _____ County, MI

SPONSOR
JEB Group, LLC

By: _____

Its:

STATE OF MICHIGAN)
) ss
COUNTY OF MUSKEGON)

The foregoing instrument was acknowledged before me this ____ day of _____, by _____, as the manager/authorized member of JEB Group, a Michigan limited liability company, on behalf of said Company.

Notary Public, _____ County, MI
My Commission Expires: _____
Acting in _____ County, MI

DRAFTED BY:

WHEN RECORDED RETURN TO:

EXHIBIT A

Legal Description of Property

**Legal Description: CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 1, 17 AND EAST
8 FEET LOT 2 BLK 204**

Address: 313 ORCHARD AVE, MUSKEGON, MI 49442

Parcel #: 61- 24-205-204-0001-00



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Sale of 313 Orchard								
Submitted by: Samantha Pulos, Code Coordinator	Department: Planning								
Brief Summary: Staff is seeking authorization to sell the City-owned vacant lot at 313 Orchard to JEB Group LLC.									
Detailed Summary & Background: JEB Group LLC (Emily and Joe Hovinga) and would like to purchase the City-owned buildable lot at 313 Orchard for \$3,000 (75% of the True Cash Value of \$4,000) plus half of the closing costs, and the fee to register the deed. JEB Group LLC will be constructing one duplex and one ADU (Accessory Dwelling Unit) on the property.									
Goal/Focus Area/Action Item Addressed: Key Focus Areas: Goal/Focus Area/Action Item Addressed: Create an environment that effectively attracts new residents and retains existing residents by filling existing employment gaps, attracting new and diverse businesses to the city, and expanding access to a variety of high-quality housing options in Muskegon. Diverse housing types.									
Goal/Action Item: 2027 Goal 2: Economic Development Housing and Business									
Amount Requested: n/a	Budgeted Item: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">Yes</td> <td style="width: 25%;"></td> <td style="width: 25%;">No</td> <td style="width: 25%;"></td> <td style="width: 25%;">N/A</td> <td style="width: 25%;"></td> <td style="width: 25%;">x</td> <td style="width: 25%;"></td> </tr> </table>	Yes		No		N/A		x	
Yes		No		N/A		x			
Fund(s) or Account(s): n/a	Budget Amendment Needed: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">Yes</td> <td style="width: 25%;"></td> <td style="width: 25%;">No</td> <td style="width: 25%;"></td> <td style="width: 25%;">N/A</td> <td style="width: 25%;"></td> <td style="width: 25%;">x</td> <td style="width: 25%;"></td> </tr> </table>	Yes		No		N/A		x	
Yes		No		N/A		x			
Recommended Motion: Authorize staff to sell the City-owned vacant lot at 313 Orchard to JEB Group LLC (Emily and Joe Hovinga).									
Approvals: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Immediate Division</td> <td style="width: 10%; text-align: center;">x</td> <td style="width: 40%;"></td> </tr> </table>	Immediate Division	x		Guest(s) Invited / Presenting: No					
Immediate Division	x								

Head			
Information Technology			
Other Division Heads	x		
Communication			
Legal Review	x		

PURCHASE AND DEVELOPMENT AGREEMENT

This Purchase and Development Agreement (“Agreement”) is made **June 24, 2025** (“Effective Date”), between the **City of Muskegon**, a Michigan municipal corporation, of 933 Terrace Street, Muskegon, Michigan 49440 (“City”), and JEB Group LLC, 2703 Meadow Drive, Zeeland, MI 49464 (“Developer”), with reference to the following facts:

Background

A. Developer proposes to purchase and develop one (1) vacant property owned by City which is located in the City of Muskegon, Muskegon County, Michigan, and each commonly known and legally described on the attached **Exhibit A** (each property individually, a “Parcel” and collectively “Project Property”).

B. City and Developer desire to establish the terms, covenants, and conditions upon which City will sell and Developer will purchase and develop the Project Property. Developer intends to develop on the Project Property, one (1) duplex and one (1) ADU (Accessory Dwelling Unit). (the “Project”).

Therefore, for good and valuable consideration, the parties agree as follows:

1. **Sale and Purchase of Project Property.** City agrees to sell to Developer, and Developer agrees to purchase from City, on the terms and subject to the conditions set forth in this Agreement, the Project Property, subject to reservations, restrictions, and easements of record.

2. **Purchase Price.** The total purchase price for the Project Property shall be **\$3,000.00**, which shall be paid in cash or other immediately available funds at Closing (defined below) less the \$400 deposit that the Developer has paid to the City of Muskegon.

Pursuant to Paragraph 3(b) below, the parties acknowledge and agree that Developer shall be eligible to be reimbursed all or a portion of the purchase price for the Parcel upon the completion of certain design standards as further described herein.

3. **Construction and Development Requirements.**

a. **Construction Dates.** The parties acknowledge and agree that Developer shall have a period of eighteen (18) months from the date of Closing to complete the Project (“Construction Period”), except as otherwise provided in this Agreement or as otherwise mutually agreed upon by the parties in writing.

b. **Construction Details; Purchase Price Reimbursement.** Developer’s construction and development of the Project Property, including single-family homes, duplexes, triplexes, and accessory dwelling units, shall be in substantial conformance with its plans and specifications provided to City by Developer or as otherwise agreed upon in writing between City and Developer. As referenced above, Developer shall be eligible for reimbursement of all or a portion of the purchase price for the Project Property upon Developer’s satisfaction of the following design standards for each single-family home, duplex, triplex, and accessory dwelling unit it constructs on the Project Property. If the Project includes an accessory dwelling unit, both the primary dwelling unit (single-family home, duplex, triplex) and the accessory dwelling unit must meet the design standards outlined below to be eligible for reimbursement.

Design Standard	Purchase Price Reimbursement for Parcel
Open front porch of at least 60 sq. ft.	20%
Picture or bay window	20%
Alley-loaded parcel	20%
Shutter or other acceptable window treatments	20%
Underground Sprinkling	20%

(By way of example only: If Developer builds a duplex or small multiplex, Developer would be reimbursed 100% of the purchase price for this Parcel.)

4. **Right of Reversion.** Notwithstanding anything herein to the contrary, and as security for Developer's obligation to commence and complete construction of a duplex and an ADU on the Project Property, the quit claim deed conveying the Project Property to Developer shall contain a right of reversion in all of the Project Property ("City's Reversionary Right"), which may be exercised by City, in its sole and absolute discretion, if any of the following conditions occur:

a. Developer does not commence construction within sixty (60) days after the date of Closing, in which case title to all of the Project Property shall automatically revert to City upon the terms and conditions further provided in this Paragraph 4 below. For purposes of this Paragraph 4(a), commencing construction means furnishing labor and materials to the Parcel of the Project Property and beginning installation of the approved duplex and an ADU.

b. Developer does not complete construction of the Project Property prior to expiration of the Construction Period, in which case title to any of the Project Property that are not complete by the end of the Construction Period shall automatically revert to City upon the terms and conditions further provided in this Paragraph 4 below. For purposes of this Paragraph 4(b), completing construction means the issuance of an occupancy permit by City for the Project Property. Provided, however, the parties agree to reasonably negotiate an extension of the Construction Period up to a period of six (6) months for the Project Property that have a completed foundation before the expiration of the initial Construction Period.

If any of the above conditions occur, City shall automatically have City's Reversionary Right to reacquire title to the Project Property, as the case may be. To exercise City's Reversionary Right described herein, City must provide written notice to Developer (or its permitted successors, assigns, or transferees) within thirty (30) days of Developer's failure under this Agreement, but in any event prior to Developer satisfying the conditions set forth in Paragraph 4(a) or Paragraph 4(b) above, as the case may be, and record such notice with the Muskegon County Register of Deeds. Upon request of City, Developer shall take all reasonable steps to ensure City acquires marketable title to the Project Property, as the case may be, through its exercise of its rights under this Paragraph within thirty (30) days of City's demand, including without limitation, the execution of appropriate deeds and other documents.

In addition, if the Project Property revert to City, City may retain the purchase price for such Project Property free and clear of any claim of Developer or its assigns. In the event of reversion of title of the Project Property, improvements made on such Project Property shall become the property of City. In no event shall the Project Property be in a worse condition than upon the date of Closing. These covenants and conditions shall run with the land and be recorded in the quit claim deed from City to Developer.

5. **Title Insurance.** Within five (5) days after the Effective Date, Developer shall order a title commitment for an extended coverage ALTA owner's policy of title insurance issued by Transnation Title Agency (the "Title Company") for the Project Property in the amount of the total purchase price for the Project Property and bearing a date later than the Effective Date, along with copies of all of the underlying documents referenced therein (the "Title Commitment"). Developer shall cause the Title Company to issue a marked-up commitment or *pro forma* owner's policy with respect to the Project Property at the Closing naming Developer as the insured and in form and substance reasonably satisfactory to Developer, but subject to Permitted Exceptions (defined below). As soon as possible after the Closing, Developer shall cause the Title Company to furnish to Developer an extended coverage ALTA owner's policy of title insurance with respect to the Project Property (the "Title Policy"). City shall be responsible for the cost of the Title Policy; provided, however, Developer shall be solely responsible for the cost of any endorsements to the Title Policy that Developer desires.

6. **Title Objections.** Developer shall have until the end of the Inspection Period (as defined below) within which to raise objections to the status of City's title to the Project Property. If objection to the title is made, City shall have seven (7) days from the date it is notified in writing of the particular defects claimed to either (a) remedy the objections, or (b) notify Developer that it will not remedy the objections. If Developer does not notify City in writing as to any title or survey objections, then Developer will be deemed to have accepted the condition of title as set forth in the Title Commitment. If City is unwilling or unable to remedy the title or obtain title insurance over such defects within the time period specified, then notwithstanding anything contained herein to the contrary, Developer may, at its option, upon written notice to City, either (i) terminate this Agreement and neither City nor Developer shall have any further obligation to the other pursuant to this Agreement, except as otherwise provided herein, or (ii) waive such objection, in which case such objection shall become a Permitted Exception, and thereafter proceed to the Closing according to the terms of this Agreement. Any matter disclosed on the Title Commitment that is waived or not objected to by Developer shall be deemed a "Permitted Exception."

7. **Property Taxes and Assessments.** City shall be responsible for the payment of all real estate taxes and assessments that become due and payable prior to Closing, without proration. Developer shall be responsible for the payment of all real estate taxes and assessments that become due and payable after Closing, without proration.

8. **Survey.** Developer at its own expense may obtain a survey of any or all of the Project Property, and Buyer or its surveyor or other agents may enter any of the Project Property for that purpose prior to Closing. If no survey is obtained, Developer agrees that Developer is relying solely upon Developer's own judgment as to the location, boundaries, and area of the Project Property and improvements thereon without regard to any representations that may have been made by City or any other person. In the event that a survey by a registered land surveyor made prior to Closing discloses an encroachment or substantial variation from the presumed land boundaries or area, City shall have the option of affecting a remedy within seven (7) days after disclosure, or terminate this Agreement. Developer may elect to purchase the Project Property subject to said encroachment or variation.

9. **Inspection Period.** At Developer's sole option and expense, Developer and Developer's agents may conduct inspections of each of the Project Property within thirty (30) days after the Effective Date ("Inspection Period"). Developer's inspection under this Paragraph may include, by way of example but not limitation, inspections of any existing improvements to each Parcel, other systems servicing the Parcel, zoning, and the suitability for Developer's intended purposes for each Parcel. If Developer, in Developer's reasonable discretion, is not satisfied with the results of the inspections for any reason, Developer shall notify City in writing of Developer's prior to expiration of the 30-day Inspection Period. If Developer so notifies City, this Agreement shall be terminated and have no further force and effect. If no written objection is made by Developer within the stated period, this inspection contingency shall be

deemed to be waived by Developer and the parties shall proceed to Closing in accordance with the terms of this Agreement.

10. **Condition of Project Property.** City and Developer acknowledge and agree that the Parcel in the Project Property is being sold and delivered “AS IS”, “WHERE IS” in its present condition. Except as specifically set forth in this Agreement or any written disclosure statements, City has not made, does not make, and specifically disclaims any and all representations, warranties, or covenants of any kind or character whatsoever, whether implied or express, oral or written, as to or with respect to (i) the value, nature, quality, or condition of any of the Project Property, including without limitation, soil conditions, and any environmental conditions; (ii) the suitability of the Project Property for any or all of Developer’s activities and uses; (iii) the compliance of or by the Project Property with any laws, codes, or ordinances; (iv) the habitability, marketability, profitability, or fitness for a particular purpose of the Project Property; (v) existence in, on, under, or over the Project Property of any hazardous substances; or (vi) any other matter with respect to the Project Property. Developer acknowledges and agrees that Developer has or will have the opportunity to perform inspections of the Project Property pursuant to this Agreement and that Developer is relying solely on Developer’s own investigation of the Project Property and not on any information provided to or to be provided by City (except as specifically provided in this Agreement). If the transaction contemplated herein closes, Developer agrees to accept the respective Project Property acquired by Developer and waive all objections or claims against City arising from or related to such Project Property and any improvements thereon except for a breach of any representations or warranties or covenants specifically set forth in this Agreement. In the event this transaction closes, then subject to City’s express representations, warranties, and covenants in this Agreement, Developer acknowledges and agrees that it has determined that the respective Project Property it has acquired and all improvements thereon are in a condition satisfactory to Developer based on Developer’s own inspections and due diligence, and Developer has accepted such Project Property in their present condition and subject to ordinary wear and tear up to the date of Closing. The terms of this Paragraph shall survive the Closing and/or the delivery of the deed.

11. **Developer’s Representations and Warranties of Developer.** Developer represents, covenants, and warrants the following to be true:

a. **Authority.** Developer has the power and authority to enter into and perform Developer’s obligations under this Agreement.

b. **Litigation.** No judgment is outstanding against Developer and no litigation, action, suit, judgment, proceeding, or investigation is pending or outstanding before any forum, court, or governmental body, department or agency or, to the knowledge of Developer, threatened, that has the stated purpose or the probable effect of enjoining or preventing the Closing.

c. **Bankruptcy.** No insolvency proceeding, including, without limitation, bankruptcy, receivership, reorganization, composition, or arrangement with creditors, voluntary or involuntary, affecting Developer or any of Developer’s assets or property, is now or on the Closing Date will be pending or, to the knowledge of Developer, threatened.

12. **Conditions Precedent.** This Agreement and all of the obligations of Developer under this Agreement are, at Developer’s option, subject to the fulfillment, before or at the time of the Closing, of each of the following conditions:

a. **Performance.** The obligations, agreements, documents, and conditions required to be signed and performed by City shall have been performed and complied with before or at the date of the Closing.

b. **City Commission Approval.** This Agreement is approved by the Muskegon City Commission.

13. **Default.**

a. **By Developer.** In the event Developer fails to comply with any or all of the obligations, covenants, warranties, or agreements under this Agreement and such default is not cured within ten (10) days after receipt of notice (other than Developer's failure to tender the purchase price in full at Closing, a default for which no notice is required), then City may terminate this Agreement.

b. **By City.** In the event City fails to comply with any or all of the obligations, covenants, warranties or agreements under this Agreement, and such default is not cured within ten (10) days after receipt of notice, then Developer may either terminate this Agreement or Developer may pursue its legal and/or equitable remedies against City including, without limitation, specific performance.

14. **Closing.**

a. **Date of Closing.** The closing date of this sale shall be as mutually agreed by the parties, but in no event later than 60 days from the City Commission's approval of the sale ("Closing"), unless this Agreement is terminated in accordance with its provisions. The Closing shall be conducted at such time and location as the parties mutually agree.

b. **Costs.** The costs associated with this Agreement and the Closing shall be paid as follows: (i) Developer shall pay any state and county transfer taxes in the amount required by law; (ii) City shall pay the premium for the owner's Title Policy, provided that Developer shall pay for any and all endorsements to the Title Policy that Developer desires; (iii) City shall be responsible to pay for the recording of any instrument that must be recorded to clear title to the extent required by this Agreement; (iv) Developer shall pay for the cost of recording the deed; and (v) Developer and City shall each pay one-half of any closing fees charged by the Title Company.

c. **Deliveries.** At Closing, City shall deliver a quit claim deed for the Project Property and Developer shall pay the purchase price. The quit claim deed to be delivered by City at closing shall include the City Right of Reversion described in Paragraph 4 above. The parties shall execute and deliver such other documents reasonably required to effectuate the transaction contemplated by this Agreement.

15. **Real Estate Commission.** Developer and City shall each be responsible for any fees for any real estate agents, brokers, or salespersons regarding this sale that it has hired, but shall have no obligation as to any fees for any real estate agents, brokers, or salespersons regarding this sale that the other party has hired.

16. **Notices.** All notices, approvals, consents and other communications required under this Agreement shall be in writing and shall be deemed given: (i) when delivered in person; (ii) when sent by fax or email; (iii) when sent by a nationally-recognized receipted overnight delivery service with delivery fees prepaid; or (iv) when sent by United States first-class, registered, or certified mail, postage prepaid. The notice shall be effective immediately upon personal delivery or upon transmission of the fax or email; one day after depositing with a nationally recognized overnight delivery service; and five (5) days after sending by first class, registered, or certified mail.

Notices shall be sent to the parties as follows:

To City: City of Muskegon
Attn.: Samantha Pulos, Code Coordinator
933 Terrace Street
Muskegon, MI 49440

w/ copy to: Parmenter Law
Attn.: John C. Schrier
601 Terrace Street, Suite 200
Muskegon, MI 49440
Email: john@parmenterlaw.com

To Developer: JEB Group LLC
2703 Meadow Drive
Zeeland, MI 49464
Email: ehovinga@gmail.com
Cell: 616-886-8319

17. **Miscellaneous.**

a. **Governing Law.** This Agreement will be governed by and interpreted in accordance with the laws of the state of Michigan.

b. **Entire Agreement.** This Agreement constitutes the entire agreement of the parties and supersedes any other agreements, written or oral, that may have been made by and between the parties with respect to the subject matter of this Agreement. All contemporaneous or prior negotiations and representations have been merged into this Agreement.

c. **Amendment.** This Agreement shall not be modified or amended except in a subsequent writing signed by all parties.

d. **Binding Effect.** This Agreement shall be binding upon and enforceable by the parties and their respective legal representatives, permitted successors, and assigns.

e. **Counterparts.** This Agreement may be executed in counterparts, and each set of duly delivered identical counterparts which includes all signatories, shall be deemed to be one original document.

f. **Full Execution.** This Agreement requires the signature of all parties. Until fully executed, on a single copy or in counterparts, this Agreement is of no binding force or effect and if not fully executed, this Agreement is void.

g. **Non-Waiver.** No waiver by any party of any provision of this Agreement shall constitute a waiver by such party of any other provision of this Agreement.

h. **Severability.** Should any one or more of the provisions of this Agreement be determined to be invalid, unlawful, or unenforceable in any respect, the validity, legality, and

enforceability of the remaining provisions of this Agreement shall not in any way be impaired or affected.

i. **No Reliance.** Each party acknowledges that it has had full opportunity to consult with legal and financial advisors as it has been deemed necessary or advisable in connection with its decision to knowingly enter into this Agreement. Neither party has executed this Agreement in reliance on any representations, warranties, or statements made by the other party other than those expressly set forth in this Agreement.

j. **Assignment or Delegation.** Except as otherwise specifically set forth in this Agreement, neither party shall assign all or any portion of its rights and obligations contained in this Agreement without the express or prior written approval of the other party, in which approval may be withheld in the other party's sole discretion.

k. **Venue and Jurisdiction.** The parties agree that for purposes of any dispute in connection with this Agreement, the Muskegon County Circuit Court shall have exclusive personal and subject matter jurisdiction and that Muskegon County is the exclusive venue.

This Agreement is executed effective as of the Effective Date set forth above.

CITY:

DEVELOPER:

CITY OF MUSKEGON

JEB Group LLC

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

By: Joseph A. Hovinga Digitally signed by Joseph A. Hovinga
Date: 2025.06.12 12:16:06 -04'00'
Name: Joseph A. Hovinga
Dated: _____

By: _____
Name: Ann Marie Meisch
Title: City Clerk
Dated: _____

Exhibit A

The following described premises located in the City of Muskegon, County of Muskegon, State of Michigan, and legally described as follows:

Legal Description: CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 1, 17 AND EAST 8 FEET LOT 2 BLK 204

Address: 313 ORCHARD AVE, MUSKEGON, MI 49442

Parcel #: 61- 24-205-204-0001-00

Price: \$3,000.00



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Sale of 420 Oak, 452 Oak, and 451 Erickson.							
Submitted by: Samantha Pulos, Code Coordinator	Department: Planning							
Brief Summary: Staff is seeking authorization to sell the City-owned vacant lots at 420 Oak, 452 Oak, and 451 Erickson to RSW Holdings LLC and Barrowstone Capital LLC.								
Detailed Summary & Background: RSW Holdings LLC and Barrowstone Capital LLC would like to purchase the City-owned buildable lots at 420 Oak, 452 Oak, and 451 Erickson for \$9,000 (75% of the True Cash Value of \$12,000) plus half of the closing costs, and the fee to register the deed. RSW Holdings LLC and Barrowstone Capital LLC will be constructing a duplex and an ADU (Accessory Dwelling Unit) on 420 and 452 Oak and a triplex on 451 Erickson, for a total of two (2) duplexes, two (2) ADUs, and one (1) triplex.								
Goal/Focus Area/Action Item Addressed: Key Focus Areas: Goal/Focus Area/Action Item Addressed: Create an environment that effectively attracts new residents and retains existing residents by filling existing employment gaps, attracting new and diverse businesses to the city, and expanding access to a variety of high-quality housing options in Muskegon. Diverse housing types.								
Goal/Action Item: 2027 Goal 2: Economic Development Housing and Business								
Amount Requested: n/a	Budgeted Item: <table border="1" style="width: 100%;"><tr><td>Yes</td><td>☐</td><td>No</td><td>☐</td><td>N/A</td><td>☒</td><td>☐</td></tr></table>	Yes	☐	No	☐	N/A	☒	☐
Yes	☐	No	☐	N/A	☒	☐		
Fund(s) or Account(s): n/a	Budget Amendment Needed: <table border="1" style="width: 100%;"><tr><td>Yes</td><td>☐</td><td>No</td><td>☐</td><td>N/A</td><td>☒</td><td>☐</td></tr></table>	Yes	☐	No	☐	N/A	☒	☐
Yes	☐	No	☐	N/A	☒	☐		
Recommended Motion: Authorize staff to sell the City-owned vacant lots at 420 Oak, 452 Oak, and 451 Erickson to RSW Holdings LLC and Barrowstone Capital LLC.								
Approvals:	Guest(s) Invited / Presenting:							

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

PURCHASE AND DEVELOPMENT AGREEMENT

This Purchase and Development Agreement (“Agreement”) is made **June 24, 2025** (“Effective Date”), between the **City of Muskegon**, a Michigan municipal corporation, of 933 Terrace Street, Muskegon, Michigan 49440 (“City”), and **RSW Holdings LLC and Barrowstone Capital LLC**, 691 Ottawa Beach Road, Holland, MI, 49423. (“Developer”), with reference to the following facts:

Background

A. Developer proposes to purchase and develop three (3) vacant properties owned by City which is located in the City of Muskegon, Muskegon County, Michigan, and each commonly known and legally described on the attached **Exhibit A** (each property individually, a “Parcel” and collectively “Project Property”).

B. City and Developer desire to establish the terms, covenants, and conditions upon which City will sell and Developer will purchase and develop the Project Property. Developer intends to develop on the Project Property two (2) duplexes, each with an accessory dwelling unit (ADU), and one triplex, for a total of two (2) duplexes, two (2) ADUs, and one (1) triplex. (the “Project”).

Therefore, for good and valuable consideration, the parties agree as follows:

1. **Sale and Purchase of Project Property.** City agrees to sell to Developer, and Developer agrees to purchase from City, on the terms and subject to the conditions set forth in this Agreement, the Project Property, subject to reservations, restrictions, and easements of record.

2. **Purchase Price.** The total purchase price for the Project Property shall be **\$9,000.00**, which shall be paid in cash or other immediately available funds at Closing (defined below) less the \$500 deposit that the Developer has paid to the City of Muskegon.

Pursuant to Paragraph 3(b) below, the parties acknowledge and agree that Developer shall be eligible to be reimbursed all or a portion of the purchase price for the Parcel upon the completion of certain design standards as further described herein.

3. **Construction and Development Requirements.**

a. **Construction Dates.** The parties acknowledge and agree that Developer shall have a period of twenty-four (24) months from the date of Closing to complete the Project (“Construction Period”), except as otherwise provided in this Agreement or as otherwise mutually agreed upon by the parties in writing.

b. **Construction Details; Purchase Price Reimbursement.** Developer’s construction and development of the Project Property, including single-family homes, duplexes, triplexes, and accessory dwelling units, shall be in substantial conformance with its plans and specifications provided to City by Developer or as otherwise agreed upon in writing between City and Developer. As referenced above, Developer shall be eligible for reimbursement of all or a portion of the purchase price for the Project Property upon Developer’s satisfaction of the following design standards for each single-family home, duplex, triplex, and accessory dwelling unit it constructs on the Project Property. If the Project includes an accessory dwelling unit, both the primary dwelling unit (single-family home, duplex, triplex) and the accessory dwelling unit must meet the design standards outlined below to be eligible for reimbursement.

Design Standard	Purchase Price Reimbursement for Parcel
Open front porch of at least 60 sq. ft.	20%
Picture or bay window	20%
Alley-loaded parcel	20%
Shutter or other acceptable window treatments	20%
Underground Sprinkling	20%

(By way of example only: If Developer builds a duplex or small multiplex, Developer would be reimbursed 100% of the purchase price for this Parcel.)

4. **Right of Reversion.** Notwithstanding anything herein to the contrary, and as security for Developer's obligation to commence and complete construction of a duplex plus an ADU on both 420 and 452 Oak and a triplex on 451 Erickson, the quit claim deed conveying the Project Property to Developer shall contain a right of reversion in all of the Project Property ("City's Reversionary Right"), which may be exercised by City, in its sole and absolute discretion, if any of the following conditions occur:

a. Developer does not commence construction within sixty (60) days after the date of Closing, in which case title to all of the Project Property shall automatically revert to City upon the terms and conditions further provided in this Paragraph 4 below. For purposes of this Paragraph 4(a), commencing construction means furnishing labor and materials to the Parcel of the Project Property and beginning installation of the approved duplex plus an ADU on both 420 and 452 Oak and a triplex on 451 Erickson.

b. Developer does not complete construction of the Project Property prior to expiration of the Construction Period, in which case title to any of the Project Property that are not complete by the end of the Construction Period shall automatically revert to City upon the terms and conditions further provided in this Paragraph 4 below. For purposes of this Paragraph 4(b), completing construction means the issuance of an occupancy permit by City for the Project Property. Provided, however, the parties agree to reasonably negotiate an extension of the Construction Period up to a period of six (6) months for the Project Property that have a completed foundation before the expiration of the initial Construction Period.

If any of the above conditions occur, City shall automatically have City's Reversionary Right to reacquire title to the Project Property, as the case may be. To exercise City's Reversionary Right described herein, City must provide written notice to Developer (or its permitted successors, assigns, or transferees) within thirty (30) days of Developer's failure under this Agreement, but in any event prior to Developer satisfying the conditions set forth in Paragraph 4(a) or Paragraph 4(b) above, as the case may be, and record such notice with the Muskegon County Register of Deeds. Upon request of City, Developer shall take all reasonable steps to ensure City acquires marketable title to the Project Property, as the case may be, through its exercise of its rights under this Paragraph within thirty (30) days of City's demand, including without limitation, the execution of appropriate deeds and other documents.

In addition, if the Project Property revert to City, City may retain the purchase price for such Project Property free and clear of any claim of Developer or its assigns. In the event of reversion of title of the Project Property, improvements made on such Project Property shall become the property of City. In no event shall the Project Property be in a worse condition than upon the date of Closing. These covenants and conditions shall run with the land and be recorded in the quit claim deed from City to Developer.

5. **Title Insurance.** Within five (5) days after the Effective Date, Developer shall order a title commitment for an extended coverage ALTA owner's policy of title insurance issued by Transnation Title Agency (the "Title Company") for the Project Property in the amount of the total purchase price for the Project Property and bearing a date later than the Effective Date, along with copies of all of the underlying documents referenced therein (the "Title Commitment"). Developer shall cause the Title Company to issue a marked-up commitment or *pro forma* owner's policy with respect to the Project Property at the Closing naming Developer as the insured and in form and substance reasonably satisfactory to Developer, but subject to Permitted Exceptions (defined below). As soon as possible after the Closing, Developer shall cause the Title Company to furnish to Developer an extended coverage ALTA owner's policy of title insurance with respect to the Project Property (the "Title Policy"). City shall be responsible for the cost of the Title Policy; provided, however, Developer shall be solely responsible for the cost of any endorsements to the Title Policy that Developer desires.

6. **Title Objections.** Developer shall have until the end of the Inspection Period (as defined below) within which to raise objections to the status of City's title to the Project Property. If objection to the title is made, City shall have seven (7) days from the date it is notified in writing of the particular defects claimed to either (a) remedy the objections, or (b) notify Developer that it will not remedy the objections. If Developer does not notify City in writing as to any title or survey objections, then Developer will be deemed to have accepted the condition of title as set forth in the Title Commitment. If City is unwilling or unable to remedy the title or obtain title insurance over such defects within the time period specified, then notwithstanding anything contained herein to the contrary, Developer may, at its option, upon written notice to City, either (i) terminate this Agreement and neither City nor Developer shall have any further obligation to the other pursuant to this Agreement, except as otherwise provided herein, or (ii) waive such objection, in which case such objection shall become a Permitted Exception, and thereafter proceed to the Closing according to the terms of this Agreement. Any matter disclosed on the Title Commitment that is waived or not objected to by Developer shall be deemed a "Permitted Exception."

7. **Property Taxes and Assessments.** City shall be responsible for the payment of all real estate taxes and assessments that become due and payable prior to Closing, without proration. Developer shall be responsible for the payment of all real estate taxes and assessments that become due and payable after Closing, without proration.

8. **Survey.** Developer at its own expense may obtain a survey of any or all of the Project Property, and Buyer or its surveyor or other agents may enter any of the Project Property for that purpose prior to Closing. If no survey is obtained, Developer agrees that Developer is relying solely upon Developer's own judgment as to the location, boundaries, and area of the Project Property and improvements thereon without regard to any representations that may have been made by City or any other person. In the event that a survey by a registered land surveyor made prior to Closing discloses an encroachment or substantial variation from the presumed land boundaries or area, City shall have the option of affecting a remedy within seven (7) days after disclosure, or terminate this Agreement. Developer may elect to purchase the Project Property subject to said encroachment or variation.

9. **Inspection Period.** At Developer's sole option and expense, Developer and Developer's agents may conduct inspections of each of the Project Property within thirty (30) days after the Effective Date ("Inspection Period"). Developer's inspection under this Paragraph may include, by way of example but not limitation, inspections of any existing improvements to each Parcel, other systems servicing the Parcel, zoning, and the suitability for Developer's intended purposes for each Parcel. If Developer, in Developer's reasonable discretion, is not satisfied with the results of the inspections for any reason, Developer shall notify City in writing of Developer's prior to expiration of the 30-day Inspection Period. If Developer so notifies City, this Agreement shall be terminated and have no further force and effect. If no

written objection is made by Developer within the stated period, this inspection contingency shall be deemed to be waived by Developer and the parties shall proceed to Closing in accordance with the terms of this Agreement.

10. **Condition of Project Property.** City and Developer acknowledge and agree that the Parcel in the Project Property is being sold and delivered “**AS IS**”, “**WHERE IS**” in its present condition. Except as specifically set forth in this Agreement or any written disclosure statements, City has not made, does not make, and specifically disclaims any and all representations, warranties, or covenants of any kind or character whatsoever, whether implied or express, oral or written, as to or with respect to (i) the value, nature, quality, or condition of any of the Project Property, including without limitation, soil conditions, and any environmental conditions; (ii) the suitability of the Project Property for any or all of Developer’s activities and uses; (iii) the compliance of or by the Project Property with any laws, codes, or ordinances; (iv) the habitability, marketability, profitability, or fitness for a particular purpose of the Project Property; (v) existence in, on, under, or over the Project Property of any hazardous substances; or (vi) any other matter with respect to the Project Property. Developer acknowledges and agrees that Developer has or will have the opportunity to perform inspections of the Project Property pursuant to this Agreement and that Developer is relying solely on Developer’s own investigation of the Project Property and not on any information provided to or to be provided by City (except as specifically provided in this Agreement). If the transaction contemplated herein closes, Developer agrees to accept the respective Project Property acquired by Developer and waive all objections or claims against City arising from or related to such Project Property and any improvements thereon except for a breach of any representations or warranties or covenants specifically set forth in this Agreement. In the event this transaction closes, then subject to City’s express representations, warranties, and covenants in this Agreement, Developer acknowledges and agrees that it has determined that the respective Project Property it has acquired and all improvements thereon are in a condition satisfactory to Developer based on Developer’s own inspections and due diligence, and Developer has accepted such Project Property in their present condition and subject to ordinary wear and tear up to the date of Closing. The terms of this Paragraph shall survive the Closing and/or the delivery of the deed.

11. **Developer’s Representations and Warranties of Developer.** Developer represents, covenants, and warrants the following to be true:

a. **Authority.** Developer has the power and authority to enter into and perform Developer’s obligations under this Agreement.

b. **Litigation.** No judgment is outstanding against Developer and no litigation, action, suit, judgment, proceeding, or investigation is pending or outstanding before any forum, court, or governmental body, department or agency or, to the knowledge of Developer, threatened, that has the stated purpose or the probable effect of enjoining or preventing the Closing.

c. **Bankruptcy.** No insolvency proceeding, including, without limitation, bankruptcy, receivership, reorganization, composition, or arrangement with creditors, voluntary or involuntary, affecting Developer or any of Developer’s assets or property, is now or on the Closing Date will be pending or, to the knowledge of Developer, threatened.

12. **Conditions Precedent.** This Agreement and all of the obligations of Developer under this Agreement are, at Developer’s option, subject to the fulfillment, before or at the time of the Closing, of each of the following conditions:

a. **Performance.** The obligations, agreements, documents, and conditions required to be signed and performed by City shall have been performed and complied with before or at the date of the Closing.

b. **City Commission Approval.** This Agreement is approved by the Muskegon City Commission.

13. **Default.**

a. **By Developer.** In the event Developer fails to comply with any or all of the obligations, covenants, warranties, or agreements under this Agreement and such default is not cured within ten (10) days after receipt of notice (other than Developer's failure to tender the purchase price in full at Closing, a default for which no notice is required), then City may terminate this Agreement.

b. **By City.** In the event City fails to comply with any or all of the obligations, covenants, warranties or agreements under this Agreement, and such default is not cured within ten (10) days after receipt of notice, then Developer may either terminate this Agreement or Developer may pursue its legal and/or equitable remedies against City including, without limitation, specific performance.

14. **Closing.**

a. **Date of Closing.** The closing date of this sale shall be as mutually agreed by the parties, but in no event later than 60 days from the City Commission's approval of the sale ("Closing"), unless this Agreement is terminated in accordance with its provisions. The Closing shall be conducted at such time and location as the parties mutually agree.

b. **Costs.** The costs associated with this Agreement and the Closing shall be paid as follows: (i) Developer shall pay any state and county transfer taxes in the amount required by law; (ii) City shall pay the premium for the owner's Title Policy, provided that Developer shall pay for any and all endorsements to the Title Policy that Developer desires; (iii) City shall be responsible to pay for the recording of any instrument that must be recorded to clear title to the extent required by this Agreement; (iv) Developer shall pay for the cost of recording the deed; and (v) Developer and City shall each pay one-half of any closing fees charged by the Title Company.

c. **Deliveries.** At Closing, City shall deliver a quit claim deed for the Project Property and Developer shall pay the purchase price. The quit claim deed to be delivered by City at closing shall include the City Right of Reversion described in Paragraph 4 above. The parties shall execute and deliver such other documents reasonably required to effectuate the transaction contemplated by this Agreement.

15. **Real Estate Commission.** Developer and City shall each be responsible for any fees for any real estate agents, brokers, or salespersons regarding this sale that it has hired, but shall have no obligation as to any fees for any real estate agents, brokers, or salespersons regarding this sale that the other party has hired.

16. **Notices.** All notices, approvals, consents and other communications required under this Agreement shall be in writing and shall be deemed given: (i) when delivered in person; (ii) when sent by fax or email; (iii) when sent by a nationally-recognized receipted overnight delivery service with delivery fees prepaid; or (iv) when sent by United States first-class, registered, or certified mail, postage prepaid.

The notice shall be effective immediately upon personal delivery or upon transmission of the fax or email; one day after depositing with a nationally recognized overnight delivery service; and five (5) days after sending by first class, registered, or certified mail.

Notices shall be sent to the parties as follows:

To City: City of Muskegon
Attn.: Samantha Pulos, Code Coordinator
933 Terrace Street
Muskegon, MI 49440

w/ copy to: Parmenter Law
Attn.: John C. Schrier
601 Terrace Street, Suite 200
Muskegon, MI 49440
Email: john@parmenterlaw.com

To Developer: RSW Holdings LLC & Barrowstone Capital LLC
Attn.: Ron Webb
691 Ottawa Beach Road
Holland MI, 49423
Email: ron.webb@cbgreatlakes.com
Cell: 616-291-2782

17. **Miscellaneous.**

a. **Governing Law.** This Agreement will be governed by and interpreted in accordance with the laws of the state of Michigan.

b. **Entire Agreement.** This Agreement constitutes the entire agreement of the parties and supersedes any other agreements, written or oral, that may have been made by and between the parties with respect to the subject matter of this Agreement. All contemporaneous or prior negotiations and representations have been merged into this Agreement.

c. **Amendment.** This Agreement shall not be modified or amended except in a subsequent writing signed by all parties.

d. **Binding Effect.** This Agreement shall be binding upon and enforceable by the parties and their respective legal representatives, permitted successors, and assigns.

e. **Counterparts.** This Agreement may be executed in counterparts, and each set of duly delivered identical counterparts which includes all signatories, shall be deemed to be one original document.

f. **Full Execution.** This Agreement requires the signature of all parties. Until fully executed, on a single copy or in counterparts, this Agreement is of no binding force or effect and if not fully executed, this Agreement is void.

g. **Non-Waiver.** No waiver by any party of any provision of this Agreement shall constitute a waiver by such party of any other provision of this Agreement.

h. **Severability.** Should any one or more of the provisions of this Agreement be determined to be invalid, unlawful, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions of this Agreement shall not in any way be impaired or affected.

i. **No Reliance.** Each party acknowledges that it has had full opportunity to consult with legal and financial advisors as it has been deemed necessary or advisable in connection with its decision to knowingly enter into this Agreement. Neither party has executed this Agreement in reliance on any representations, warranties, or statements made by the other party other than those expressly set forth in this Agreement.

j. **Assignment or Delegation.** Except as otherwise specifically set forth in this Agreement, neither party shall assign all or any portion of its rights and obligations contained in this Agreement without the express or prior written approval of the other party, in which approval may be withheld in the other party's sole discretion.

k. **Venue and Jurisdiction.** The parties agree that for purposes of any dispute in connection with this Agreement, the Muskegon County Circuit Court shall have exclusive personal and subject matter jurisdiction and that Muskegon County is the exclusive venue.

This Agreement is executed effective as of the Effective Date set forth above.

CITY:

CITY OF MUSKEGON

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

By: _____
Name: Ann Marie Meisch
Title: City Clerk
Dated: _____

DEVELOPER:

RSW Holdings LLC

By: _____
Name: Ron Webb
Dated: _____

Barrowstone Capital LLC

By: _____
Name: _____
Dated: _____

Exhibit A

The following described premises located in the City of Muskegon, County of Muskegon, State of Michigan, and legally described as follows:

Legal Description: CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 8 BLOCK 44

Address: 420 OAK AVE, MUSKEGON, MI 49442

Parcel #: 61-24-205-044-0008-00

Price: \$3,000.00

Legal Description: CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 12 EXCEPT WEST 1 FOOT BLOCK 44

Address: 452 OAK AVE, MUSKEGON, MI 49442

Parcel #: 61-24-205-044-0012-00

Price: \$3,000.00

Legal Description: CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 11 & 13 BLOCK 148

Address: 451 ERICKSON, MUSKEGON, MI 49442

Parcel #: 61-24-205-148-0011-01

Price: \$3,000.00



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Sale of 447 Oak								
Submitted by: Samantha Pulos, Code Coordinator	Department: Planning								
Brief Summary: Staff is seeking authorization to sell the City-owned vacant lot at 447 Oak to Nicole Ledeboer.									
Detailed Summary & Background: Nicole Ledeboer would like to purchase the City-owned buildable lot at 447 Oak for \$3,000 (75% of the True Cash Value of \$4,000) plus half of the closing costs, and the fee to register the deed. Nicole Ledeboer will be constructing one duplex and one ADU (Accessory Dwelling Unit) on the property.									
Goal/Focus Area/Action Item Addressed: Key Focus Areas: Goal/Focus Area/Action Item Addressed: Create an environment that effectively attracts new residents and retains existing residents by filling existing employment gaps, attracting new and diverse businesses to the city, and expanding access to a variety of high-quality housing options in Muskegon. Diverse housing types.									
Goal/Action Item: 2027 Goal 2: Economic Development Housing and Business									
Amount Requested: n/a	Budgeted Item: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">Yes</td> <td style="width: 25%;"></td> <td style="width: 25%;">No</td> <td style="width: 25%;"></td> <td style="width: 25%;">N/A</td> <td style="width: 25%;"></td> <td style="width: 25%;">x</td> <td style="width: 25%;"></td> </tr> </table>	Yes		No		N/A		x	
Yes		No		N/A		x			
Fund(s) or Account(s): n/a	Budget Amendment Needed: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">Yes</td> <td style="width: 25%;"></td> <td style="width: 25%;">No</td> <td style="width: 25%;"></td> <td style="width: 25%;">N/A</td> <td style="width: 25%;"></td> <td style="width: 25%;">x</td> <td style="width: 25%;"></td> </tr> </table>	Yes		No		N/A		x	
Yes		No		N/A		x			
Recommended Motion: Authorize staff to sell the City-owned vacant lot at 447 Oak to Nicole Ledeboer.									
Approvals: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Immediate Division Head</td> <td style="width: 10%; text-align: center;">x</td> <td style="width: 20%;"></td> </tr> <tr> <td>Information</td> <td></td> <td></td> </tr> </table>	Immediate Division Head	x		Information			Guest(s) Invited / Presenting: No		
Immediate Division Head	x								
Information									

Technology		
Other Division Heads	x	
Communication		
Legal Review	x	

PURCHASE AND DEVELOPMENT AGREEMENT

This Purchase and Development Agreement (“Agreement”) is made **June 24, 2025** (“Effective Date”), between the **City of Muskegon**, a Michigan municipal corporation, of 933 Terrace Street, Muskegon, Michigan 49440 (“City”), and Nicole Ledebor, 3025 Garrison Rd, Altus, OK 7351 (“Developer”), with reference to the following facts:

Background

A. Developer proposes to purchase and develop one (1) vacant properties owned by City which is located in the City of Muskegon, Muskegon County, Michigan, and each commonly known and legally described on the attached **Exhibit A** (each property individually, a “Parcel” and collectively “Project Property”).

B. City and Developer desire to establish the terms, covenants, and conditions upon which City will sell and Developer will purchase and develop the Project Property. Developer intends to develop on the Project Property, one (1) duplex and one (1) ADU (Accessory Dwelling Unit). (the “Project”).

Therefore, for good and valuable consideration, the parties agree as follows:

1. **Sale and Purchase of Project Property.** City agrees to sell to Developer, and Developer agrees to purchase from City, on the terms and subject to the conditions set forth in this Agreement, the Project Property, subject to reservations, restrictions, and easements of record.

2. **Purchase Price.** The total purchase price for the Project Property shall be **\$3,000.00**, which shall be paid in cash or other immediately available funds at Closing (defined below) less the \$400 deposit that the Developer has paid to the City of Muskegon.

Pursuant to Paragraph 3(b) below, the parties acknowledge and agree that Developer shall be eligible to be reimbursed all or a portion of the purchase price for the Parcel upon the completion of certain design standards as further described herein.

3. **Construction and Development Requirements.**

a. **Construction Dates.** The parties acknowledge and agree that Developer shall have a period of eighteen (18) months from the date of Closing to complete the Project (“Construction Period”), except as otherwise provided in this Agreement or as otherwise mutually agreed upon by the parties in writing.

b. **Construction Details; Purchase Price Reimbursement.** Developer’s construction and development of the Project Property, including single-family homes, duplexes, triplexes, and accessory dwelling units, shall be in substantial conformance with its plans and specifications provided to City by Developer or as otherwise agreed upon in writing between City and Developer. As referenced above, Developer shall be eligible for reimbursement of all or a portion of the purchase price for the Project Property upon Developer’s satisfaction of the following design standards for each single-family home, duplex, triplex, and accessory dwelling unit it constructs on the Project Property. If the Project includes an accessory dwelling unit, both the primary dwelling unit (single-family home, duplex, triplex) and the accessory dwelling unit must meet the design standards outlined below to be eligible for reimbursement.

Design Standard	Purchase Price Reimbursement for Parcel
Open front porch of at least 60 sq. ft.	20%
Picture or bay window	20%
Alley-loaded parcel	20%
Shutter or other acceptable window treatments	20%
Underground Sprinkling	20%

(By way of example only: If Developer builds a duplex or small multiplex, Developer would be reimbursed 100% of the purchase price for this Parcel.)

4. **Right of Reversion.** Notwithstanding anything herein to the contrary, and as security for Developer's obligation to commence and complete construction of a duplex and an ADU on the Project Property, the quit claim deed conveying the Project Property to Developer shall contain a right of reversion in all of the Project Property ("City's Reversionary Right"), which may be exercised by City, in its sole and absolute discretion, if any of the following conditions occur:

a. Developer does not commence construction within sixty (60) days after the date of Closing, in which case title to all of the Project Property shall automatically revert to City upon the terms and conditions further provided in this Paragraph 4 below. For purposes of this Paragraph 4(a), commencing construction means furnishing labor and materials to the Parcel of the Project Property and beginning installation of the approved duplex and an ADU.

b. Developer does not complete construction of the Project Property prior to expiration of the Construction Period, in which case title to any of the Project Property that are not complete by the end of the Construction Period shall automatically revert to City upon the terms and conditions further provided in this Paragraph 4 below. For purposes of this Paragraph 4(b), completing construction means the issuance of an occupancy permit by City for the Project Property. Provided, however, the parties agree to reasonably negotiate an extension of the Construction Period up to a period of six (6) months for the Project Property that have a completed foundation before the expiration of the initial Construction Period.

If any of the above conditions occur, City shall automatically have City's Reversionary Right to reacquire title to the Project Property, as the case may be. To exercise City's Reversionary Right described herein, City must provide written notice to Developer (or its permitted successors, assigns, or transferees) within thirty (30) days of Developer's failure under this Agreement, but in any event prior to Developer satisfying the conditions set forth in Paragraph 4(a) or Paragraph 4(b) above, as the case may be, and record such notice with the Muskegon County Register of Deeds. Upon request of City, Developer shall take all reasonable steps to ensure City acquires marketable title to the Project Property, as the case may be, through its exercise of its rights under this Paragraph within thirty (30) days of City's demand, including without limitation, the execution of appropriate deeds and other documents.

In addition, if the Project Property revert to City, City may retain the purchase price for such Project Property free and clear of any claim of Developer or its assigns. In the event of reversion of title of the Project Property, improvements made on such Project Property shall become the property of City. In no event shall the Project Property be in a worse condition than upon the date of Closing. These covenants and conditions shall run with the land and be recorded in the quit claim deed from City to Developer.

5. **Title Insurance.** Within five (5) days after the Effective Date, Developer shall order a title commitment for an extended coverage ALTA owner's policy of title insurance issued by Transnation Title Agency (the "Title Company") for the Project Property in the amount of the total purchase price for the Project Property and bearing a date later than the Effective Date, along with copies of all of the underlying documents referenced therein (the "Title Commitment"). Developer shall cause the Title Company to issue a marked-up commitment or *pro forma* owner's policy with respect to the Project Property at the Closing naming Developer as the insured and in form and substance reasonably satisfactory to Developer, but subject to Permitted Exceptions (defined below). As soon as possible after the Closing, Developer shall cause the Title Company to furnish to Developer an extended coverage ALTA owner's policy of title insurance with respect to the Project Property (the "Title Policy"). City shall be responsible for the cost of the Title Policy; provided, however, Developer shall be solely responsible for the cost of any endorsements to the Title Policy that Developer desires.

6. **Title Objections.** Developer shall have until the end of the Inspection Period (as defined below) within which to raise objections to the status of City's title to the Project Property. If objection to the title is made, City shall have seven (7) days from the date it is notified in writing of the particular defects claimed to either (a) remedy the objections, or (b) notify Developer that it will not remedy the objections. If Developer does not notify City in writing as to any title or survey objections, then Developer will be deemed to have accepted the condition of title as set forth in the Title Commitment. If City is unwilling or unable to remedy the title or obtain title insurance over such defects within the time period specified, then notwithstanding anything contained herein to the contrary, Developer may, at its option, upon written notice to City, either (i) terminate this Agreement and neither City nor Developer shall have any further obligation to the other pursuant to this Agreement, except as otherwise provided herein, or (ii) waive such objection, in which case such objection shall become a Permitted Exception, and thereafter proceed to the Closing according to the terms of this Agreement. Any matter disclosed on the Title Commitment that is waived or not objected to by Developer shall be deemed a "Permitted Exception."

7. **Property Taxes and Assessments.** City shall be responsible for the payment of all real estate taxes and assessments that become due and payable prior to Closing, without proration. Developer shall be responsible for the payment of all real estate taxes and assessments that become due and payable after Closing, without proration.

8. **Survey.** Developer at its own expense may obtain a survey of any or all of the Project Property, and Buyer or its surveyor or other agents may enter any of the Project Property for that purpose prior to Closing. If no survey is obtained, Developer agrees that Developer is relying solely upon Developer's own judgment as to the location, boundaries, and area of the Project Property and improvements thereon without regard to any representations that may have been made by City or any other person. In the event that a survey by a registered land surveyor made prior to Closing discloses an encroachment or substantial variation from the presumed land boundaries or area, City shall have the option of affecting a remedy within seven (7) days after disclosure, or terminate this Agreement. Developer may elect to purchase the Project Property subject to said encroachment or variation.

9. **Inspection Period.** At Developer's sole option and expense, Developer and Developer's agents may conduct inspections of each of the Project Property within thirty (30) days after the Effective Date ("Inspection Period"). Developer's inspection under this Paragraph may include, by way of example but not limitation, inspections of any existing improvements to each Parcel, other systems servicing the Parcel, zoning, and the suitability for Developer's intended purposes for each Parcel. If Developer, in Developer's reasonable discretion, is not satisfied with the results of the inspections for any reason, Developer shall notify City in writing of Developer's prior to expiration of the 30-day Inspection Period. If Developer so notifies City, this Agreement shall be terminated and have no further force and effect. If no written objection is made by Developer within the stated period, this inspection contingency shall be

deemed to be waived by Developer and the parties shall proceed to Closing in accordance with the terms of this Agreement.

10. **Condition of Project Property.** City and Developer acknowledge and agree that the Parcel in the Project Property is being sold and delivered “AS IS”, “WHERE IS” in its present condition. Except as specifically set forth in this Agreement or any written disclosure statements, City has not made, does not make, and specifically disclaims any and all representations, warranties, or covenants of any kind or character whatsoever, whether implied or express, oral or written, as to or with respect to (i) the value, nature, quality, or condition of any of the Project Property, including without limitation, soil conditions, and any environmental conditions; (ii) the suitability of the Project Property for any or all of Developer’s activities and uses; (iii) the compliance of or by the Project Property with any laws, codes, or ordinances; (iv) the habitability, marketability, profitability, or fitness for a particular purpose of the Project Property; (v) existence in, on, under, or over the Project Property of any hazardous substances; or (vi) any other matter with respect to the Project Property. Developer acknowledges and agrees that Developer has or will have the opportunity to perform inspections of the Project Property pursuant to this Agreement and that Developer is relying solely on Developer’s own investigation of the Project Property and not on any information provided to or to be provided by City (except as specifically provided in this Agreement). If the transaction contemplated herein closes, Developer agrees to accept the respective Project Property acquired by Developer and waive all objections or claims against City arising from or related to such Project Property and any improvements thereon except for a breach of any representations or warranties or covenants specifically set forth in this Agreement. In the event this transaction closes, then subject to City’s express representations, warranties, and covenants in this Agreement, Developer acknowledges and agrees that it has determined that the respective Project Property it has acquired and all improvements thereon are in a condition satisfactory to Developer based on Developer’s own inspections and due diligence, and Developer has accepted such Project Property in their present condition and subject to ordinary wear and tear up to the date of Closing. The terms of this Paragraph shall survive the Closing and/or the delivery of the deed.

11. **Developer’s Representations and Warranties of Developer.** Developer represents, covenants, and warrants the following to be true:

a. **Authority.** Developer has the power and authority to enter into and perform Developer’s obligations under this Agreement.

b. **Litigation.** No judgment is outstanding against Developer and no litigation, action, suit, judgment, proceeding, or investigation is pending or outstanding before any forum, court, or governmental body, department or agency or, to the knowledge of Developer, threatened, that has the stated purpose or the probable effect of enjoining or preventing the Closing.

c. **Bankruptcy.** No insolvency proceeding, including, without limitation, bankruptcy, receivership, reorganization, composition, or arrangement with creditors, voluntary or involuntary, affecting Developer or any of Developer’s assets or property, is now or on the Closing Date will be pending or, to the knowledge of Developer, threatened.

12. **Conditions Precedent.** This Agreement and all of the obligations of Developer under this Agreement are, at Developer’s option, subject to the fulfillment, before or at the time of the Closing, of each of the following conditions:

a. **Performance.** The obligations, agreements, documents, and conditions required to be signed and performed by City shall have been performed and complied with before or at the date of the Closing.

b. **City Commission Approval.** This Agreement is approved by the Muskegon City Commission.

13. **Default.**

a. **By Developer.** In the event Developer fails to comply with any or all of the obligations, covenants, warranties, or agreements under this Agreement and such default is not cured within ten (10) days after receipt of notice (other than Developer's failure to tender the purchase price in full at Closing, a default for which no notice is required), then City may terminate this Agreement.

b. **By City.** In the event City fails to comply with any or all of the obligations, covenants, warranties or agreements under this Agreement, and such default is not cured within ten (10) days after receipt of notice, then Developer may either terminate this Agreement or Developer may pursue its legal and/or equitable remedies against City including, without limitation, specific performance.

14. **Closing.**

a. **Date of Closing.** The closing date of this sale shall be as mutually agreed by the parties, but in no event later than 60 days from the City Commission's approval of the sale ("Closing"), unless this Agreement is terminated in accordance with its provisions. The Closing shall be conducted at such time and location as the parties mutually agree.

b. **Costs.** The costs associated with this Agreement and the Closing shall be paid as follows: (i) Developer shall pay any state and county transfer taxes in the amount required by law; (ii) City shall pay the premium for the owner's Title Policy, provided that Developer shall pay for any and all endorsements to the Title Policy that Developer desires; (iii) City shall be responsible to pay for the recording of any instrument that must be recorded to clear title to the extent required by this Agreement; (iv) Developer shall pay for the cost of recording the deed; and (v) Developer and City shall each pay one-half of any closing fees charged by the Title Company.

c. **Deliveries.** At Closing, City shall deliver a quit claim deed for the Project Property and Developer shall pay the purchase price. The quit claim deed to be delivered by City at closing shall include the City Right of Reversion described in Paragraph 4 above. The parties shall execute and deliver such other documents reasonably required to effectuate the transaction contemplated by this Agreement.

15. **Real Estate Commission.** Developer and City shall each be responsible for any fees for any real estate agents, brokers, or salespersons regarding this sale that it has hired, but shall have no obligation as to any fees for any real estate agents, brokers, or salespersons regarding this sale that the other party has hired.

16. **Notices.** All notices, approvals, consents and other communications required under this Agreement shall be in writing and shall be deemed given: (i) when delivered in person; (ii) when sent by fax or email; (iii) when sent by a nationally-recognized receipted overnight delivery service with delivery fees prepaid; or (iv) when sent by United States first-class, registered, or certified mail, postage prepaid. The notice shall be effective immediately upon personal delivery or upon transmission of the fax or email; one day after depositing with a nationally recognized overnight delivery service; and five (5) days after sending by first class, registered, or certified mail.

Notices shall be sent to the parties as follows:

To City: City of Muskegon
Attn.: Samantha Pulos, Code Coordinator
933 Terrace Street
Muskegon, MI 49440

w/ copy to: Parmenter Law
Attn.: John C. Schrier
601 Terrace Street, Suite 200
Muskegon, MI 49440
Email: john@parmenterlaw.com

To Developer: Nicole Ledeboer
3025 Garrison Rd
Altus, OK 73521
Email: JNLedeboer@pm.me
Cell: 719-722-4123

17. **Miscellaneous.**

a. ***Governing Law.*** This Agreement will be governed by and interpreted in accordance with the laws of the state of Michigan.

b. ***Entire Agreement.*** This Agreement constitutes the entire agreement of the parties and supersedes any other agreements, written or oral, that may have been made by and between the parties with respect to the subject matter of this Agreement. All contemporaneous or prior negotiations and representations have been merged into this Agreement.

c. ***Amendment.*** This Agreement shall not be modified or amended except in a subsequent writing signed by all parties.

d. ***Binding Effect.*** This Agreement shall be binding upon and enforceable by the parties and their respective legal representatives, permitted successors, and assigns.

e. ***Counterparts.*** This Agreement may be executed in counterparts, and each set of duly delivered identical counterparts which includes all signatories, shall be deemed to be one original document.

f. ***Full Execution.*** This Agreement requires the signature of all parties. Until fully executed, on a single copy or in counterparts, this Agreement is of no binding force or effect and if not fully executed, this Agreement is void.

g. ***Non-Waiver.*** No waiver by any party of any provision of this Agreement shall constitute a waiver by such party of any other provision of this Agreement.

h. ***Severability.*** Should any one or more of the provisions of this Agreement be determined to be invalid, unlawful, or unenforceable in any respect, the validity, legality, and

enforceability of the remaining provisions of this Agreement shall not in any way be impaired or affected.

i. **No Reliance.** Each party acknowledges that it has had full opportunity to consult with legal and financial advisors as it has been deemed necessary or advisable in connection with its decision to knowingly enter into this Agreement. Neither party has executed this Agreement in reliance on any representations, warranties, or statements made by the other party other than those expressly set forth in this Agreement.

j. **Assignment or Delegation.** Except as otherwise specifically set forth in this Agreement, neither party shall assign all or any portion of its rights and obligations contained in this Agreement without the express or prior written approval of the other party, in which approval may be withheld in the other party's sole discretion.

k. **Venue and Jurisdiction.** The parties agree that for purposes of any dispute in connection with this Agreement, the Muskegon County Circuit Court shall have exclusive personal and subject matter jurisdiction and that Muskegon County is the exclusive venue.

This Agreement is executed effective as of the Effective Date set forth above.

CITY:

DEVELOPER:

CITY OF MUSKEGON

Nicole Ledebor

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

By: _____
Name: Nicole Ledebor
Dated: 12 June 2025

By: _____
Name: Ann Marie Meisch
Title: City Clerk
Dated: _____

Exhibit A

The following described premises located in the City of Muskegon, County of Muskegon, State of Michigan, and legally described as follows:

**Legal Description: CITY OF MUSKEGON REVISED PLAT OF 1903 LOTS 5 & 6 BK 45 EXC S
12 FT FOR ALLEY**

Address: 447 OAK AVE, MUSKEGON, MI 49442

Parcel #: 61- 24-205-045-0005-00

Price: \$3,000.00



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Fire Records and Compliance Program							
Submitted by: Timothy Kozal, Public Safety Director	Department: Public Safety							
Brief Summary: The Fire Department is seeking approval to enter into a 3-year contract with Brycer L.P. to have "The Compliance Engine" which will better help with records management and compliance with fire alarm and suppression systems.								
Detailed Summary & Background: The Fire Department is seeking approval to enter into a 3-year contract with Brycer L.P. to have "The Compliance Engine" which will better help with records management and compliance with fire alarm and suppression systems. This is a no-cost contract. The Compliance Engine collects, tracks and follows up on 3rd party inspection report on fire alarm and fire suppression systems to better support compliance of our buildings in the City of Muskegon.								
Goal/Focus Area/Action Item Addressed: Key Focus Areas: Goal/Action Item: 2027 Goal 1: Destination Community & Quality of Life								
Amount Requested: N/A	Budgeted Item: <table border="1"><tr><td>Yes</td><td></td><td>No</td><td></td><td>N/A</td><td>☒</td><td></td></tr></table>	Yes		No		N/A	☒	
Yes		No		N/A	☒			
Fund(s) or Account(s): N/A	Budget Amendment Needed: <table border="1"><tr><td>Yes</td><td></td><td>No</td><td></td><td>N/A</td><td>☒</td><td></td></tr></table>	Yes		No		N/A	☒	
Yes		No		N/A	☒			
Recommended Motion: I recommend to enter into a 3-year contract with Brycer L.P. to receive The Compliance Engine system for the Fire Department.								
Approvals: <table border="1"><tr><td>Immediate Division Head</td><td>☒</td><td></td></tr><tr><td>Information</td><td></td><td></td></tr></table>	Immediate Division Head	☒		Information			Guest(s) Invited / Presenting: No	
Immediate Division Head	☒							
Information								

Technology			
Other Division Heads			
Communication			
Legal Review			



Helpful FAQs for Presenting to Fire Chief and Public Officials

What do they want to know about The Compliance Engine (TCE)?

Based on 950+ successful adoptions of The Compliance Engine, the following six questions are most asked by Fire Chiefs and Public Officials (Mayor or City or Village Manager) when discussing adoption of The Compliance Engine:

1) *What is the cost of The Compliance Engine?*

There is zero cost for any aspect of using The Compliance Engine (setup, training, ongoing service) for either the Department or the municipality. In fact, there is savings from its usage in terms of administrative time saved and reductions in false alarm activity from fewer system malfunctions.

2) *How does The Compliance Engine get paid for?*

Contractors submitting reports pay a fee of \$20. Brycer does not charge per riser and/or flow switch. There is no upfront or additional cost. Contractors earn money due to the increased inspection and maintenance activity provided by TCE and code compliance. Building owners are not required to perform any additional inspections or maintenance that is not already required by code.

3) *Isn't this an added cost to the contractors?*

No. Contractors receive several benefits from utilizing The Compliance Engine (TCE) – the primary being it drives revenues for them and creates a larger overall market opportunity. From Brycer's experience and conversation with contractors currently using The Compliance Engine, the potential revenue increase from inspection and maintenance revenue far outweighs the filing fee paid. Using Brycer's notification feature (renewal, overdue, and deficiency), contractors have more of an assurance that inspections and maintenance work will be scheduled and performed consistently per the code. Contractors receive a 9-1 return on their investment. TCE has over 15,000 contractor's users nationwide already participating while also earning partnerships with 800+ AHJ's nationwide. The Compliance Engine is a win-win for all parties involved: our Department, contractors, premise owners, and the community.

4) *Isn't this an added cost on the properties?*

No, the fee is charged to the contractors that inspect, test and maintain fire and life safety systems. As The Compliance Engine has proven, contractors have witnessed a return on this minimal investment, and jurisdictions are realizing a safer community due to compliance. Brycer's education of the contractor marketplace includes the net benefits of use of The Compliance Engine, which assists in preventing a pass through of costs. Additionally, use of The Compliance Engine will benefit municipalities in reducing false alarm activity, which will positively impact properties on their taxes and their property insurance premiums/policies. It is additional information which assist with ISO reviews and ratings as well.

5) *What is needed by us (the AHJ) to have reports submitted ... an ordinance, internal policy, etc.?*

To save time and cost by streamlining our reporting process, we need to make it a requirement that reports be submitted through The Compliance Engine. Brycer does not dictate how we establish such a requirement. In the 2015 IFC, the AHJ can use code section 107.3 Recordkeeping. This section states the "fire code official can prescribe the form and format of such recordkeeping". What Brycer then becomes, is that form and format of



such recordkeeping. In the 2018 IFC, the code section we use is 108.3 Recordkeeping. Some of Brycer's clients have made submission mandatory via an internal policy (i.e. lock box), department resolutions and/or local ordinances. In the 2021 IFC, code section 109.3 Recordkeeping has same language as 15' and 18' IFC language.

With a mandatory, streamlined process that still allows contractors to use their own inspection forms, we gain better visibility into which buildings are compliant and which ones are not. This will allow us to immediately focus on the non-compliant buildings. If the submitted inspection data is not streamlined into and managed in one database, it will become extremely difficult for us to ensure the quality of code compliance across the life safety systems within our premises and jurisdiction.

Accurate, real-time knowledge of code compliance creates fewer false alarms, greater confidence of response in the event of an incident, and improved life safety for our first responders, property owners, and the community as a whole.

6) *What are the next steps to implement The Compliance Engine [after the Chief and/or Mayor and/or Village Manager provide buy-in]?*

- Define how we will require submission of all reports via The Compliance Engine and obtain legal review if necessary. Typically, the most delays occur when involving any type of legal review, so it is best to get started as soon as possible. Note: Brycer has examples of currently enacted ordinance language that it can share.
- Brycer will take an extraction of our premise data from our records management system (such as Firehouse or Image Trend]. This is a very quick process (15-20 minutes) and is done seamlessly. If we don't have a records management system, Brycer can take an excel file containing premise information and upload that data into The Compliance Engine. Brycer's product development and customer service teams will work with us Bureau to ensure the data is accurate and clean, to ensure reporting efficiency once the system goes live.
- Review, approval, and sign-off of the Brycer Service Level Agreement, which specifies our access to data within The Compliance Engine, as well as the terms and conditions of service. Brycer has found it most successful when this Agreement is provided to our attorneys for the Fire Department as soon as possible, as they may have certain vendor addendums that may need to be added.
- Review and approval (or edit) of the template notifications to be sent out via The Compliance Engine. The notifications are the renewal, overdue and deficiency notification.
- Review and approval (or edit) of the letter / email to be sent to contractors informing them of the Department's implementation of The Compliance Engine and the passing of the ordinance. Brycer will send this letter/email on our letterhead to all contractors operating within our jurisdiction.
- Brycer will schedule an extensive training session for any users of The Compliance Engine, prior to going live.



The Compliance Engine (TCE) SERVICES

- SaaS, web-based service.
- Built to ensure safety for firefighters, taxpayers, tourists, and community.
- Collects, tracks, and follows up on the 3rd party inspection reports on fire protection systems from 3rd party contractors.
- Drives 100% code compliance.
- Reduces and automates administrative tasks.
- Reduces false alarm activity and helps achieve better ISO ratings.
- Hard & soft copy notifications including follow up phone calls.
- Provides data build processes & detailed analytics.
- 3rd party inspection companies pay a fee when they upload a report.

Renewal Notice (1):

TCE automatically sends out a notice 37 days before the fire protection system's due date. This letter goes to the property.

Overdue Notices (2):

First Notice: TCE automatically sends out a notice at 30 days past due. This goes to the property.

Second Notice: TCE automatically sends out a notice at 60 days past due. This goes to the building owner.

Deficiency Notice (3):

First Notice: TCE automatically sends out a notice within 24hrs of the AHJ reviewing the report.

Second Notice: TCE automatically sends out an additional notice at 45 days outstanding.

Third Notice: TCE automatically sends out a final notice at 120 days outstanding.

Phone Calls (2-4):

Phone Calls: In addition to the notices, TCE begins making phone calls on OVERDUE and DEFICIENT systems/properties at 60 days outstanding. Please note you can turn on or turn off the phone calls.

Please note: You have customization on the verbiage on these letters and the days/frequency we process them based off of the test dates.

BRYCER, L.P.
4355 Weaver Parkway
Suite 230
Warrenville, IL 60555

April 18th, 2025

Muskegon Fire Department
770 Terrace St.
Muskegon, MI 49440

Re: “The Compliance Engine”

Dear Muskegon Fire Department:

We look forward to providing you with “The Compliance Engine” (the “Solution”). This proposal letter provides the basic terms by which Brycer, L.P. (“Brycer”) will provide you, Muskegon Fire Department (“Client”), with the Solution. The use of the Solution and all matters between Brycer and Client will be subject to the standard “Terms and Conditions” attached to this proposal as Exhibit A. The basic terms are as follows:

1. **Term**: Brycer will provide Client with the Solution for three years, commencing July 1, 2025 (the “Initial Term”). Thereafter, the Term shall automatically renew for successive three-year periods unless terminated by Brycer or Client in writing at least 90 days prior to the expiration of the then current Term (each, a “Renewal Term” and together with the Initial Term, the “Term”). Following the expiration or termination of the Term (as provided in the Terms and Conditions), Client shall stop using the Solution; provided, however, Brycer shall make available, and Client shall have the right to download, Client’s data from the Solution for a period of 60 days after the expiration or termination of the Term. Client shall have the right to terminate this agreement upon giving 90 days written notice to Brycer.

2. **Fees**: Client shall not pay any fees for use of the Solution. Brycer will collect all fees due and payable by third party inspectors in connection with activities relating to the Solution.

3. **Brycer Responsibilities**: During the Term, Brycer shall be responsible for the following in connection with Client’s use of the Solution:

- ***Availability***. Brycer shall make the Solution available to Client as set forth on Exhibit B. The maintenance schedule and minimum service levels for the Solution are set forth on Exhibit B.
- ***Service Level***. Brycer shall provide commercially reasonable levels of customer service with respect to the Solution to all third parties who transact business with Client and access the Solution.
- ***Backup***. Brycer shall backup the database used in connection with the Solution to a separate server located within the same web hosting firm which the Solution is being hosted on a real time basis. Upon request by Client (which can be no more than once a month) or made prior to or within 60 days after the effective date of termination of the Term, Brycer will make available to Client a complete and secure (i.e. encrypted and appropriately authenticated) download file of Client data in XML format including all schema and attachments in their native format. Brycer shall maintain appropriate administrative, physical and technical safeguards for protection of the security, confidentiality and

integrity of Client data. Brycer shall not (a) modify Client data or (b) disclose Client data except as required by law.

- ***Retention of Information.*** Brycer will maintain all information entered into the database by third party inspectors for at least five years from the time such information is entered into the database.
- ***Notices.*** Brycer will be responsible for generating and delivering the following notices to third parties in connection with the Solution: (a) reminders of upcoming inspections that are due; (b) notices that an inspection is past due; and (c) notices of completed inspection reports which contain one or more deficiencies.
- ***Call Center*** Phone calls by Brycer on behalf of the Client to the property for EACH life-safety system overdue for service based on dates automatically tracked within the TCE database. Brycer is not an agent of the Client and all scripts for the overdue calls will be approved by the Client.
- ***Updates and Enhancements.*** In the event Brycer releases any updates, corrections, or enhancements to the Solution during the Term, Brycer shall promptly provide such updates or corrections to Client free of any charge or fee.

4. **Client Responsibilities:** During the Term, Client shall be responsible for the following in connection with Client's use of the Solution:

- ***Operating System.*** Client shall be solely responsible for providing a proper operating environment, including computer hardware or other equipment and software, for any portion of the Solution installed on the Client's equipment (the "Client Access Software") and for the installation of network connections to the Internet. In addition to any other Client Access Software requirements, Client must use version Edge, Firefox version 76, Chrome 60 or Safari (or more recent versions), in addition to having a .pdf reader installed on machines to view attachments.
- ***Training.*** Client shall allow Brycer at Client's facilities to train all applicable personnel of Client on the use of the Solution.
- ***Information.*** Client shall promptly provide Brycer with all appropriate information necessary for Brycer to create the database for the Solution, including without limitation: (a) all commercial building addresses within [Muskegon Fire Department] for Brycer's initial upload; and (b) quarterly updates to in a format acceptable to Brycer in its discretion.
- ***Enforcement.*** Client shall take all actions necessary to require (e.g. resolution, ordinance, fire policy, code amendment) the use of the Solution by third party inspection companies.
- ***Reports.*** Client will require all compliant and deficient test results to be submitted.

5. **Ownership of Data.** Client owns all the data provided by Client and received from third party contractors for Client. Brycer shall maintain appropriate administrative, physical and technical safeguards for protection of the security, confidentiality and integrity of Client's data.

Please acknowledge your acceptance of this proposal and our standard Terms and Conditions by counter-signing this proposal below. We look forward to a long-term and mutually beneficial relationship with you.

Brycer, L.P.

By: _____
Its: _____

Acknowledged and Agreed to this
____ day of _____, 20____:

[Muskegon Fire Department]

By: _____
Its: _____

Exhibit A

Terms and Conditions

Any capitalized terms not defined in these Terms and Conditions shall have the meaning assigned to it in that certain Letter Agreement attached hereto by and between Brycer, L.P. and Client (the "Agreement").

1. **Restrictions on Use.** Client shall not copy, distribute, create derivative works of or modify the Solution in any way. Client agrees that: (a) it shall only permit its officers and employees (collectively, the "Authorized Users") to use the Solution for the benefit of Client; (b) it shall use commercially reasonable efforts to prevent the unauthorized use or disclosure of the Solution; (c) it shall not sell, resell, rent or lease the Solution; (d) it shall not use the Solution to store or transmit infringing or otherwise unlawful or tortious material, or to store or transmit material in violation of third party rights; (e) it shall not interfere with or disrupt the integrity or performance of the Solution or third-party data contained therein; (f) it shall not reverse engineer, translate, disassemble, decompile or otherwise attempt to create any source code which is derived from the Solution (g) it shall not permit anyone other than the Authorized Users to view or use the Solution and any screen shots of the Solution and (h) it shall not disclose the features of the Solution to anyone other than the Authorized Users. Client is responsible for all actions taken by the Authorized Users in connection with the Solution.
2. **Proprietary Rights.** All right, title and interest in and to the Solution, the features of the Solution and images of the Solution as well any and all derivative works or modifications thereof (the "Derivative Works"), and any accompanying documentation, manuals or other materials used or supplied under this Agreement or with respect to the Solution or Derivative Works (the "Documentation"), and any reproductions works made thereof, remain with Brycer. Client shall not remove any product identification or notices of such proprietary rights from the Solution. Client acknowledges and agrees that, except for the limited use rights established hereunder, Client has no right, title or interest in the Solution, the Derivative Works or the Documentation.
3. **Independent Contractor.** Nothing in the Agreement may be construed or interpreted as constituting either party hereto as the agent, principal, employee or joint venturer of the other. Each of Client and Brycer is an independent contractor. Neither may assume, either directly or indirectly, any liability of or for the other party. Neither party has the authority to bind or obligate the other party and neither party may represent that it has such authority.
4. **Reservation of Rights.** Brycer reserves the right, in its sole discretion and with prior notice to Client, to discontinue, add, adapt, or otherwise modify any design or specification of the Solution and/or Brycer's policies, procedures, and requirements specified or related hereto. All rights not expressly granted to Client are reserved to Brycer, including the right to provide all or any part of the Solution to other parties.
5. **Use of Logos.** During the term of this Agreement, Brycer shall have the right to use Client's logos for the purpose of providing the Solution to Client.
6. **Confidential Information.** Brycer and Client acknowledge and agree that in providing the Solution, Brycer and Client, as the case may be, may disclose to the other party certain confidential, proprietary trade secret information ("Confidential Information"). Confidential Information may include, but is not limited to, the Solution, computer programs, flowcharts, diagrams, manuals, schematics, development tools, specifications, design documents, marketing information, financial information or business plans. Each party agrees that it will not, without the express prior written consent of the other party, disclose any Confidential Information or any part thereof to any third party. Notwithstanding the foregoing, the parties acknowledge that Client and Brycer shall be permitted to comply with any all federal and state laws concerning disclosure provided that any such required disclosure will not include any of Brycer's screen shots. The disclosing party shall provide prior written notice of any required disclosure of the nondisclosing party's Confidential Information to the nondisclosing party and shall disclose only the information that is required to be disclosed by law. In the event that Client requests from Brycer any reports or other information for purposes of complying with federal and state disclosure laws, Brycer shall provide such information within five business day following such request. Confidential Information excludes information: (a) that is or becomes generally available to the public through no fault of the receiving party; (b) that is rightfully received by the receiving party from a third party without limitation as to its use; or (c) that is independently developed by receiving party without use of any Confidential Information. At the termination of this Agreement, each party will return the other party all Confidential Information of the other party. Each party also agrees that it shall not duplicate, translate, modify, copy, printout, disassemble, decompile or otherwise tamper with any Confidential Information of the other party or any firmware, circuit board or software provided therewith.
7. **Brycer Warranty.** Brycer represents and warrants to Client that Brycer has all rights necessary in and to any patent, copyright, trademark, service mark or other intellectual property right used in, or associated with, the Solution, and that Brycer is duly authorized to enter into this Agreement and provide the Solution to Client pursuant to this Agreement.
8. **Disclaimer.** All information entered into Brycer's database is produced by third party inspectors and their agents. **THEREFORE, BRYCER SPECIFICALLY DISCLAIMS ANY REPRESENTATION OR WARRANTY AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION ENTERED INTO BRYCER'S DATABASE BY EITHER CLIENT OR THIRD PARTY INSPECTORS. EXCEPT AS SET FORTH IN SECTION 7, BRYCER MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE SOLUTION OR ANY OTHER INFORMATION AND ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, ARE HEREBY DISCLAIMED, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. BRYCER'S SOLE LIABILITY FOR BREACH OF THE REPRESENTATION AND WARRANTY SET FORTH IN SECTION 7, AND CLIENT'S SOLE REMEDY, SHALL BE THAT BRYCER SHALL INDEMNIFY AND HOLD RECIPIENT HARMLESS FROM AND AGAINST ANY LOSS, SUIT, DAMAGE, CLAIM OR DEFENSE ARISING OUT OF BREACH OF THE REPRESENTATION AND WARRANTY.**
9. **LIMITATION ON DAMAGES.** BRYCER SHALL ONLY BE LIABLE TO CLIENT FOR DIRECT DAMAGES PURSUANT TO THE AGREEMENT. EXCEPT AS OTHERWISE PROVIDED IN SECTION 7, IN NO EVENT SHALL BRYCER BE LIABLE FOR OR OBLIGATED IN ANY MANNER FOR SPECIAL, CONSEQUENTIAL, OR INDIRECT DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF USE, LOSS OF PROFITS OR SYSTEM DOWNTIME. CLIENT ACKNOWLEDGES AND AGREES THAT IN NO CASE SHALL BRYCER'S LIABILITY FOR ANY LOSS OF DATA OR DATA INTEGRITY EXCEED THE REPLACEMENT COST OF THE MEDIA ON WHICH THE DATA WAS STORED.
10. **Risks Inherent to Internet.** Client acknowledges that: (a) the Internet is a worldwide network of computers, (b) communication on the Internet may not be secure, (c) the Internet is beyond the control of Brycer, and (d) Brycer does not own, operate or manage the Internet. Client also acknowledges that there are inherent risks associated with using the Solution, including but not limited to the risk of breach of security, the risk of exposure to computer viruses and the risk of interception, distortion, or loss of communications. Client assumes these risks knowingly and voluntarily releases Brycer from all liability from all

such risks. Not in limitation of the foregoing, Client hereby assumes the risk, and Brycer shall have no responsibility or liability of any kind hereunder, for: (1) errors in the Solution resulting from misuse, negligence, revision, modification, or improper use of all or any part of the Solution by any entity other than Brycer or its authorized representatives; (2) any version of the Solution other than the then-current unmodified version provided to Client; (3) Client's failure to timely or correctly install any updates to the Client Access Software; (4) problems caused by connecting or failure to connect to the Internet; (5) failure to provide and maintain the technical and connectivity configurations for the use and operation of the Solution that meet Brycer's recommended requirements; (6) nonconformities resulting from or problems to or caused by non-Brycer products or services; or (7) data or data input, output, accuracy, and suitability, which shall be deemed under Client's exclusive control.

11. **Indemnity.** Brycer (the "Indemnifying Party") will defend and indemnify Client against any damages, losses, liabilities, causes of action, costs or expenses arising from Brycer's breach of this Agreement, gross negligence or intentional misconduct. Client will defend and indemnify Brycer against any damages, losses, liabilities, costs or expenses (including reasonable attorneys' fees) arising from Client's breach of this Agreement, gross negligence or intentional misconduct. Client acknowledges that Brycer does not create any of the data and information included in the Solution and is not responsible for and does not assess or make any suggestions or recommendations with respect to any such data or information. Client will defend and indemnify Brycer against any damages, losses, liabilities, costs or expenses (including reasonable attorneys' fees), claims, demands, suits or proceedings made or brought against Brycer by a third party in connection with Client's or an Authorized User's use of the Solution, or any action or inaction taken by a third party, including, but not limited to, third party inspectors, in connection with such third party providing services for Client or otherwise at Client's or an Authorized User's request or direction.
12. **Breach.** Brycer shall have the right to terminate or suspend this Agreement, and all of Client's rights hereunder, immediately upon delivering written notice to Client detailing Client's breach of any provision of this Agreement. If Client cures such breach within 5 days of receiving written notice thereof, Brycer shall restore the Solution and Client shall pay any fees or costs incurred by Brycer in connection with the restoration of the Solution.
13. **Illegal Payments.** Client acknowledges and agrees that it has not received or been offered any illegal or improper bribe, kickback, payment, gift or anything of value from any employee or agent of Brycer in connection with the Agreement.
14. **Beneficiaries.** There are no third party beneficiaries to the Agreement.
15. **Force Majeure.** Neither party shall be responsible for any failure to perform due to unforeseen, non-commercial circumstances beyond its reasonable control, including but not limited to acts of God, war, riot, embargoes, acts of civil or military authorities, fire, floods, earthquakes, blackouts, accidents, or strikes. In the event of any such delay, any applicable period of time for action by said party may be deferred for a period of time equal to the time of such delay, except that a party's failure to make any payment when due hereunder shall not be so excused.
16. **Notices.** All notices required in the Agreement shall be effective: (a) if given personally, upon receipt; (b) if given by facsimile or electronic mail, when such notice is transmitted and confirmation of receipt obtained; (c) if mailed by certified mail, postage prepaid, to the last known address of each party, three business days after mailing; or (d) if delivered to a nationally recognized overnight courier service, one business day after delivery.
17. **JURISDICTION AND VENUE.** THE AGREEMENT SHALL BE GOVERNED BY, CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, AND ENFORCEABLE UNDER, THE LAWS OF THE STATE IN WHICH CLIENT EXISTS APPLICABLE TO CONTRACTS MADE IN SUCH STATE AND THAT ARE TO BE WHOLLY PERFORMED IN SUCH STATE WITHOUT REFERENCE TO THE CHOICE-OF-LAW PRINCIPLES OF SUCH STATE. THE PARTIES IRREVOCABLY AGREE THAT ALL ACTIONS OR PROCEEDINGS IN ANY WAY, MANNER OR RESPECT ARISING OUT OF OR FROM OR RELATED TO THE AGREEMENT SHALL BE LITIGATED ONLY IN COURTS LOCATED WITHIN THE STATE IN WHICH CLIENT EXISTS. THE PARTIES HEREBY CONSENT AND SUBMIT TO THE EXCLUSIVE JURISDICTION OF ANY LOCAL, STATE OR FEDERAL COURT LOCATED WITHIN SAID STATE. THE PARTIES HEREBY WAIVE ANY RIGHTS THEY MAY HAVE TO TRANSFER OR CHANGE VENUE OF ANY SUCH ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT. THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY ON ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS UNDER THE AGREEMENT, AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.
18. **Attorneys' Fees.** The prevailing party in any proceeding in connection with the Agreement shall be entitled to recover from the non-prevailing party all costs and expenses, including without limitation, reasonable attorneys' and paralegals' fees and costs incurred by such party in connection with any such proceeding.
19. **Entire Agreement.** The Agreement sets out the entire agreement between the parties relative to the subject matter hereof and supersedes all prior or contemporaneous agreements or representations, oral or written.
20. **Amendment.** The Agreement may not be altered or modified, except by written amendment which expressly refers to the Agreement and which is duly executed by authorized representatives of both parties. The waiver or failure by either party to exercise or enforce any right provided for in the Agreement shall not be deemed a waiver of any further right under the Agreement. Any provision of the Agreement held to be invalid under applicable law shall not render the Agreement invalid as a whole, and in such an event, such provision shall be interpreted so as to best accomplish the intent of the parties within the limits of applicable law. The Agreement may be executed by facsimile and in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.
21. **Expiration.** The rights and obligations contained in these Terms and Conditions shall survive any expiration or termination of the Agreement.

Exhibit B

Maintenance Schedule and Minimum Service Levels

1. **Uptime and Maintenance.**

The Solution shall be available 24 hours per day during the term of this Agreement. The Solution shall be fully functional, timely and accessible by Client at least 99.5% of the time or better and Brycer shall use reasonable efforts to provide Client with advance notice of any unscheduled downtime.

2. **Response Time.**

Brycer shall respond to telephone calls from Client within two hours of the call and/or message and all emails from Client within two hours of the receipt of the email.

3. **Customer Support**

Customer support hours are 24/7/365. The number is 630-413-9511

Brycer will assign client a dedicated customer representative with direct access to their email and work number.



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Revision to County Human Resources Contract							
Submitted by: LeighAnn Mikesell, Deputy City Manager	Department: Manager's Office							
Brief Summary: Staff is seeking approval of a contract amendment for Human Resources services provided by Muskegon County.								
Detailed Summary & Background: Management has found that the human resource services needed for the city exceed what was originally contemplated when the contract with Muskegon County was modified in 2023. The county staff member assigned to work with the city has been responsible for activities that align with a leadership role rather than an analyst position. The county intends to upgrade the position to a manager role with an increase in salary. City management fully supports the increase due to the workload and responsibility associated with the role.								
Goal/Focus Area/Action Item Addressed: <u>Key Focus Areas:</u> <u>Goal/Action Item:</u> 2027 GOAL 3: COMMUNITY CONNECTION - Strong ties among government and community agencies								
Amount Requested: \$183,329.60 (additional \$32,471.60 over current contract). This amount was included in the budget for fiscal year 2025/26 approved June 10, 2025.	Budgeted Item: <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 15%;">Yes</td> <td style="width: 10%;">X</td> <td style="width: 15%;">No</td> <td style="width: 10%;"></td> <td style="width: 15%;">N/A</td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> </table>	Yes	X	No		N/A		
Yes	X	No		N/A				
Fund(s) or Account(s): 101-269-801	Budget Amendment Needed: <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 15%;">Yes</td> <td style="width: 10%;"></td> <td style="width: 15%;">No</td> <td style="width: 10%;">X</td> <td style="width: 15%;">N/A</td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> </table>	Yes		No	X	N/A		
Yes		No	X	N/A				
Recommended Motion: To approve the contract amendment for human resources services with Muskegon County and authorize the mayor and clerk to sign.								
Approvals: <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 60%;">Immediate Division</td> <td style="width: 10%;">X</td> <td style="width: 30%;"></td> </tr> </table>	Immediate Division	X		Guest(s) Invited / Presenting:				
Immediate Division	X							

Head			No
Information Technology			
Other Division Heads			
Communication			
Legal Review			

FOURTH AMENDMENT TO AGREEMENT BETWEEN THE CITY OF MUSKEGON AND THE
MUSKEGON COUNTY BOARD OF COMMISSIONERS

This Fourth Amendment ("Amendment") is made effective on July 1, 2025 ("Effective Date") by and between the **City of Muskegon**, with offices located at 933 Terrace Street, Muskegon, Michigan 49440 ("City"), the **City of Muskegon Civil Service Commission**, with offices at 933 Terrace Street, Muskegon, Michigan 49440 ("CSC"), and the **County of Muskegon**, with offices located at 1903 Marquette, Muskegon, Michigan 49442 ("County").

Background

- A. City, CSC and County entered into a contract effective July 1, 2014 entitled Agreement between the City of Muskegon and the Muskegon County Board of Commissioners which called for the Muskegon County Department of Human Resources to provide human resources services to the City and CSC.
- B. The Parties now desire to amend the Agreement.

Therefore, for good and valuable consideration, and the mutual promises contained in this Amendment, the Parties agree to amend the Agreement as follows:

- 1. Term. The Agreement shall be revised to provide a termination date of June 30, 2026, provided that any party may terminate the Agreement with six (6) months notice.
- 2. Fees and Payment. For the period July 1, 2025 through June 30, 2026, City shall pay County an annual fee of \$183,329.60, with such payments being made in equal monthly payments.
- 3. Additional Scope of Service For The City. The Human Resources Department will provide a full-time Human Resources Manager onsite at City Hall who will perform duties in accordance with the attached job description. Upon request by the City, additional services can also include NeoGov Onboard, Perform, OHC, employee and supervisor education/training, and HireReach assessments through County supported software programs.
- 4. City Obligations. The City shall provide an office and supplies for the County employee.

5. No Other Modification. Except as expressly modified by the terms of this Amendment, the Agreement shall remain in full force and effect. In the event of any inconsistency or conflict between the original Agreement, prior Amendments and this Amendment, the provisions of this Amendments shall govern and control.

The Parties have executed this amendment as of the Effective Date.

City of Muskegon

By: _____
Ken Johnson
Mayor, City of Muskegon

By: _____
Ann Meisch
Muskegon City Clerk

City of Muskegon
Civil Service Commission

By: _____
Johnny Brown
Chair, Civil Service Commission

County of Muskegon

By: _____
Charles Nash
Chairman, Board of Commissioners

By: _____
Karen D. Buie
Muskegon County Clerk

MUSKEGON COUNTY, MICHIGAN

CLASS TITLE: **HUMAN RESOURCE MANAGER- CITY OF MUSKEGON**

DISTINGUISHING FEATURES OF THE CLASS:

Under the general direction of the Civil Service Director, coordinates, implements and manages human resource functions for the City of Muskegon and the Civil Service Commission. Serves as the primary contact for administering and interpreting the Civil Service Commission Rules and Regulations; serves as the key liaison to address policy, practice and advisement to the executive team and staff on the City's personnel matters. Provides support with job description development, performance evaluations and improvement plans, disciplinary actions, and labor relations. This employee also supports the Civil Service Director and performs other work-related activities as required.

SUPERVISION RECEIVED:

While under the general direction of Civil Service Director, an employee in this class is expected to assume duties and responsibilities independently and is responsible for the final result of work activities.

SUPERVISION EXERCISED:

Generally none, although an employee in this class may instruct lower level employees in the completion of assigned projects.

TYPICAL EXAMPLES OF WORK PERFORMED:

(The following examples are intended to be descriptive but not restrictive).

Assists the City Manager and Deputy City Manager with the collective bargaining and grievance process;
Administers leave programs and policies in accordance with the applicable Federal and State employment laws (FMLA, ADA, USERRA, FLSA, etc.);
Assists Managers with employee relations matters including maintaining compliance during the discipline process and the processing of disciplines and dismissals accordingly;
Assists in the creation of job descriptions including the evaluation of minimum qualifications and compensation analysis as compared to other City positions and makes recommendations to City leadership accordingly;
Provides support, as needed, to benefits staff and insurance broker on the administration of the employee benefit program and wellness offerings;
Provides occasional support to Human Resources staff in the job posting and selection process;
Prepares and conducts wage and benefit surveys of comparable job classifications in other public agencies and/or private industry;
Assists in the application and interpretation of the Civil Service Commission Rules and Regulations and collective bargaining agreements;
Maintains compliance with Federal and State labor law posting requirements;
Implements policies that align with the City and Civil Service Commission's goals;
Researches and coordinates and/or develops training programs that support employee growth and professional development;
Assists the City in the development and administration of evaluation processes to enhance employee engagement and accountability;
Responds to public inquiries constructively and refers complaints or complex issues to the Deputy City Manager and/or the Civil Service Commission as required;
Maintains the personnel records for the City of Muskegon;
Serve as representative to the Civil Service Commission, attends meetings, prepares agendas and meeting minutes;
Works closely with the City Manager and Deputy City Manager on strategic initiatives and projects;
Performs other related work as required or assigned.

EXPERIENCE, TRAINING, KNOWLEDGE, SKILLS and ABILITIES:

Required Experience and Training:

1. Bachelor's degree from an accredited college or university with a major in Personnel Administration, Human Resource Management, Business or Public Administration or a related field; AND;
2. Have a minimum of two (2) years of Human Resources administration experience in the areas of labor relations and employment law/compliance.

Required Knowledge, Skills and Abilities:

Thorough knowledge of current employment laws and best practices in HR management;

Considerable knowledge of the Federal EEOC and Michigan Department of Civil Rights Laws; Skilled in the use of office equipment and technology, including computers and a variety of related software, and the ability to master new technologies;

Ability to communicate effectively and present ideas and concepts orally and in writing, and make presentations in the public forum;

Ability to establish effective working relationships and use good judgment, initiative and resourcefulness when interacting with employees, City officials, professional contacts, community leaders, the media, and the public;

Ability to exercise a high degree of diplomacy and work effectively under stress in emergency and confrontational situations;

Ability to critically assess situations, problem-solve, and work effectively under stress, within deadlines and changes in work priorities;

Knowledge of the Family and Medical Leave Act (FMLA).

PHYSICAL ACTIVITIES:

An employee in this class performs generally sedentary work activities requiring occasional lifting of objects weighing thirty-five (35) pounds or less.

ENVIRONMENTAL CONDITIONS:

This employee generally works at City Hall, although occasional travel may be required.

CAREER OPPORTUNITIES:

With sufficient experience and training, an employee in this class may be considered for promotion to a higher-level position within the County should a vacancy occur.

Approved by: _____
Kristen N. Wade, Human Resources Director

Date:

Approved by: _____
Mark Eisenbarth, County Administrator

Date:



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Contract with Mediation & Restorative Services								
Submitted by: Mike Franzak, Planning Director	Department: Planning								
Brief Summary: The City has partnered with Mediation & Restorative Services for the past two years to provide consultations with youth on the risks of vaping and early marihuana use. This contract is to provide another year of services.									
Detailed Summary & Background: The City has partnered with Mediation & Restorative Services (M&RS) for the past two years to provide consultations with youth on the risks of vaping and early marihuana use. This contract is to provide another year of services. This year's price for services has been reduced by \$5,000 because of reduced overhead costs. Over the past two years, M&RS has talked with over 4,000 youth, parents and community members as part of its partnership with the City.									
Goal/Focus Area/Action Item Addressed: Key Focus Areas: Goal/Action Item: 2027 Goal 3: Community Connection									
Amount Requested: \$35,000	Budgeted Item: <table border="1"> <tr> <td>Yes</td> <td>X</td> <td>No</td> <td></td> <td>N/A</td> <td></td> <td></td> </tr> </table>		Yes	X	No		N/A		
Yes	X	No		N/A					
Fund(s) or Account(s): 101-701-801-002080	Budget Amendment Needed: <table border="1"> <tr> <td>Yes</td> <td></td> <td>No</td> <td>X</td> <td>N/A</td> <td></td> <td></td> </tr> </table>		Yes		No	X	N/A		
Yes		No	X	N/A					
Recommended Motion: I move to approve the contract with Mediation & Restorative Services as presented.									
Approvals: <table border="1"> <tr> <td>Immediate Division Head</td> <td>X</td> <td></td> </tr> <tr> <td>Information Technology</td> <td></td> <td></td> </tr> </table>		Immediate Division Head	X		Information Technology			Guest(s) Invited / Presenting: No	
Immediate Division Head	X								
Information Technology									

Other Division Heads			
Communication			
Legal Review			

This services agreement (the agreement) is made effective on the 1st day of July 2025, by and between Mediation & Restorative Services, with corporate offices located at 888 Terrace Street, Suite 200A, Muskegon, MI 49440, and the City of Muskegon.

THE PARTIES AGREE AS FOLLOWS:

Scope of Services

Mediation & Restorative Services will provide outreach, education, prevention and intervention services as follows:

- Provide one-on-one accountability sessions/group sessions for City of Muskegon resident youth and their family at no charge as requested, including referrals from families, schools and the court
- Attend Neighborhood Association and community meetings as appropriate to share about our services
- Reach out to all schools located in and surrounding the City of Muskegon to offer services
- Hold monthly parent/child discussion groups on the impact of using marijuana while underage
- Coordinate with the Define The Line to track to fill gaps in service as needed
- Visit cannabis selling establishments located in the City of Muskegon to discuss youth prevention efforts, to provide marketing needs to reduce the sale to minors, to partner on events reach more families
- Partner with the City of Muskegon Police Department for enforcement and diversion referrals for City of Muskegon youth involved in marijuana related activity as requested

Obligations

Mediation & Restorative Services will:

- track best practices of other prevention related activities
- document interactions in the community
- report additional needs to support youth, families, schools and the community
- network with Define the Line and other prevention/treatment providers
- coordinate with Neighborhood Associations, local law enforcement and area schools to discuss prevention opportunities
- distribute marketing materials to key stakeholders
- coordinate family and youth direct intervention services
- other duties as assigned

Services and Fees and Expenses

The City of Muskegon agrees to pay Mediation & Restorative Services \$35,000 for this 12-month service. Each month the City of Muskegon agrees to pay the monthly fee of \$2,916.67 for services on the Social Equity Prevention Fund Document previously submitted to the City of Muskegon Planning Department and City Commissioners.

Term and Termination

This agreement shall commence as of the agreement date above and shall remain in force through June 30, 2026.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their duly authorized representatives as of the agreement date first above written.

Subcontractor Information and Signature of Acceptance

Company name: Mediation & Restorative Services

Representative name: Jackie Hallberg, LMSW

Job title: Executive Director

Signature: Jackie Hallberg, LMSW

Date: 10-2-25

City of Muskegon Information and Signature of Acceptance

Representative name:

Representative title:

Signature:

Date:



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Janitorial Service Contract																				
Submitted by: Jacqui Erny, Admin	Department: Public Works																				
Brief Summary: Staff is requesting authorization to enter into a contract with Goodwill Industries for janitorial services at City Hall and the Public Service Building for \$282,310.22 over 3 years.																					
Detailed Summary & Background: The current janitorial contract began in January 2024 with Professional Building Services. The current contract is three years and costs \$137,280.00 for City Hall and \$64,350.00 for the Public Service Building. Staff is looking for a higher level of service at both buildings, and so solicited bids for a new three-year janitorial contract with fourth and fifth year options for City Hall and Public Service Building. The three-year bid total for each building is as follows (note these are three-year totals, not annual costs): <table border="1"><thead><tr><th>Bidder</th><th>City Hall</th><th>DPW Building</th><th>Combined Total</th></tr></thead><tbody><tr><td>UCS</td><td>\$166,060.49</td><td>\$45,450.17</td><td>\$211,510.66</td></tr><tr><td>Goodwill Industries</td><td>\$177,520.09</td><td>\$104,790.13</td><td>\$282,310.22</td></tr><tr><td>Top to Bottom Cleaning</td><td>\$234,517.06</td><td>\$87,497.76</td><td>\$322,014.82</td></tr><tr><td>Reliant Professional Cleaning</td><td>\$281,644.00</td><td>\$113,199.00</td><td>\$394,843.00</td></tr></tbody></table>		Bidder	City Hall	DPW Building	Combined Total	UCS	\$166,060.49	\$45,450.17	\$211,510.66	Goodwill Industries	\$177,520.09	\$104,790.13	\$282,310.22	Top to Bottom Cleaning	\$234,517.06	\$87,497.76	\$322,014.82	Reliant Professional Cleaning	\$281,644.00	\$113,199.00	\$394,843.00
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Top to Bottom Cleaning	\$234,517.06	\$87,497.76	\$322,014.82																		
Reliant Professional Cleaning	\$281,644.00	\$113,199.00	\$394,843.00																		
Staff recommends awarding the janitorial contract to Goodwill Industries for both buildings. Goodwill is staffing each building with considerably more hours than the other bid submissions, and had great comments from references. Their bid also substantially increases supervision over levels in the previous contract with Goodwill.																					
Goal/Focus Area/Action Item Addressed: <u>Key Focus Areas:</u> <u>Goal/Action Item:</u> 2027 GOAL 4: FINANCIAL INFRASTRUCTURE - Maximized efficient use of existing infrastructure																					
Amount Requested:	Budgeted Item:																				

\$282,310.22 (over 3 years)	<table border="1"> <tr> <td data-bbox="833 111 971 170">Yes</td> <td data-bbox="971 111 1029 170">☒</td> <td data-bbox="1029 111 1153 170">No</td> <td data-bbox="1153 111 1211 170">☐</td> <td data-bbox="1211 111 1334 170">N/A</td> <td data-bbox="1334 111 1393 170">☐</td> <td data-bbox="1393 111 1544 170">☐</td> </tr> </table>	Yes	☒	No	☐	N/A	☐	☐								
Yes	☒	No	☐	N/A	☐	☐										
Fund(s) or Account(s): 101-265-801 and 642-441-801	Budget Amendment Needed: <table border="1"> <tr> <td data-bbox="833 239 971 298">Yes</td> <td data-bbox="971 239 1029 298">☐</td> <td data-bbox="1029 239 1153 298">No</td> <td data-bbox="1153 239 1211 298">☒</td> <td data-bbox="1211 239 1334 298">N/A</td> <td data-bbox="1334 239 1393 298">☐</td> <td data-bbox="1393 239 1544 298">☐</td> </tr> </table>	Yes	☐	No	☒	N/A	☐	☐								
Yes	☐	No	☒	N/A	☐	☐										
Recommended Motion: I move to authorize staff to enter into a contract with Goodwill Industries for janitorial services at City Hall and the Public Service Building for \$282,310.22 over 3 years.																
Approvals: <table border="1"> <tr> <td data-bbox="110 512 464 604">Immediate Division Head</td> <td data-bbox="464 512 527 604">☒</td> <td data-bbox="527 512 812 604"></td> </tr> <tr> <td data-bbox="110 604 464 697">Information Technology</td> <td data-bbox="464 604 527 697">☐</td> <td data-bbox="527 604 812 697"></td> </tr> <tr> <td data-bbox="110 697 464 756">Other Division Heads</td> <td data-bbox="464 697 527 756">☐</td> <td data-bbox="527 697 812 756"></td> </tr> <tr> <td data-bbox="110 756 464 814">Communication</td> <td data-bbox="464 756 527 814">☐</td> <td data-bbox="527 756 812 814"></td> </tr> <tr> <td data-bbox="110 814 464 873">Legal Review</td> <td data-bbox="464 814 527 873">☐</td> <td data-bbox="527 814 812 873"></td> </tr> </table>	Immediate Division Head	☒		Information Technology	☐		Other Division Heads	☐		Communication	☐		Legal Review	☐		Guest(s) Invited / Presenting: No
Immediate Division Head	☒															
Information Technology	☐															
Other Division Heads	☐															
Communication	☐															
Legal Review	☐															

SECTION 2 - BID PROPOSAL

1.1 CONTRACT BIDDER'S CHECKLIST

THIS FORM IS A REFERENCE TOOL FOR BIDDING CONTRACTORS

The following forms ***MUST*** be completed:

	Completed?	
	Yes	No
1. Transmittal Letter for Bid Proposal (must acknowledge addenda received)	✓	
2. Bidder Certification and Agreement	✓	
3. Management Plans Questionnaire	✓	
4. Bid Proposal	✓	
5. Bid Bond (must be 5% of total bid)	✓	
6. Non-Collusion Affidavit of Prime Bidder	✓	
7. List of Proposed Sub-Contractors	✓	
8. Disadvantaged Contractor Affidavit (if applicable)		
9. Statement of Bidders Qualifications (if applicable)		

Actual Completion of All Required Forms is the **Sole Responsibility of the Bidder**

FAILURE TO COMPLETE THE NECESSARY FORMS MAY RESULT IN BID REJECTION.

1.3 BIDDER CERTIFICATION AND AGREEMENT

PART I.

The Undersigned hereby agrees:

That they have examined the Bid Specifications/Contract Documents, including specifications, forms and instructions;

That they have received and reviewed the following Addenda:

ADDENDUM NO. I (PRE-BID CONFERENCE MINUTES)

That they have examined the Site of the proposed work and is familiar with all of the conditions surrounding the construction of the proposed project and the availability of materials and labor.

PART II.

The Undersigned hereby agrees:

That they will enter into a contract to furnish the labor, materials, tools and construction equipment necessary for the full and complete execution of the work at and for the prices indicated in their official Bid Proposal, if said Proposal is accepted by the City;

That, at the time of execution of said Contract, they will furnish requisite bonds with such sureties (or letters of recommendation accompanied by a Bidder's Statement) for the faithful performance of the Contract, for the payment of all materials used therein, and for all labor expended thereon in accordance with the forms and instructions provided;

That they will construct the project in accordance with the Contract Documents within the specified time.

PART III.

The Undersigned hereby agrees:

To commence work within 10 days after the date of the "Notice of Award" from the City.

To comply with all applicable Adopted Guidelines and requirements, wage rates, labor standards, equal opportunity requirements, subcontract (or) requirements, and any other specifications indicated or referred to within these Contract Documents.

The Undersigned herewith attaches an Affidavit in proof that they have not entered into a collusive agreement with any person in respect to this Bid or any other bid, or the submitting of bids for the Contract for which this Bid is submitted.

The Undersigned is prepared to submit a Statement of Bidder's Qualifications, a financial statement, and/or any information requested by the City.

However, once work has commenced the project shall be completed without interruption of normal working days unless authorized in writing by the Engineer.

1.2 TRANSMITTAL LETTER FOR BID PROPOSAL

Bidder/Company Name Goodwill Industries of West Michigan

Name & Title of Head of Company Jeanette Hoyer

Street Address 271 E Apple

City, State, ZIP Muskegon, MI, 49442

Date 6/2/25

CITY OF MUSKEGON, MICHIGAN
933 TERRACE ST.
MUSKEGON, MI 49443-0536

Project Title: 2020-2022 Janitorial Services

Dear Awarding Agent,

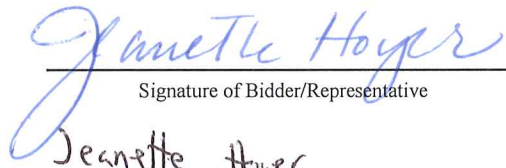
Having examined the Bid Specifications and Contract Documents, including all forms and instructions, and the site of the proposed work, and being familiar with all of the conditions surrounding the construction of the proposed project, including the availability of materials and labor, and having received and reviewed the following Addenda:

Muskegon City Hall
Muskegon DPW

I/We hereby propose to furnish all labor, materials and supplies, and to construct the project in accordance with the Contract Documents and at the prices indicated in the attached Bid Proposal. Submitted prices are to cover all expenses incurred in performing the work required under the Contract Document, of which this letter and attached Proposal are a part.

In accordance with the Instructions to Bidders, all appropriate documents, forms, etc., have been properly completed and are attached hereto, along with the Bidder Certification and Agreement, List of Subcontractors, Non-Collusion Affidavits, and the proper Bid Guaranty.

I/We hereby respectfully submit the attached Bid Proposal for consideration by the City of Muskegon on the above-referenced Project.



Signature of Bidder/Representative
Jeanette Hoyer

Printed Name and Title

PART IV

In regard to non-segregated facilities, the Undersigned certifies:

That they will not maintain or provide for any employees any segregated facilities at any of their establishments;

That they do not permit employees to perform their services at any location, under their control, where segregated facilities are maintained;

That they will not maintain or provide for employees any segregated facilities at any of their establishments, and that they will not permit employees to perform their services at any location under their control where segregated facilities are maintained.

The Undersigned hereby agrees:

That a breach of this section of the Bidders Certification will be a violation of the Equal Opportunity clause in any contract resulting from acceptance of this Bid.

That they will obtain identical certification from proposed sub-contractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause (unless already obtained for specific time periods), and that they will retain such certifications on file.

[As used in this section of this Bidder Certification, the term "segregated facilities" means any waiting rooms, work areas, restrooms, and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion or national origin, because of habit, local custom, or otherwise.]

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

SIGNED: Jeannette Hoyer DATED: 6/2/25

Jeannette Hoyer
(Printed name)

President & CEO
(Title)

Goodwill Industries of West Michigan
(Company/Bidder)

271 East Apple
(Company/Bidder Street Address)

Muskegon, MI, 49442
(Company/Bidder City, State Zip)

1.4 MANAGEMENT PLANS QUESTIONNAIRE

A. In order to assist in evaluating the bids for this job, it will be necessary to have the following information about your management plans for this job:

1. How many employees would work at this job site?

a. Public Service Building 3 employees

b. City Hall 3 employees

2. How many HOURS per DAY would each work at this job site?

a. Public Service Building 3 hours per day

b. City Hall 7.78 hours per day

3. How many HOURS of Supervision would be supplied to this job?

a. Public Service Building 25 hours per day/week

b. City Hall 38.9 hours per day/week

4. How much would you expect to pay for cleaning supplies, equipment, rentals, and insurance to service this job?

a. Public Service Building \$1,135.50 per month

b. City Hall \$1,135.50 per month

This does not include additional labor brought in for scrubbing-waxing-window cleaning, etc.

5. If you were awarded this contract, what % (Percentage) of your total business would this contract represent*:

Public Service Building 1% or less 5% 10% 25% 50% 75% ALL

City Hall 1% or less 5% 10% 25% 50% 75% ALL

**The above information is to be given in sufficient detail to show your ability to manage this contract work profitably for the expected life of such contract.*

- B. If you have not done business with the City of Muskegon before, at least not in the category of janitorial services, there may be a special evaluation.

BIDDERS- Please list governmental contracts currently held or held within the past two (2) fiscal years. If this is a first governmental contract, please list other contracts held.

1. Muskegon Ht Police / Fire
2. Muskegon Ht DPW
3. Muskegon Ht Water filtration

If awarded the contract, what date can you start? July 7, 2025

- C. A site visitation is recommended to all bidders before submission of bids to familiarize yourself with the general condition and layout of premises as well as any special conditions which may be unique for this location. Contact the Department of Public Works to set up a visit: 231-724-4100.

1.5 BID PROPOSAL

The Bidder hereby agrees to perform all work described in the attached documents for the sums as described below:

COST/SITE

Public Service Building (DPW)
1350 E. Keating Ave.

Year 1 \$ 33,902.79

Year 2 \$ 34,919.87

Year 3 \$ 35,967.47

Year 4 (Optional) _____

Year 5 (Optional) _____

City Hall
933 Terrace Street

Year 1 \$ 57,433.14

Year 2 \$ 59,156.13

Year 3 \$ 60,930.88

Year 4 (Optional) _____

Year 5 (Optional) _____

The City of Muskegon may award a contract for each site or as a group containing all sites. The optional year four (4) may be awarded to the Contractor by the City at the end of year three (3) upon mutual agreement of the City and the Contractor. The award(s) will be made in the manner determined to be the most beneficial to the City of Muskegon.

Each site covered by the contract is to receive a monthly invoice at a uniform rate derived by taking the appropriate yearly rate and dividing by twelve (12).

NOTE: Changes in the rate from year to year will be on the contract anniversary date, not at the beginning of the calendar year.

Contractors Name: Goodwill Industries of W. MI

Contractors Signature/Title: Janeth Hoyer / President & CEO

1.7 NON-COLLUSION AFFIDAVIT OF PRIME BIDDER

State of Michigan)
) ss.
County of Muskegon)

_____, being first duly sworn, deposes and says that:

1. They are Jeanette Hoyer
(owner, partner, officer, representative, agent)
of Goodwill Industries of West Michigan, the Bidder that has submitted the attached Bid to the City of Muskegon;
2. They are fully informed respecting the preparation and contents of the attached Bid and of all pertinent circumstances thereto;
3. Such Bid is genuine and is not a collusive or sham Bid;
4. Neither said Bidder nor any of their officers, partners, owners, agents, representatives, employees or parties in interest, including this affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Bid in connection with the Contract for which the attached Bid has been submitted, or to refrain from bidding in connection with such Contract; nor has in any manner, directly or indirectly, sought by agreement, collusion, communication or conference with any other Bidder, firm or person to fix the price or prices in the attached Bid or any other bid; nor to fix any overhead, profit or cost element of the Bid price or the bid price of any other bidder; nor to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the City of Muskegon or any person interested in the proposed Contract; and
5. The price or prices quoted in the attached Bid are fair and proper, and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the Bidder or any part of its agents, representatives, owners, employees or parties in interest, including this affiant.

Jeanette Hoyer
Signature
Jeanette Hoyer, President & CEO
Printed Name and Title

Subscribed and sworn to before me

This 2nd day of June, 2025
Ra [Signature]
CFO

Title

My Commission expires _____

1.8 LIST OF PROPOSED SUB-CONTRACTORS

To be submitted by each Bidder with Bid Proposal in accordance with Para. 8, Part 1, Section 1. Before a subcontract is executed by the successful Bidder, the subcontractor must be approved by the City of Muskegon and the required documents executed in accordance with the Contract Documents.

1.	NAME OF FIRM	_____
	FIRM ADDRESS	_____

2.	NAME OF FIRM	_____
	FIRM ADDRESS	_____

3.	NAME OF FIRM	_____
	FIRM ADDRESS	_____

4.	NAME OF FIRM	_____
	FIRM ADDRESS	_____

5.	NAME OF FIRM	_____
	FIRM ADDRESS	_____

6.	NAME OF FIRM	_____
	FIRM ADDRESS	_____

7.	NAME OF FIRM	_____
	FIRM ADDRESS	_____

2.2 AGREEMENT

THIS AGREEMENT, made this 12th* day of June 2025 * by the City of Muskegon

And between Goodwill Industries Inc

{a corporation organized and existing under the laws of the state of MICHIGAN};

or [a partnership consisting of _____];

or {an individual trading as _____};

Hereinafter called the “Contractor”, and the CITY OF MUSKEGON, MICHIGAN:

WITNESSETH, that the Contractor and the City of Muskegon, for the consideration stated herein, mutually agree as follows:

ARTICLE 1. Statement of Work. The Contractor shall furnish all supervision, technical personnel, labor, materials, machinery, tools, equipment, and services, including utility and transportation services, and perform and complete all work required for the construction of the improvements embraced in this Contract, NAMELY:

Janitorial and Carpet Cleaning Services at the following sites: City Hall, including the Muskegon Police Department (933 Terrace St.), and the Public Service Building (1350 E. Keating), for a period of three (3) years.

and required supplemental work for the completion of this Project, all in strict accordance with the Contract, including all Addenda.

ARTICLE 2. The Contract Price. The City of Muskegon will pay the Contractor for the performance of this Contract and the completion of the work covered therein an amount in current funds not to exceed \$ 104,790.13

Article 3. Contract. The executed contract shall consist of, but not be limited to, the following:

Invitation for Bids

Part 1- Bids

Section 1 – Instruction to Bidders

Section 2 – Bid Proposal

Part 2 – Agreement

Part 3 – General Specifications

Section 1 – Project Performance

Section 2 – Affirmative Action

Section 3 – Labor Standards/EEOC/Anti-Kickback Act

Part 4 – Project Special Specifications

Part 5 – Appendices

This Agreement, together with other documents enumerated in this Article 3, which said other documents are as fully part of the Contract as if attached hereto or repeated herein, form the Contract between the parties hereto.

In the event any provision in any component part of this Contract conflicts with any provision of any other component part, the Contractor shall contact the City immediately in writing for a determination, interpretation and/or clarification of conflicting parts and priority of same. Said determination from the City shall be in writing and shall become an Addendum to this Contract

*06.24.2025

IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be executed in

Five (5) original counterparts on the day and year first written above.

ATTEST:

Signature

ATTEST:

Signature

(SEAL)

CONTRACTOR

Signature

Printed Name and Title

CITY OF MUSKEGON

Mayor Signature

City Clerk Signature

CERTIFICATION (if applicable)

I, _____, certify that I am the _____ of the Corporation
named as the Contractor herein;

That _____, who signed this Agreement on behalf of the Contractor, was then
_____ of said Corporation;

That said Agreement was duly signed for and in behalf of said Corporation by authority of its governing body, and is
within the scope of its corporate powers.

Signature

(CORPORATE SEAL)

Printed Name and Title

2.5 NON-COLLUSION AFFIDAVIT OF SUB-CONTRACTOR

State of _____)
) ss.
County of _____)

_____, being first duly sworn,
deposes and says that:

1. They are _____ Representative _____
(owner, partner, officer, representative, agent)
of _____ Goodwill Industries Inc _____, the Bidder that has submitted
the attached Bid to the City of Muskegon;
2. They are fully informed respecting the preparation and contents of the attached Bid and of all
pertinent circumstances thereto;
3. Such Bid is genuine and is not a collusive or sham Bid;
4. Neither said Bidder nor any of their officers, partners, owners, agents, representatives, employees
or parties in interest, including this affiant, has in any way colluded, conspired, connived or agreed,
directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Bid in
connection with the Contract for which the attached Bid has been submitted, or to refrain from
bidding in connection with such Contract; nor has in any manner, directly or indirectly, sought by
agreement, collusion, communication or conference with any other Bidder, firm or person to fix
the price or prices in the attached Bid or any other bid; nor to fix any overhead, profit or cost
element of the Bid price or the bid price of any other bidder; nor to secure through any collusion,
conspiracy, connivance or unlawful agreement any advantage against the City of Muskegon or any
person interested in the proposed Contract; and
5. The price or prices quoted in the attached Bid are fair and proper, and are not tainted by any
collusion, conspiracy, connivance or unlawful agreement on the part of the Bidder or any part of
its agents, representatives, owners, employees or parties in interest, including this affiant.

Signature

Printed Name and Title

Subscribed and sworn to before me

This _____ day of _____, 20____

Title



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Rezoning of 62 Irwin Ave from Neighborhood Residential (R) to Low-Density Multiple Family Residential (RM-1).
Submitted by: Mike Franzak, Planning Director	Department: Planning
Brief Summary: Request to rezone the property at 62 Irwin Ave from R, Neighborhood Residential to RM-1, Low-Density Multiple Family Residential. The Planning Commission unanimously (6-0, 3 members absent) recommended approval of the request.	
Detailed Summary & Background: The property is zoned R-1, Neighborhood Residential. The parcel measures 13,200 sq ft, and the vacant church on-site measures 2,583 sq ft. The applicant would like to convert the former church building into residential units. The current zoning would allow up to a duplex, but the building is large enough to host more units. A rezoning to RM-1 would allow up to 16 units per acre, which would be four units on this property, assuming each unit would meet the necessary size requirements. With RM-1 zoning, the applicant would also have the option to apply for a special use permit for a single-room occupancy building, which he is also considering. The parcels to the west along Peck St are also zoned RM-1. However, staff have been holding focus group discussions with these business owners about the possibility of rezoning the district to form-based code. Initial discussions were very positive and well-received. Even if these parcels were to be rezoned away from RM-1, the rezoning of 62 Irwin should still be considered for a rezoning to this designation, and staff do not believe this would be considered a spot zone. The Master Plan specifically talks about being flexible with the zoning of former civic buildings and allowing more density in their redevelopment. Notice was sent to all properties within 300 feet of this parcel. At the time of this writing, staff had not received any comments from the public. STAFF RECOMMENDATION Staff recommends approval of the rezoning to RM-1. This zoning designation will allow the redevelopment of this civic building into a reasonable number of residential units, which will not vary from what already exists in the area. This request is consistent with the goals of the Master Plan to redevelop former civic buildings into multi-family housing or mixed-use developments.	
Goal/Focus Area/Action Item Addressed: <u>Key Focus Areas:</u>	

Goal/Action Item:

2027 Goal 2: Economic Development Housing and Business

Amount Requested:

N/A

Budgeted Item:

Yes		No		N/A	X	
-----	--	----	--	-----	---	--

Fund(s) or Account(s):

N/A

Budget Amendment Needed:

Yes		No		N/A	X	
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Recommended Motion:

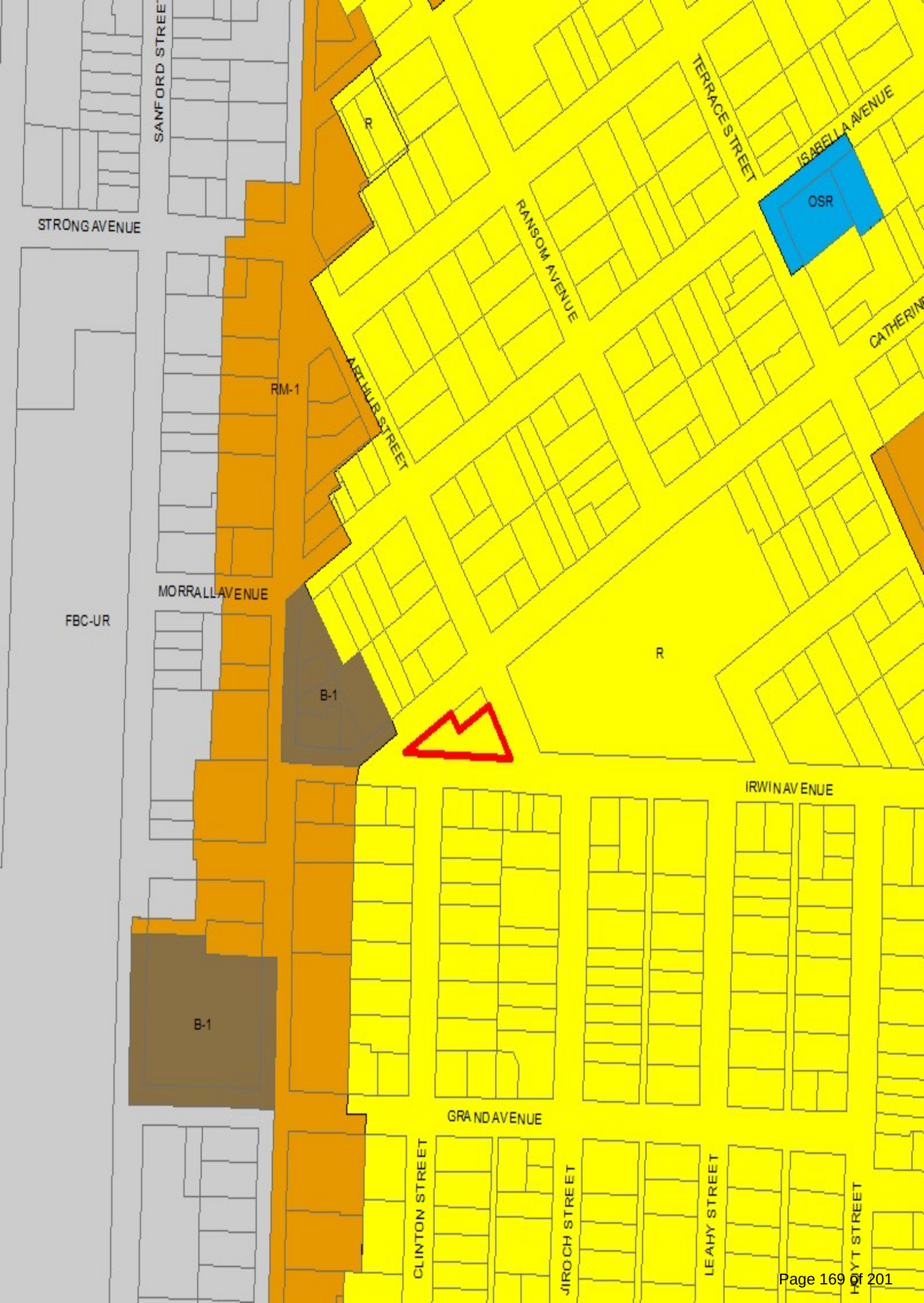
I move to approve the request to rezone the property at 62 Irwin Ave from R, Neighborhood Residential to RM-1, Low-Density Multiple Family Residential.

Approvals:

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

Guest(s) Invited / Presenting:

No







CITY OF MUSKEGON
MUSKEGON COUNTY, MICHIGAN
ORDINANCE NO. _____

An ordinance to amend the zoning map of the City to provide for a zone change for 1188 Lakeshore Dr from LR to Form Based Code, UR.

THE CITY COMMISSION OF THE CITY OF MUSKEGON HEREBY ORDAINS:

The zoning map of the City of Muskegon is hereby amended to change the zoning from LR to FBC, UR.

This ordinance adopted:

Ayes: _____

Nayes: _____

Adoption Date: _____

Effective Date: _____

First Reading: _____

Second Reading: _____

CITY OF MUSKEGON

By: _____

Ann Meisch, MMC

City Clerk

CERTIFICATE

(Rezoning of 1188 Lakeshore Dr to FBC, UR)

The undersigned, being the duly qualified clerk of the City of Muskegon, Muskegon County, Michigan, does hereby certify that the foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Muskegon, at a regular meeting of the City Commission on the 24th day of June, at which meeting a quorum was present and remained throughout, and that the original of said ordinance is on file in the records of the City of Muskegon. I further certify that the meeting was conducted and public notice was given pursuant to and in full compliance with the Michigan Zoning Enabling Act, Public Acts of Michigan No. 33 of 2006, and that minutes were kept and will be or have been made available as required thereby.

DATED: _____, 2025 _____

Ann Meisch, MMC

Clerk, City of Muskegon

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

CITY OF MUSKEGON
NOTICE OF ADOPTION

Please take notice that on June 24, 2025, the City Commission of the City of Muskegon adopted an ordinance amending the zoning map to provide for the change of zoning for 1188 Lakeshore Dr to FBC, UR.

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

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

Published _____, 2025

By _____

Ann Meisch, MMC

City Clerk

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

Account No. 101-80400-5354



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Rezoning of 1188 Lakeshore Dr from Lakefront Recreation (LR) to Form Based Code, Urban Residential (FBC, UR).
Submitted by: Mike Franzak, Planning Director	Department: Planning
Brief Summary: Request to rezone the property at 1188 Lakeshore Dr from Lakefront Recreation (LR) to Form Based Code, Urban Residential (FBC-UR). The Planning Commission unanimously (6-0, 3 members absent) recommended approval of the request.	
Detailed Summary & Background: This vacant lot measures 1.6 acres and is zoned LR, Lakefront Recreation. It is located between the Lakeshore Yacht Harbour marina and Adelaide Point and is owned by Cole's Quality Foods. The applicant is considering purchasing the property and would like to build a single-family house to live in. The LR zoning designation does not allow for housing. The lot does not have frontage on a street, but the applicant is working with Lakeshore Yacht Harbour to obtain an easement from the southern end of this lot to W. Western Ave. The applicant is requesting to rezone the property to Form Based Code, Urban Residential, which would allow up to a duplex and an accessory dwelling unit, in terms of density. However, he is only planning on developing one single-family house. Much of the lot is unusable for construction as it lies below the ordinary high watermark, and there is also a large slope in the building footprint area. Utilities will need to be installed underneath the former railroad ROW, and the applicant will be responsible for obtaining easements from CSX. A driveway will also need to be installed at the end of the cul-de-sac and across the bike path. A permit from the City Engineering Department will be required. The future land use map in the Master Plan identifies this parcel as "Lakeshore," which is described as "Mixed-use development and recreational, water-related activities located along the Muskegon Lake shoreline. The large lot sizes, uniquely shaped parcels, and wide range of permitted uses, Planned Unit Developments (PUD) are common in this land use category." A site plan is not required for a rezoning request, but one has been provided to show how the development would work. The applicant has worked with city staff to create a driveway that would be placed in a way to minimize conflict with the bike path.	
STAFF RECOMMENDATION Staff recommends approval of the request. The applicant will have to purchase the property and obtain easements for the driveway and utilities before permits can be pulled. While the rezoning to FBC, UR does not totally align with the mixed-use designation in the future land use map, the low elevation of most of the lot prevents its redevelopment into anything substantial. A single-family	

house may be about as large of a development that could fit on this lot, given its development challenges. The addition of a housing unit will contribute to the mixed-use along the shoreline.

Goal/Focus Area/Action Item Addressed:

Key Focus Areas:

Goal/Action Item:

2027 Goal 2: Economic Development Housing and Business

Amount Requested:

N/A

Budgeted Item:

Yes		No		N/A	X	
-----	--	----	--	-----	---	--

Fund(s) or Account(s):

N/A

Budget Amendment Needed:

Yes		No		N/A	X	
-----	--	----	--	-----	---	--

Recommended Motion:

I move to approve the request to rezone the property at 1188 Lakeshore Dr from Lakefront Recreation to Form Based Code, Urban Residential.

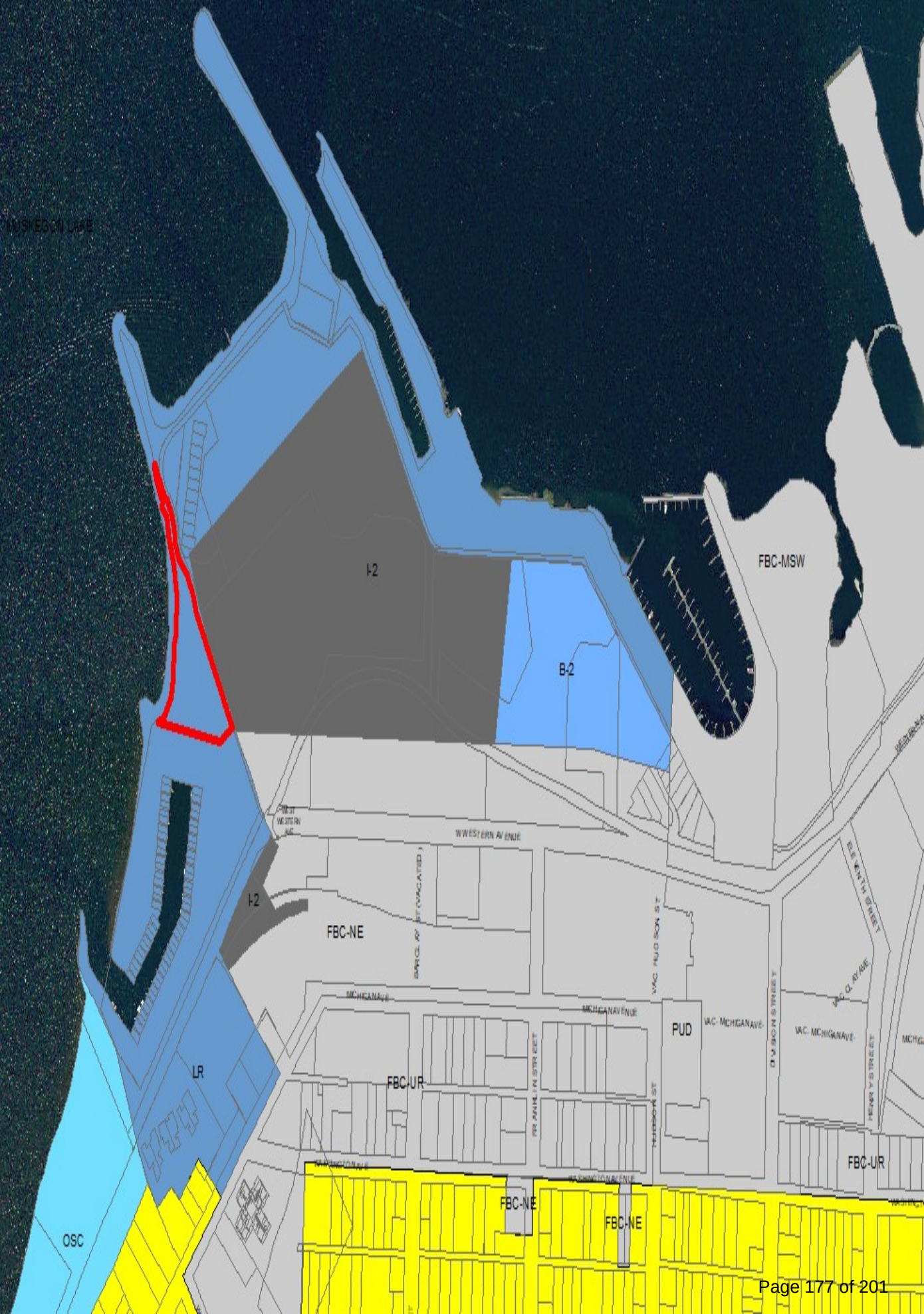
Approvals:

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

Guest(s) Invited / Presenting:

No

INDUSTRIAL USE





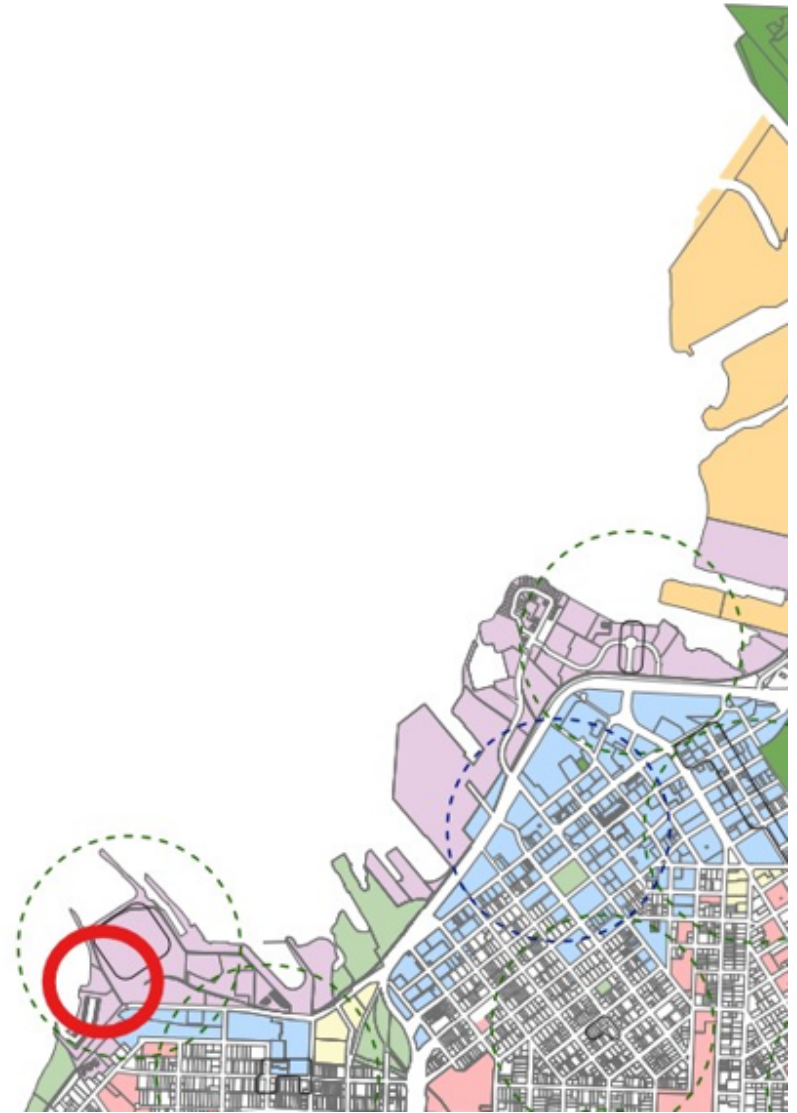
MICHIGAN LAKE

WEST
WESTERN
AVE

MICHIGAN AVE

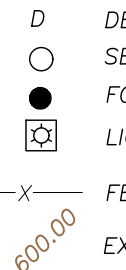
City of Muskegon Future Land Use Map

-  Low/Moderate Residential
-  Multi-Family Residential
-  Commercial Corridor
-  Downtown
-  Lakeshore
-  Industrial
-  Port Activities
-  Parks
-  Open Space
-  Community Node Overlay
-  Neighborhood Node Walk Radius
-  Regional Node Walk Radius





LEGAL



M	MEASURED DIMENSION
D	DEED DIMENSION
○	SET IRON
●	FOUND IRON
⊙	LIGHT POLE
—X—	FENCE
*\$600.00	EXISTING GRADE
—	MAJOR CONTOUR—5' INTERVAL
- - -	MINOR CONTOUR—1' INTERVAL
	EXIST. ASPHALT
	PROPOSED ASPHALT
	PROPOSED EASEMENT TO LAKESHORE YACHT CLUB CONDO
	PROPOSED EASEMENT OVER CITY PROPERTY

NOTE:

CONCRETE BASE OF THE NOTED LIGHT POLES ARE 1.1 FEET NORTH OF PROPERTY LINE.

THE BACK OF THE CONCRETE CURB, FOR THE PARKING AREA, IS 3.1 FEET SOUTH OF LINE.

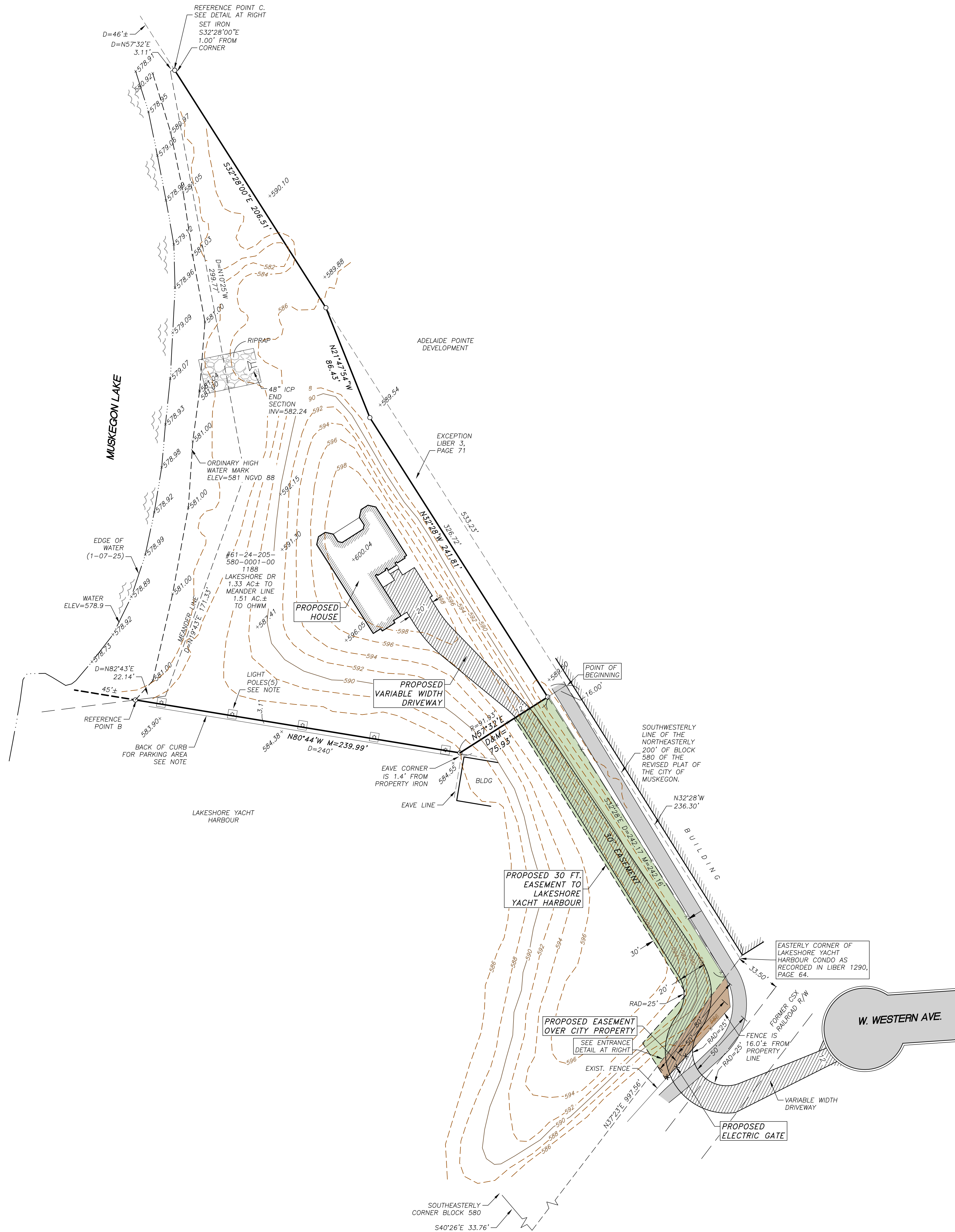
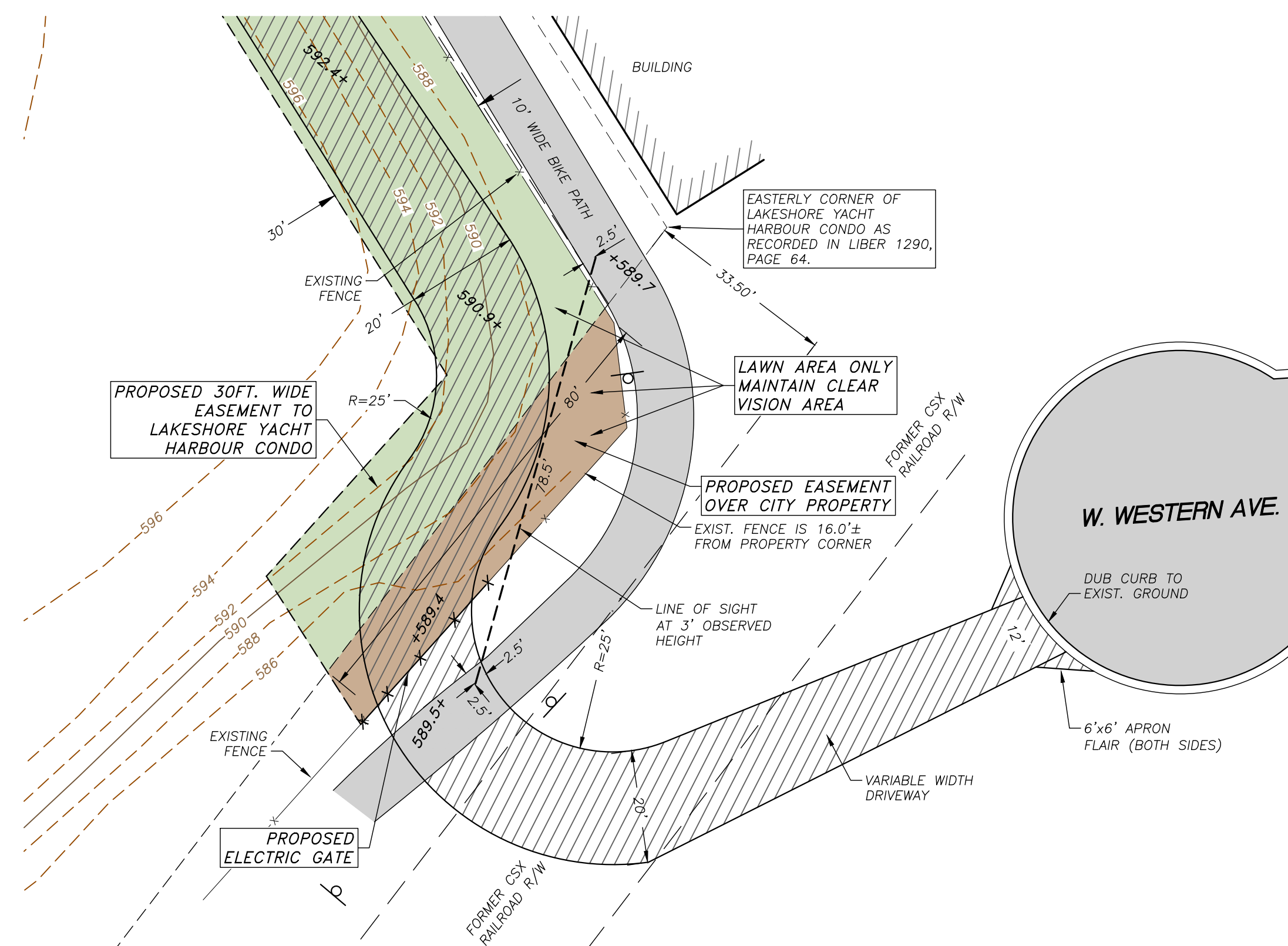
DESCRIPTION: (PER TAX DESCRIPTION,
PARCEL #61-24-205-580-0001-00

THAT PART OF BLOCK 580: THE REVISED PLAT OF (1903) OF THE CITY OF MUSKOGEE ACCORDING TO THE PLAT THEREOF, AS RECORDED IN LIBER 3 OF PLATS, PAGE 71, DESCRIBED AS: COMMENCING AT: THE SOUTHEASTERLY CORNER OF SAID BLOCK 580; THENCE SOUTH 40 DEGREES 26 MINUTES EAST 33.76 FEET ALONG THE EXTENDED SOUTHWESTERLY LINE OF SAID BLOCK 580; THENCE NORTH 37 DEGREES 23 MINUTES EAST 151.93 FEET ALONG THE EXTENDED SOUTHWESTERLY LINE OF THE NORTHEASTERLY 200 FEET OF SAID BLOCK 580 TO THE PLACE OF BEGINNING OF THIS DESCRIPTION; THENCE SOUTH 57 DEGREES 32 MINUTES WEST 91.93 FEET; THENCE NORTH 80 DEGREES 40 MINUTES WEST 240.0 FEET TO REFERENCE POINT "B"; THENCE NORTH 80 DEGREES 44 MINUTES WEST 45 FEET MORE OR LESS ALONG THE LINE WATER'S EDGE OF MUSKOGEE LAKE; THENCE NORTHEAST 550 FEET MORE OR LESS ALONG SAID WATER'S EDGE TO THE INTERSECTION WITH THE LINE BEARS NORTH 80 DEGREES 28 MINUTES WEST FROM REFERENCE POINT "C" (REFERENCE POINT "C" BEING LOCATED AS FOLLOWS: BEGINNING AT ABOVE DESCRIBED REFERENCE POINT "B"; THENCE NORTH 82 DEGREES 43 MINUTES EAST 22.14 FEET; THENCE NORTH 19 DEGREES 43 MINUTES EAST 171.33 FEET; THENCE NORTH 10 DEGREES 25 MINUTES WEST 299.77 FEET; THENCE NORTH 57 DEGREES 32 MINUTES EAST 3.11 FEET TO REFERENCE POINT "C"); THENCE NORTH 32 DEGREES 28 MINUTES WEST 280.0 FEET MORE OR LESS TO REFERENCE POINT "C"; THENCE SOUTH 57 DEGREES 32 MINUTES EAST 533.23 FEET ALONG THE SOUTHWESTERLY LINE OF THE NORTHEASTERLY 200 FEET OF SAID BLOCK 580 TO THE PLACE OF BEGINNING.

ALSO EXCEPT; THAT PART OF BLOCK 580 OF THE REVISED PLAT OF (1903) OF THE CITY OF MUSKOGEE, ACCORDING TO THE RECORDS AS RECORDED IN LIBER 5, PAGE 71, MUSKOGEE COUNTY RECORDS, DESCRIBED AS BEGINNING AT THE MOST EASTERLY CORNER OF LAKEHORE YACHT HARBOUR, A MARINA CONDOMINIUM AS RECORDED IN LIBER 1290, PAGE 64 AS AMENDED, MUSKOGEE COUNTY RECORDS; THENCE NORTH 32 DEGREES 28 MINUTES 30 SECONDS EAST 100.00 FEET OF SAID BLOCK 580; THENCE SOUTH 57 DEGREES 32 MINUTES WEST ALONG THE NORTHERLY LINE OF SAID LAKEHORE YACHT HARBOUR, 16.00 FEET; THENCE NORTH 32 DEGREES 28 MINUTES WEST 241.81 FEET BEING PARALLEL TO THE NORTHERLY LINE OF SAID BLOCK 580; THENCE SOUTH 57 DEGREES 32 MINUTES WEST 100.00 FEET OF SAID BLOCK 580; THENCE NORTH 21 DEGREES 47 MINUTES 54 SECONDS EAST 100.00 FEET OF SAID BLOCK 580; THENCE EAST ALONG SAID SOUTHWESTERLY LINE, 326.72 FEET TO THE POINT OF BEGINNING.

PROPOSED ACCESS EASEMENT OVER CITY PROPERTY:

PROPOSED ACCESS EASEMENT OVER LAKESHORE YACHT HARBOUR PROPERTY

[illegible]

Westshore ESE
2534 Black Creek Road
Muskegon, MI 49444
Ph: (231) 777-3447
E-mail: Service@Westshore.net

WESTSHORE
ENGINEERING & SURVEYING
ENVIRONMENTAL



CITY OF MUSKEGON
MUSKEGON COUNTY, MICHIGAN
ORDINANCE NO. _____

An ordinance to amend the zoning map of the City to provide for a zone change for 1188 Lakeshore Dr from LR to Form Based Code, UR.

THE CITY COMMISSION OF THE CITY OF MUSKEGON HEREBY ORDAINS:

The zoning map of the City of Muskegon is hereby amended to change the zoning from LR to FBC, UR.

This ordinance adopted:

Ayes: _____

Nayes: _____

Adoption Date: _____

Effective Date: _____

First Reading: _____

Second Reading: _____

CITY OF MUSKEGON

By: _____

Ann Meisch, MMC

City Clerk

CERTIFICATE

(Rezoning of 1188 Lakeshore Dr to FBC, UR)

The undersigned, being the duly qualified clerk of the City of Muskegon, Muskegon County, Michigan, does hereby certify that the foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Muskegon, at a regular meeting of the City Commission on the 24th day of June, at which meeting a quorum was present and remained throughout, and that the original of said ordinance is on file in the records of the City of Muskegon. I further certify that the meeting was conducted and public notice was given pursuant to and in full compliance with the Michigan Zoning Enabling Act, Public Acts of Michigan No. 33 of 2006, and that minutes were kept and will be or have been made available as required thereby.

DATED: _____, 2025 _____

Ann Meisch, MMC

Clerk, City of Muskegon

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

CITY OF MUSKEGON
NOTICE OF ADOPTION

Please take notice that on June 24, 2025, the City Commission of the City of Muskegon adopted an ordinance amending the zoning map to provide for the change of zoning for 1188 Lakeshore Dr to FBC, UR.

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

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

Published _____, 2025

By _____

Ann Meisch, MMC

City Clerk

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

Account No. 101-80400-5354



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Neighborhood Enterprise Zone Certificate Transfer for 302 Terrace Point Circle							
Submitted by: Jocelyn Hines, Development Analyst	Department: Economic Development							
Brief Summary: Staff is requesting the approval of a Neighborhood Enterprise Zone certificate transfer for 302 Terrace Point Circle. This is being requested due to the transfer benefiting a current staff member of the City of Muskegon								
Detailed Summary & Background: The staff are requesting the approval of a Neighborhood Enterprise Zone (NEZ) certificate transfer for the property located at 302 Terrace Point Circle. While NEZ certificate transfers are typically handled administratively and do not require City Commission approval under state statute, this request is being brought before the Commission out of an abundance of transparency. The homeowner is an employee of the City of Muskegon's Department of Public Works. Although the City Attorney has determined that a conflict of interest statement is not required, staff believes it is important to disclose the relationship and obtain formal Commission approval. Supporting documentation includes the simplified NEZ transfer application, Principal Residence Exemption Affidavit, Letter from the City of Muskegon Attorney and the recorded Warranty Deed.								
Goal/Focus Area/Action Item Addressed: Key Focus Areas: Diverse housing types Goal/Action Item: 2027 Goal 2: Economic Development Housing and Business								
Amount Requested: N/A	Budgeted Item: <table border="1"><tr><td>Yes</td><td></td><td>No</td><td></td><td>N/A</td><td>☒</td><td></td></tr></table>	Yes		No		N/A	☒	
Yes		No		N/A	☒			
Fund(s) or Account(s): N/A	Budget Amendment Needed: <table border="1"><tr><td>Yes</td><td></td><td>No</td><td></td><td>N/A</td><td>☒</td><td></td></tr></table>	Yes		No		N/A	☒	
Yes		No		N/A	☒			
Recommended Motion: I move to approve the Neighborhood Enterprise Zone Certificate transfer for 302 Terrace Point Circle.								

Approvals:

Immediate Division Head		
Information Technology		
Other Division Heads		
Communication		
Legal Review		

Guest(s) Invited / Presenting:

Yes

Application for Neighborhood Enterprise Zone Certificate

Issued under authority of Public Act 147 of 1992, as amended.

LOCAL GOVERNMENTAL UNIT USE ONLY	
▶ Application No.	▶ Date Received May 28, 2025

STATE USE ONLY	
▶ Application No.	▶ Date Received

Read the instructions before completing the application. This application must be filed prior to building permit issuance and start of construction except as provided in the instructions on page 3 under Owner/Developer/Applicant Instructions. Initially file completed application and required documents with the clerk of the local governmental unit. The additional documents to complete the application process will be required by the State of Michigan only after the original application is filed with the clerk of the local governmental unit (LGU). This form is also used to file a request for the transfer of an existing NEZ certificate. Please see the instruction sheet.

PART 1: OWNER/DEVELOPER/APPLICANT INFORMATION (Applicant must complete all fields)			
Owner/Developer/Applicant Name Scott Hobby		Type of NEZ ☒ OPRA eligible community NEZ ☐ Workforce Housing NEZ	
Facility's Street Address 302 Terrace Point Cir		Type of Approval Requested	
City Muskegon	State MI	ZIP Code 49440	☐ New Facility ☐ Rehabilitated Facility ☒ Transfer (1 copy only)
Name of City, Township or Village (taxing authority) Muskegon		No. of years requested for exemption (6-15; 11-17 for qualified historic building) 6	
☒ City ☐ Township ☐ Village		Is the facility owned or rented by occupants? ☒ Owned ☐ Rented	
County Muskegon		Type of Property (check one) ☐ House ☐ Duplex ☒ Condo ☐ Loft ☐ Apartment - No. of Units _____	
School District Muskegon Public Schools			
Name of LGU that established district City of Muskegon		Name or Number of Neighborhood Enterprise Zone Terrace Point Landing	Date district was established May 14, 2013
Identify who will complete the work ☐ Licensed Contractor ☐ Other _____		Estimated Project Cost (per unit)	
Describe the general nature and extent of the new construction or rehabilitation to be undertaken. For rehabilitation only, include Breakdown of Investment Costs. Use attachments if necessary.			
Timetable for undertaking and completing the rehabilitation or construction of the facility.		Additional Timetable Information (if applicable)	
Begin Date	End Date		
PART 2: OWNER/DEVELOPER/APPLICANT CERTIFICATION			
Contact Name Scott Hobby			
Contact Telephone Number 231 730 1934		Contact Email Address chevfrd@msn.com	
Owner/Developer/Applicant Name			
Owner/Developer/Applicant Telephone Number		Owner/Developer/Applicant Email Address	
Owner/Developer/Applicant Mailing Address		City	State ZIP Code
<i>I certify the information contained herein and in the attachments are true and that all are truly descriptive of the residential real property for which this application is being submitted.</i>			
<i>I certify I am familiar with the provisions of Public Act 147 of 1992, as amended, (MCL 207.771 to 207.787) and to the best of my knowledge, I have complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the LGU and the issuance of Neighborhood Enterprise Zone Certificate by the State Tax Commission.</i>			
Owner/Developer/Applicant Signature		Date	

Continue on Page 2

Muskegon County Treasurer's Certificate
I hereby Certify that there are no Tax Liens or Titles held by The State
Or any Individual against the within description, and all Taxes on same
Are paid for five years preceding the 5th day of May, 2025 as
Shown by the records in my office Muskegon County Treasurer

No. TN187705



Received & Sealed for Record
William A. Moulatsiotis Register of Deeds
Muskegon County Michigan
05/05/2025 02:58:07 PM Liber: 4385 Page: 90

William A. Moulatsiotis
Register of Deeds
Muskegon County Michigan
5851446 D01

Liber: 4385 Page: 90
Page: 1 of 3
05/05/2025 02:58:07 PM

MICHIGAN REAL ESTATE TRANSFER TAX
Muskegon County Tax Stamp #111493
05/05/2025 02:58:07 PM
Liber: 4385 Page: 900 Receipt# 25-10274
State Tax: \$3,525.00 County Tax: \$517.00



WARRANTY DEED

KNOW ALL PERSONS BY THESE PRESENTS: That Denise L. Amidon
whose address is 302 Terrace Point Circle Muskegon, MI 49440
Convey(s) and Warrant(s) to Scott Hobby and Lisa Hobby, husband and wife and Ryan Hobby
whose address is 2991 Lakeshore Rd., Twin Lake, MI 49457
the following described premises situated in the City of Muskegon, County of Muskegon, and State of
Michigan to-wit:

Unit 9, Terrace Point Landing Condominiums, a Condominium according to the Master Deed
recorded in Liber 4167, Page 316, as amended, in the Office of the Muskegon County
Register of Deeds, and designated as Muskegon County Condominium Subdivision Plan No.
206, together with rights in general common elements and limited common elements as set
forth in said Master Deed, and amendments thereto, and as described in Act 59 of the Public
Acts of 1978, as amended.

61-24-794-000-0009-00 MLP/MAV

(SEE ATTACHED "NOTICE OF PRIVATE ROAD")
Commonly known as: 302 Terrace Point Circle, Muskegon, MI 49440
Tax Parcel # 61-24-794-000-0009-00

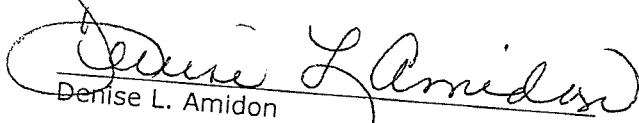
for the consideration of: Four Hundred Sixty Nine Thousand Nine Hundred and 00/100 Dollars
(\$469,900.00)

subject to easement, use, building, and other restrictions of record, if any.

Grantor executes and gives this deed in exercise of and pursuant to the powers reserved in the Life
Estate Deed, recorded in Liber 4212, Page 217, Muskegon County Records.

Dated: May 02, 2025

Signed and Sealed:



Denise L. Amidon



Received for Record
William A. Moulatsiotis Register of Deeds
Muskegon County Michigan
05/05/2025 09:39:02 AM 187705

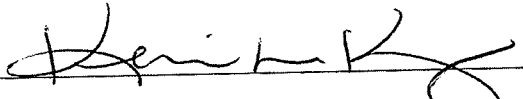
(Warranty Deed (page 2) dated: May 02, 2025
between Denise L. Amidon, Seller(s) and Lisa Hobby and Scott Hobby, husband and wife, Ryan Hobby,
Purchaser(s).)

STATE OF MICHIGAN

COUNTY OF Muskegon

The foregoing instrument was acknowledged before me on May 02, 2025, by Denise L. Amidon.

Notary Signature:



Notary Name Printed:

KIMBER KEMP

Notary County, Michigan

Notary Public, State of Michigan

Acting in County

County of Muskegon

My commission expires:

Acting in Muskegon County

My Commission Expires 09/23/2028

File No. 458284LKR

Drafted by:	Return to:
Denise L. Amidon 302 Terrace Point Circle Muskegon, MI 49440	Scott Hobby 302 Terrace Point Circle Muskegon, MI 49440
County Treasurer's Certificate	City Treasurer's Certificate

(Attachment to Warranty Deed)

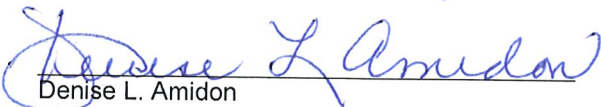
Notice of Private Road

The Seller(s) hereby notify the Purchaser(s) with respect to the property described herein:

- (1) The land abuts and/or is burdened by a street or road which has not been accepted as public, and
- (2) That said street or road referred to is private and is not required to be maintained by the board of county road commissioners.

This notice is given pursuant to MCL 560.261

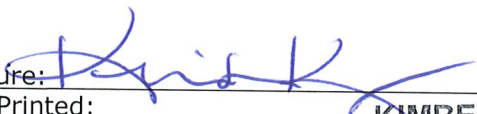
Dated: May 02, 2025


Denise L. Amidon

STATE OF MICHIGAN

COUNTY OF Muskegon

The foregoing instrument was acknowledged before me on May 02, 2025, by Denise L. Amidon.

Notary Signature: 

Notary Name Printed:

Notary County, Michigan

Acting in County

My commission expires:

KIMBER KEMP

Notary Public, State of Michigan

County of Muskegon

Acting in Muskegon County

My Commission Expires 09/23/2028

Principal Residence Exemption (PRE) Affidavit

Issued under authority of Public Act 206 of 1893.

Read the instructions before completing the form. This form is not valid unless certified by the assessor for the city or township where the property is located. Do not submit this form if the property is not your principal residence and/or any of the disqualifying factors apply as listed in MCL 211.7(cc). For information regarding the PRE, please review the PRE Guidelines at www.michigan.gov/pre.

ASSESSOR'S DATE STAMP

Type or print in blue or black ink.

Part 1: PROPERTY INFORMATION Type or print legibly. Use a separate form for each property tax identification number.

1. Property Tax Identification Number 61-24-794-000-0009-00	2. Name of Local Unit (Check Township or City) CITY OF MUSKEGON	3. County MUSKEGON COUNTY
4. Street Address of Property (Provide a Complete Address) 302 TERRACE POINT CIRCLE, MUSKEGON, MI 49440		
5. Name of Owner (First, Middle, Last) Scott Hobby	6. Owner's Last Four Digits of Social Security Number XXX-XX- 1740	7. Owner's Daytime Telephone Number 231 730 1934
8. Name of Co-Owner (First, Middle, Last) Lisa Hobby	9. Co-Owner's Last Four Digits of Social Security Number XXX-XX- 3867	10. Co-Owner's Daytime Telephone Number 231 730 2115
11. Date you owned and occupied the property in line 1		11. 5 2 2025 Month Day Year
The property in Line 1 above is my: 11a. ☒ Principal residence 11b. ☐ Unoccupied adjoining or contiguous property that is classified residential or timber-cutover.		
12. List the percentage (100% to 1%) of the property that is occupied by the owner claiming the property as a principal residence. If the property has more than one home on it, it is a multi-dwelling, used for purposes other than a principal residence, or partially rented, the owner may claim only a partial exemption. Please consult with your local assessor to determine the percentage of the exemption the owner is allowed to claim in these situations.		12. 100 %
13. Have you or your spouse claimed a principal residence exemption for another Michigan principal residence?		13. ☒ Yes ☐ No
14. If yes to 13, enter the property address and parcel number: 2991 Lakeshore Rd - 49457 - will be listed in May		
15. If yes to 13, have you rescinded that principal residence exemption?		15. ☐ Yes ☒ No
16. Do you or your spouse claim a similar exemption, credit or deduction on property located in another state?		16. ☐ Yes ☒ No
17. If yes to 16, enter the property address and parcel number:		
18. Have you or your spouse filed a tax return as a non-resident of Michigan or a resident of another state?		18. ☐ Yes ☒ No
19. If yes to 18, enter the state:		

PART 2: CERTIFICATION

Certification: I certify under penalty of perjury that I own and occupy as a principal residence on the date stated in Line 11 and that I have not claimed a substantially similar exemption/deduction/credit in property in another state, and that the information contained on this document is true and correct to the best of my knowledge.

20. Owner's Signature Scott Hobby	Date 5-2-25
21. Co-Owner's Signature Lisa Hobby	Date 5-2-25
22. Mailing Address, if Different than Property Address Above	

LOCAL GOVERNMENT USE ONLY (do not write below this line)

23. Indicate property classification	23.
Did the Assessor Approve or Deny the Affidavit? ☐ Approved ☐ Denied (Attach a copy of the Local Unit Denial)	What is the year the Affidavit will be posted to the tax roll?
Certification: I certify that, to the best of my knowledge, the information contained in this form is complete and accurate.	
Assessor's Signature	Date Certified by Assessor (MM/DD/YYYY)

**ACKNOWLEDGEMENT OF HOMEOWNER'S PRINCIPAL RESIDENCE EXEMPTION
AFFIDAVIT AND PROPERTY TRANSFER AFFIDAVIT**

Date: May 02, 2025
Commitment No.: 458284LKR
Property: 302 Terrace Point Circle, Muskegon, MI 49440

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

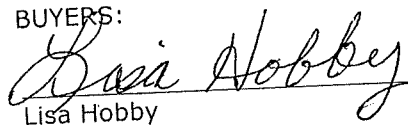
Please check one of the following:

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

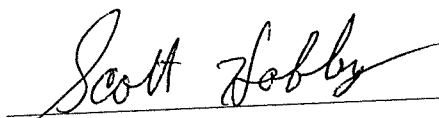
The undersigned hereby acknowledges receipt of the **Homeowner's Principal Residence Exemption Affidavit** (Michigan Department of Treasury Form No. 2368) as same is allowed by Public Act 415 of 1994. The undersigned acknowledges that there is no cause of action against the closing agent for failing to provide or file the form MCL 211.7cc(18). The undersigned assume(s) all responsibility relative to compliance with the Act and, accordingly, releases the Company from and against any liability relative thereto.

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

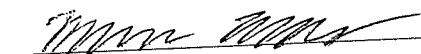
BUYERS:



Lisa Hobby



Scott Hobby



Ryan Hobby

Transnation Title Agency of Michigan
570 Seminole Road
Suite 102
Muskegon, MI 49444
Phone: 231-737-9111 Fax: 231-737-7304



June 9, 2025

Jocelyn Hines
Development Analysis
Economic Development Department
City of Muskegon
933 Terrace
Muskegon, MI 49440

Re: Conflict of Interest: Scott and Lisa Hobby

Dear Ms. Hines:

You have requested our opinion as to whether a conflict of interest exists and, if so, how the conflict of interest can be waived relating to an application for a Neighborhood Enterprise Zone ("NEZ") certificate.

Scott Hobby ("Mr. Hobby") and Lisa Hobby¹ ("Ms. Hobby") (collectively referred, "Mr. and Ms. Hobby") are seeking a transfer of an NEZ certificate for property they have acquired at 302 Terrace Point Circle, Muskegon, Michigan 49440. Mr. Hobby is a City employee who works in the Department of Public Works. Based on the scope of this letter, there is a Charter provision and a Michigan statute which may be applicable.

As articulated below, the City Charter and State law differ as to whom is covered, the definition of a "conflict of interest", and the process to waive a "conflict of interest". As there is no uniformity as to when there is a "conflict of interest", who is covered by provisions prohibiting conflicts of interest, and no single process to waive the conflict of interest, City staff and this office evaluate "conflicts of interest" on a case-by-case basis by evaluating the facts and law.

Relevant Facts

The NEZ is a locally initiated program which provides tax incentives for housing development. The City "may levy a reduced neighborhood enterprise zone specific tax in place of the ad valorem real property taxes that would otherwise be levied on qualified new construction projects or the rehabilitated portion of the existing property (not including the land), subject to the approval of the State Tax Commission."² If the

¹ Mr. and Ms. Hobby are clients of Parmenter Law and are related to an associate at Parmenter Law. To the best of my recollection, I have met Mr. and Ms. Hobby briefly on one occasion. Because there is a clear legal answer, with no need to balance any facts, because the City is simply making a recommendation, and the State Tax Commission is the final decisionmaker, I am comfortable rendering this opinion. You may wish to consider whether the City should obtain a second opinion.

² Survey of Economic Development Programs in Michigan, Third Edition, Citizen's Research Council of Michigan, page 45.

real property is sold, the certificate can be transferred to the new owner, subject to approval of the State Tax Commission. Generally, transfers of certificates are approved by City staff, and not presented to the City Commission.

City Charter

The City Charter Chapter III, Section 11 defines "conflicts of interest" and establishes a process to waive a "conflict of interest". The City's Charter has a very narrow scope as to persons covered by the prohibition. The Charter provides:

No officer or employee of the city shall be directly or indirectly interested in the sale to or purchase from the city of any property or be directly or indirectly interested as principal, surety or otherwise, in any contract except his contract of employment, the expense or consideration whereof is paid under any ordinance, motion, or resolution of the commission.

Relevant to this matter, the City's Charter would prohibit a contract where a City employee indirectly receives a benefit of a contract involving the City. In this case, there is no such contract between the City and Mr. and Ms. Hobby and, thus, the Charter prohibition does not apply.

State Law

In an effort to ensure transparency in government, the Contracts of Public Servants with Public Entities Act, being MCL Section 15.320, et. seq., requires members of a public body to disclose certain financial interests they have in matters related to contracts with the public entities they serve. A "public servant" is defined as all persons serving any public entity. The "public servant" includes:

- 1) The public servant themselves;
- 2) Any unincorporated association which he or she is a partner, member, or employee;
- 3) Any private corporation of which he or she is a director, officer, or employee, or owns a certain amount of stock ownership; and
- 4) Any trust of which he or she is a beneficiary or trustee.

Mr. Hobby is a "public servant".

Prohibited conduct arises when a "public servant" is a party to a contract between themselves and the public entity which they serve. The Act also prohibits a public servant from taking part in the negotiations, renegotiations, amendments, or approval of the contract, nor representing either party in the transaction. In this case, there is no contract between the City and Mr. and Ms. Hobby. The City employee is not a contract and, to our knowledge, not in a decision-making position on behalf of the City in approving the tax certificate.

Common Law

Municipal charters and conflict of interest laws are designed to prevent municipal officials and employees from personally benefiting from actions taken in their official capacity, thereby safeguarding the public trust. The primary concern is that an employee may use their position to advance personal interests—for example, by exploiting confidential municipal information for personal gain. In this case, Mr. Hobby is not acting on behalf of the City of Muskegon, nor is he using his City employment for personal benefit.

However, because Mr. Hobby is a City employee, City staff is recommending that the issue be presented to the City Commission. Given the staff decision to bring the transfer of the certificate to the City Commission for approval, it is our recommendation that the City Commission be informed of Scott Hobby's employment and our determination that there is no conflict.

If you have any questions, please feel free to contact me.

Very truly yours,



John C. Schrier
Shareholder



Direct P: (231) 722-5401
Direct F: (231) 722-5501
Email: john@parmenterlaw.com

c: Jonathan Seyferth
Ann Marie Meisch
Jake Eckholm
KPK

Resolution No. 2019-10 (J)

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 Terrace Point Landing, LLC to construct a new home at 302 Terrace Point in the Terrace Point Condominium neighborhood, and;

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

WHEREAS, the local unit of government is allowing the six (6) month grace period after construction commencement to apply, which is allowed under the law;

WHEREAS, the Neighborhood Enterprise Zone Certificate has been approved for twelve (12) years;

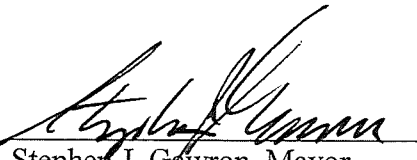
NOW, THEREFORE, BE IT RESOLVED that the application for a Neighborhood Enterprise Zone Certificate for the new construction of a home by Terrace Point Landing, LLC be approved.

Adopted this 12th day of February, 2019.

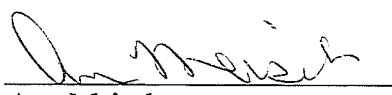
Ayes: Turnquist, Johnson, Gawron, Hood, Warren, German, and Rinsema-Sybenga

Nays: None

Absent: None

By: 

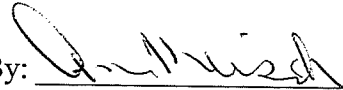
Stephen J. Gawron, Mayor

Attest: 

Ann Meisch
City Clerk

CERTIFICATION

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, Michigan at a regular meeting held on February 12, 2019.

By: 
Ann Meisch
City Clerk



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Adjustment to FY 2024/25 Budget, Manager's Office, Contracted Services (Climate Action Plan)							
Submitted by: LeighAnn Mikesell, Deputy City Manager	Department: Manager's Office							
Brief Summary: Staff is requesting a budget adjustment to account for expenditures related to the climate action plan.								
Detailed Summary & Background: In the fourth quarter reforecast, a mistake was made in the manager's office budget. There is a second charge of \$24,500 for finalizing the climate action plan that was not accounted for. The total amount fits within a state grant the city received for this work so there is a net zero impact to the budget. An adjustment needs to be made to the federal grant revenue line item since the first payment of the grant was mistakenly coded.								
Goal/Focus Area/Action Item Addressed: Key Focus Areas: Goal/Action Item: 2027 Goal 4: Financial Infrastructure								
Amount Requested: \$24,500 increase, total line item \$132,200 \$49,000 increase, total line item \$299,000 \$24,500 decrease, total line item \$802,605	Budgeted Item: <table border="1"> <tr> <td>Yes</td> <td>X</td> <td>No</td> <td></td> <td>N/A</td> <td></td> <td></td> </tr> </table>	Yes	X	No		N/A		
Yes	X	No		N/A				
Fund(s) or Account(s): 101-172-801 manager's office, contractual services 101-000-540 state grants revenue 101-000-502 federal grants revenue	Budget Amendment Needed: <table border="1"> <tr> <td>Yes</td> <td>X</td> <td>No</td> <td></td> <td>N/A</td> <td></td> <td></td> </tr> </table>	Yes	X	No		N/A		
Yes	X	No		N/A				
Recommended Motion: to approve the budget adjustments as outlined.								
Approvals:	Guest(s) Invited / Presenting:							

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



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 24, 2025	Title: Official City of Muskegon Pride & Juneteenth Flags							
Submitted by: Ken Johnson, Mayor, Jonathan Seyferth, City Manager	Department: Mayor's Office							
Brief Summary: A proposal to adopt two additional Official City Flags modeled on the Intersex Pride Flag & the Juneteenth Flag (see attached).								
Detailed Summary & Background: Cities across the country have taken steps to ensure inclusive symbols can be used in their cities. One way to achieve this is by adopting multiple official city flags that can be flown at any time. It is proposed that the City of Muskegon adopt two additional city flags based on the Intersex Pride Flag, with the city's tile "M" in the lower right corner of the flag. And another flag based on the Official Juneteenth Flag with the city's tile "M" in the upper left corner of the flag. Illustrative examples of both follow this memo.								
Goal/Focus Area/Action Item Addressed: <u>Key Focus Areas:</u> <u>Goal/Action Item:</u> 2027 Goal 3: Community Connection								
Amount Requested: n/a	Budgeted Item: <table border="1"><tr><td>Yes</td><td></td><td>No</td><td></td><td>N/A</td><td>X</td><td></td></tr></table>	Yes		No		N/A	X	
Yes		No		N/A	X			
Fund(s) or Account(s): n/a	Budget Amendment Needed: <table border="1"><tr><td>Yes</td><td></td><td>No</td><td></td><td>N/A</td><td>X</td><td></td></tr></table>	Yes		No		N/A	X	
Yes		No		N/A	X			
Recommended Motion: To adopt the City of Muskegon Pride Flag and the City of Muskegon Juneteenth Flag as alternative official city flags.								
Approvals: <table border="1"><tr><td>Immediate Division Head</td><td></td><td></td></tr></table>	Immediate Division Head			Guest(s) Invited / Presenting: No				
Immediate Division Head								

Information Technology			
Other Division Heads			
Communication			
Legal Review			

