

CITY OF MUSKEGON

CITY COMMISSION MEETING

November 10, 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. Presentation from Melissa Howell, Muskegon County Department of Health and Human Services - Foster Parents City Clerk
 - B. Work session Item — Beach Parking Report/Revenue Discussion Public Safety
- ☐ **PUBLIC HEARINGS:**
 - A. Brownfield Plan Amendment #1 — Harbor 31 Hotel, Lakeshore Hotel Partners, LLC Economic Development
 - B. PA 198 Industrial Facilities Exemption — 2034 Latimer Drive Economic Development
- ☐ **FEDERAL/STATE/COUNTY OFFICIALS UPDATE:**
- ☐ **PUBLIC COMMENT ON AGENDA ITEMS:**
- ☐ **CONSENT AGENDA:**
 - A. Approval of Minutes City Clerk
 - B. Ordinance Adoption: Unlawful Speed Exhibition Events (SECOND READING) Public Safety
 - C. Limited Traffic Data Software Subscription Public Works
 - D. Sale of 617, 625, & 635 Oak Planning

- E. Sale of 638 & 644 Oak Planning
- F. Sale of 595 Oak & 594 Orchard Planning
- G. FY26 State Revolving Fund Engineering Services Public Works
- H. Beach Pass Online Discount Public Safety
- I. Rezoning of 560 Mart St from Waterfront Marine (WM) to Waterfront Industrial PUD (WI-PUD). Planning
- J. Rezoning of 501 E Western Ave from Open Space Recreation (OSR) to Waterfront Industrial PUD (WI-PUD). Planning
- K. Harbor 31 Development and Reimbursement Agreement Economic Development
- L. Bid Award - Park Building Renovations DPW- Parks
- M. Bid/RFP contract award - Engineering AutoCad standards DPW- Engineering
- N. Police Department Wage Increase Public Safety
- O. Brunswick Sewer Work Manager's Office

☐ **UNFINISHED BUSINESS:**

☐ **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. Discussion of Attorney/Client Privilege Manager's Office

☐ **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: November 10, 2025	Title: Work session Item — Beach Parking Report/Revenue Discussion															
Submitted by: Timothy Kozal, Public Safety Director, Jonathan Seyferth, City Manager	Department: Public Safety															
Brief Summary: Public Safety Director will present on Beach Parking for the 2025 season.																
Detailed Summary & Background: This will be a brief overview of parking for 2025. There is an action time under the consent agenda for a parking incentive program for 2026.																
Goal/Action Item: 2027 Goal 1: Destination Community & Quality of Life																
Is this a repeat item?: Explain what change has been made to justify bringing it back to Commission:																
Amount Requested:	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%;">☐</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: 15%;"></td> </tr> </table>	Yes	☐	No	☐	N/A	☒									
Yes	☐	No	☐	N/A	☒											
Fund(s) or Account(s):	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%;">☐</td> <td style="width: 15%;">N/A</td> <td style="width: 10%;">☒</td> <td style="width: 15%;"></td> </tr> </table>	Yes	☐	No	☐	N/A	☒									
Yes	☐	No	☐	N/A	☒											
Recommended Motion: Discussion Only																
Approvals: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Immediate Division Head</td> <td style="width: 10%;">☐</td> <td style="width: 20%;"></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	☐		<u>Name the Policy/Ordinance Followed:</u>
Immediate Division Head	☐															
Information Technology	☐															
Other Division Heads	☐															
Communication	☐															
Legal Review	☐															



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: November 10, 2025	Title: Brownfield Plan Amendment #1 — Harbor 31 Hotel, Lakeshore Hotel Partners, LLC
Submitted by: Jocelyn Hines, Development Analyst	Department: Economic Development
Brief Summary: Harbor 31 Hotel is requesting approval of Brownfield Plan Amendment #1. This amendment includes the addition of state school tax capture for reimbursement of costs associated with Michigan Strategic Fund (MSF) eligible activities.	
Detailed Summary & Background: Harbor 31 Hotel is requesting approval of Brownfield Plan Amendment #1. The Brownfield Redevelopment Authority (BRA) approved the original Brownfield Plan on December 10, 2024, and the City Commission granted final approval on the same date. Amendment #1 includes the addition of state school tax capture for reimbursement of costs associated with Michigan Strategic Fund (MSF) eligible activities. The amendment adds \$15,000 for plan preparation, increases contingency by \$1,500 due to the addition of plan preparation costs, and reflects a decrease in interest from \$770,742 to \$533,328, resulting in a total reduction of \$237,414. The 2.99-acre development will consist of a five-story hotel with 126 rooms. The project will include two meeting rooms, an indoor pool, fitness center, restaurant, and a bar with outdoor dining and patio space. The estimated total investment is approximately \$28.8 million and is expected to create approximately 35 full-time jobs. Construction is anticipated to begin in the winter of 2026 and be completed in the fall of 2027. The hotel will be part of the larger 31-acre Harbor 31 mixed-use community. The Brownfield Plan is anticipated to remain in effect for up to 25 years, or until all eligible activities have been reimbursed. The final five years of the plan will allow for capture by the Local Brownfield Revolving Fund (LBRF). The total estimated cost of eligible activities is approximately \$2.2 million, with an estimated \$927,000 allocated to LBRF capture. The Brownfield Redevelopment Authority approved Amendment #1 at their November 10, 2025 meeting. The attached Development and Reimbursement Agreement must be approved separately.	
Goal/Action Item: 2027 Goal 2: Economic Development Housing and Business - Progress toward new and ongoing economic development projects	
Is this a repeat item?: Explain what change has been made to justify bringing it back to Commission: The Brownfield Plan was amended to include capture of the state school tax.	

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: 10%;"></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		No		N/A										
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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: 10%;"></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		No		N/A										
Yes		No		N/A												
Recommended Motion: I move to close the public hearing and approve the attached resolution and authorize the Mayor and City Clerk to sign the resolution.																
Approvals: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Immediate Division Head</td> <td style="width: 10%;"></td> <td style="width: 20%;"></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			<u>Name the Policy/Ordinance Followed:</u> Act 381, Public Acts of Michigan, 1996, as amended
Immediate Division Head																
Information Technology																
Other Division Heads																
Communication																
Legal Review																

Amendment #1 to the Act 381 Brownfield Plan Amendment

**Harbor 31 Hotel
181 and 201 Viridian Drive
Muskegon, Michigan 49440**

**Prepared For:
City of Muskegon Brownfield Redevelopment Authority
City of Muskegon, Michigan**

**Act 381 Brownfield Plan Amendment Date: October 30, 2024
Amendment #1 Date: October 6, 2025
Project No. 240340**

**BPA Recommended for Approval by Brownfield Redevelopment Authority on: December 10, 2024
BPA Adopted by the City of Muskegon City Commission on: December 10, 2024**

**Amendment #1 Recommended for Approval by Brownfield Redevelopment Authority on: _____
Amendment #1 Adopted by the City of Muskegon City Commission on: _____**

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List of Abbreviations/Acronyms

Act 381	Brownfield Redevelopment Financing Act, 1996 PA 381, as amended
Authority	City of Muskegon Brownfield Redevelopment Authority
BEA	Baseline Environmental Assessment
BPA	Brownfield Plan Amendment
DDCC	Documentation of Due Care Compliance
Developer	Lakeshore Hotel Partners, LLC
ESA	Environmental Site Assessment
EGLE	Michigan Department of Environment, Great Lakes, and Energy
LBRF	Local Brownfield Revolving Fund
MSF	Michigan Strategic Fund
NREPA	Natural Resources and Environmental Protect Act
PA	Public Act
Plan Amendment	Brownfield Plan Amendment
Property	181 and 201 Viridian Drive
QLGU	Qualified Local Governmental Unit

1.0 Introduction

The City of Muskegon Brownfield Redevelopment Authority (the “Authority”) was established by the City of Muskegon pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act (PA) 381 of 1996, as amended (“Act 381”). The primary purpose of Act 381 is to encourage the redevelopment of an eligible property by providing economic development incentives through tax increment financing for certain eligible properties.

On December 10, 2024, the City of Muskegon (the “City”) approved a Brownfield Plan Amendment (BPA) to incorporate 181 and 201 Viridian Drive, Muskegon, Michigan (the “Property”) into the City’s existing Brownfield Plan. The BPA detailed redevelopment plans for the construction of a hotel on the Property, including eligible activity costs and related reimbursement through local-only tax increment financing.

This first amendment to the BPA has been prepared to add state school tax capture for reimbursement of costs related to Michigan Strategic Fund (MSF) eligible activities. See Attachment A for copies of amended BPA resolutions.

1.1 Proposed Redevelopment and Future Use for Each Eligible Property

The Developer is proposing to redevelop the Harbor 31 Element Hotel located at 181 and 201 Viridian Drive. The proposed redevelopment activities for “Element Muskegon” include the construction of a five-story hotel with 126 hotel rooms, 146 parking spaces, and two elevators. Amenities include two meeting rooms, an indoor pool, a gym, and a restaurant and bar on the fifth floor along with an outdoor patio and dining. The total amount of project investment is estimated to be \$28,800,000 with 30–35 full-time equivalent jobs created as a result of this development. Construction is expected to start in winter 2026 and be completed by fall 2027. The proposed site plan is included in Figure 2.

This project serves a public purpose in the City of Muskegon, a Qualified Local Governmental Unit (QLGU), expanding the tax base, investing significant capital into the community, and creating new jobs. Within walking distance from both Muskegon Lake and Downtown Muskegon’s Social District, the Element Muskegon will be a key part of the 31-acre lakefront Harbor 31 master-planned community, which includes homes, townhomes, apartments, senior living, office space, and a marina for residents and visitors. There is no existing hotel or hotel in development on this level of service within the region, so it will draw both community members and national visitors looking to visit this region and Lake Michigan.

1.2 Eligible Property Information

Parcel ID: 61-24-607-000-0007-00
181 Viridian Drive, Muskegon, Michigan 49440
Approximately 0.99 acres

Parcel ID: 61-24-607-000-0006-00
201 Viridian Drive, Muskegon, Michigan 49440
Approximately 2.0 acres

The property is located in the City of Muskegon, a QLGU pursuant to Act 381.

The Property has been historically utilized for industrial purposes dating back to the 1800s. Based on historical environmental investigations conducted over the past 25 years, these past industrial uses have resulted in widespread contamination across the Property. Known contaminants in the soil with concentrations exceeding Michigan Department of Environment, Great Lakes, and Energy (EGLE) Part 201 Generic Residential Cleanup Criteria include benzo(a)pyrene, fluoranthene, naphthalene, phenanthrene, arsenic, cadmium, chromium (total), copper, lead, selenium, zinc, and nickel.

The Developer is not a liable party and is in the process of completing a Phase I Environmental Site Assessment (ESA) and a Baseline Environmental Assessment (BEA) in accordance with Part 201 of the Natural Resources and Environmental Protection Act, 1995 PA 451, as amended (NREPA), which will be completed when they acquire the property.

Given the known soil contamination, the Property is a “facility” pursuant to Part 201 of NREPA. As such, it is considered an “eligible property” as defined by the Michigan Redevelopment Financing Act, Act 381 of 1996.

Maps depicting the location and layout of the Property are attached as Figures 1 and 2. Historic environmental data tables and associated sample location maps are provided in Appendix 5.

2.0 Information Required by Section 13(2) of the Statute

2.1 Description of Costs to be Paid for with Tax Increment Revenues

This Brownfield Plan has been developed to reimburse existing and anticipated costs to be incurred by the Developer. Tax increment revenues will be captured for reimbursement from local-only tax increment revenues.

The total cost of eligible activities anticipated to be reimbursed to the Developer, inclusive of contingencies, is anticipated to be \$2,171,878. Authority administrative costs are anticipated to be up to \$274,380. While all activities are eligible, as defined in Act 381, the estimated eligible activities and costs under this plan are summarized in Table 1. The capture of tax increment revenue for the Local Brownfield Revolving Fund (LBRF) is estimated to be up to \$926,988.

2.1.1 Pre-Approved Activities

Eligible costs for reimbursement include Pre-Approved Activities, permitted to occur prior to Plan Amendment adoption. Preparation of Phase I and II ESA(s), BEA, and Documentation of Due Care Compliance (DDCC) are necessary to protect the new Property owner/Developer from liability for environmental contamination. Additional due care assessment and/or planning activities are anticipated including, but not limited to, the preparation of a soil management plan and health and safety plan. The total cost is anticipated to be \$20,000.

The total Pre-Approved Activities cost is \$20,000.

2.1.2 Department Specific Activities

Due care activities will include additional investigative sampling and implementation of vapor concerns. Due care costs will include environmental consultant oversight and management. If needed, engineering barriers, including site concrete and paving, are anticipated to cost \$160,000, a vapor mitigation system is anticipated to cost \$160,000, and contaminated soil removal and disposal is anticipated to cost \$50,000, totaling \$370,000.

2.1.3 Site Demolition

Limited site demolition activities will be conducted including but not limited to removal of curb cuts, and sidewalks. Total site demolition is anticipated at \$10,000.

2.1.4 Site Preparation

Site preparation activities are anticipated to include clearing and grubbing (\$5,000), cut and fill operations (\$5,000), dewatering (\$30,000), excavation of unstable material (\$60,000), fill (\$71,000), foundation work/helical piers to address special soil concerns (\$620,000), staking (\$30,000), temporary construction access/roads (\$6,000), temporary erosion control (\$8,000), temporary site control (\$12,000), and associated soft costs (\$150,000). The total cost of site preparation activities is anticipated to be \$997,000.

2.1.5 Brownfield Plan/Work Plan Preparation

Preparation of the Brownfield Plan is estimated to cost \$25,000.

2.1.6 Brownfield Plan/Work Plan Implementation

Implementation of the Brownfield Plan is estimated to cost \$10,000.

2.1.7 Interest

A 5% simple interest calculation is anticipated on the total costs annually. The total cost is anticipated to be \$533,328.

2.1.8 Contingency

A 15% contingency on future costs is included to cover unexpected cost overruns encountered during construction.

The total non-environmental contingency cost is anticipated at \$151,050.

The total Local-Only contingency cost is anticipated at \$55,500.

2.1.9 Authority Administration Cost

Eligible costs incurred by the Authority are included in this plan as an eligible expense at 10% of annual local tax increment capture per year. These expenses will be reimbursed with local tax increment revenues only and are estimated to total as much as \$274,380.

2.1.10 Local Brownfield Revolving Fund

The Authority intends to capture tax increments for deposits in the LBRF for an estimated five years, or as allowed by the statute. This capture is estimated to be up to \$926,988.

2.2 Summary of Eligible Activities

Environmental Activities

Pre-approved environmental costs, department specific activities and interest are anticipated to be reimbursed through a Brownfield Plan State and Local tax increment revenues.

Non-Environmental Activities

Because the City of Muskegon is a QLGU, additional non-environmental costs defined in Section 2(o)(ii) of Act 381 can be reimbursed through a Brownfield Plan. While all eligible activities as defined by Act 381 are eligible, this plan is estimated to provide reimbursement of eligible site demolition, site preparation, development of the Brownfield Plan costs and interest. These costs will be reimbursed with state and local-only (interest) tax increment revenues.

Authority Expenses

Eligible administrative costs incurred by the Authority are included as a flat fee of 10% of local tax capture. Administration expenses will be reimbursed with local tax increment revenues only.

Contingencies

A 15% contingency on future costs is included to cover unexpected cost overruns encountered during construction. The plan does not include a contingency on pre-approved activities or the preparation of the Brownfield Plan.

2.3 Estimate of Captured Taxable Value and Tax Increment Revenues

The initial taxable value will be the 2024 combined taxable value, \$200,800. An estimate of the captured taxable value for this redevelopment by year is depicted in Table 2. This plan captures all available tax increment revenues, including real and personal property tax increment revenues.

The project is intended to start construction in Winter/Spring 2026 and be completed by Fall 2027. Tax increment revenue collection will start within five years of the adoption of this plan and is anticipated to begin as early as 2027.

Future taxable value estimates have been derived using the redevelopment information provided by the Developer and reviewing market comparables. After the completion of the project, the projected taxable value is estimated at \$5,000,000. In addition to tax increment financing, a Public Act 255 Commercial Redevelopment Act Tax Abatement is being pursued for this development for an estimated 12 years. Reimbursements will be made on the actual tax increment that is realized. The estimated captured taxable value for this redevelopment by year and in aggregate for each taxing jurisdiction is depicted in tabular form (Table 2). Once eligible expenses are reimbursed, the Authority may capture up to five full years of the tax increment and deposit the revenues into an LBRF or an amount not to exceed the total cost of eligible activities. The Authority intends to capture tax increments for deposits in the LBRF for an estimated five years. The plan also includes a flat fee of 10% of the local tax increment for administrative and operating expenses of the Authority. A summary of the estimated reimbursement schedule and the amount of capture into the LBRF by year and in aggregate is presented in Table 3.

2.4 Method of Financing and Description of Advances Made by the Municipality

The eligible activities contemplated under this plan will be financed by the Developer, as outlined in this plan and the accompanying development and reimbursement agreement (Appendix 2). No advances from the City are anticipated at this time.

2.5 Maximum Amount of Note or Bonded Indebtedness

At this time, there are no plans by the Authority to incur indebtedness to support the development of this property, but such plans could be made in the future to assist in the development if the Authority so chooses.

2.6 Duration of Brownfield Plan

The Authority intends to begin the capture of tax increment as early as 2028. This plan will then remain in place for 21 years, or until the eligible activities have been fully reimbursed and up to five full years of capture into the LBRF (not to exceed the cost of eligible activities or 30 years), whichever occurs sooner. An analysis showing the reimbursement schedule is attached in Table 3.

2.7 Estimated Impact of Tax Increment Financing on Revenues of Taxing Jurisdictions

An estimate of the impact of tax increment financing on the revenues of all taxing jurisdictions is illustrated in detail in Table 2.

2.8 Legal Description, Property Map, Statement of Qualifying Characteristics, and Personal Property

A map showing the eligible property dimensions is attached in Figure 1.

The legal descriptions for the parcels are as follows:

Parcel ID No.: 61-24-607-000-0007-00

CITY OF MUSKEGON MUSKEGON LAKESHORE SMARTZONE UNIT G FIFTH AMEND TO MASTER DEED L/P 4292/128 SUBJ TO ELECTRIC ESMT REC L/P 3591/578 SBJT TO ELECTRIC EASEMENT RECORD'D L/P 3630/646

Parcel ID No.: 61-24-607-000-0006-00

CITY OF MUSKEGON MUSKEGON LAKESHORE SMARTZONE UNIT F FIFTH AMEND TO MASTER DEED L/P 4292/128 SUBJ TO ELECTRIC ESMT REC L/P 3591/578 SBJT TO ELECTRIC EASEMENT RECORD'D L/P 3630/646

The property is located in the City of Muskegon, a QLGU pursuant to Act 381. The property qualifies as “eligible property” under Act 381 on the basis of meeting the definition of “facility.” This Brownfield Plan does intend to capture tax increment revenues associated with personal property tax, if available.

2.9 Estimates of Residents and Displacement of Individuals/Families

There are no residents or families residing at this property, and thus no residents, families, or individuals will be displaced by the project.

2.10 Plan for Relocation of Displaced Persons

No persons reside on the property. Therefore, this section is not applicable.

2.11 Provisions for Relocation Costs

No persons reside on the property. Therefore, this section is not applicable.

2.12 Strategy for Compliance with Michigan’s Relocation Assistance Law

No persons reside on the property. Therefore, this section is not applicable.

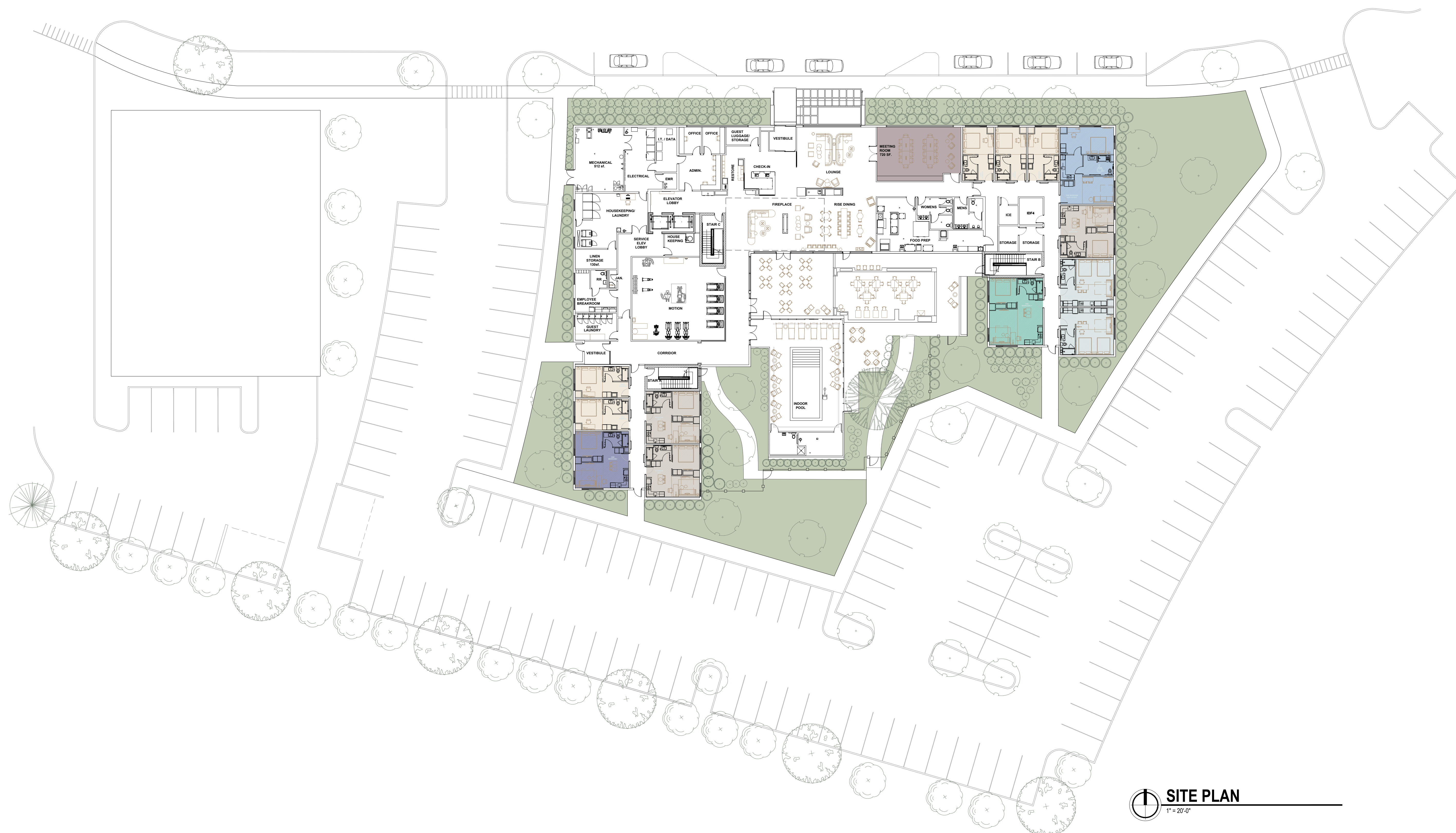
2.13 Other Material that the Authority or Governing Body Considers Pertinent

None.

Figures

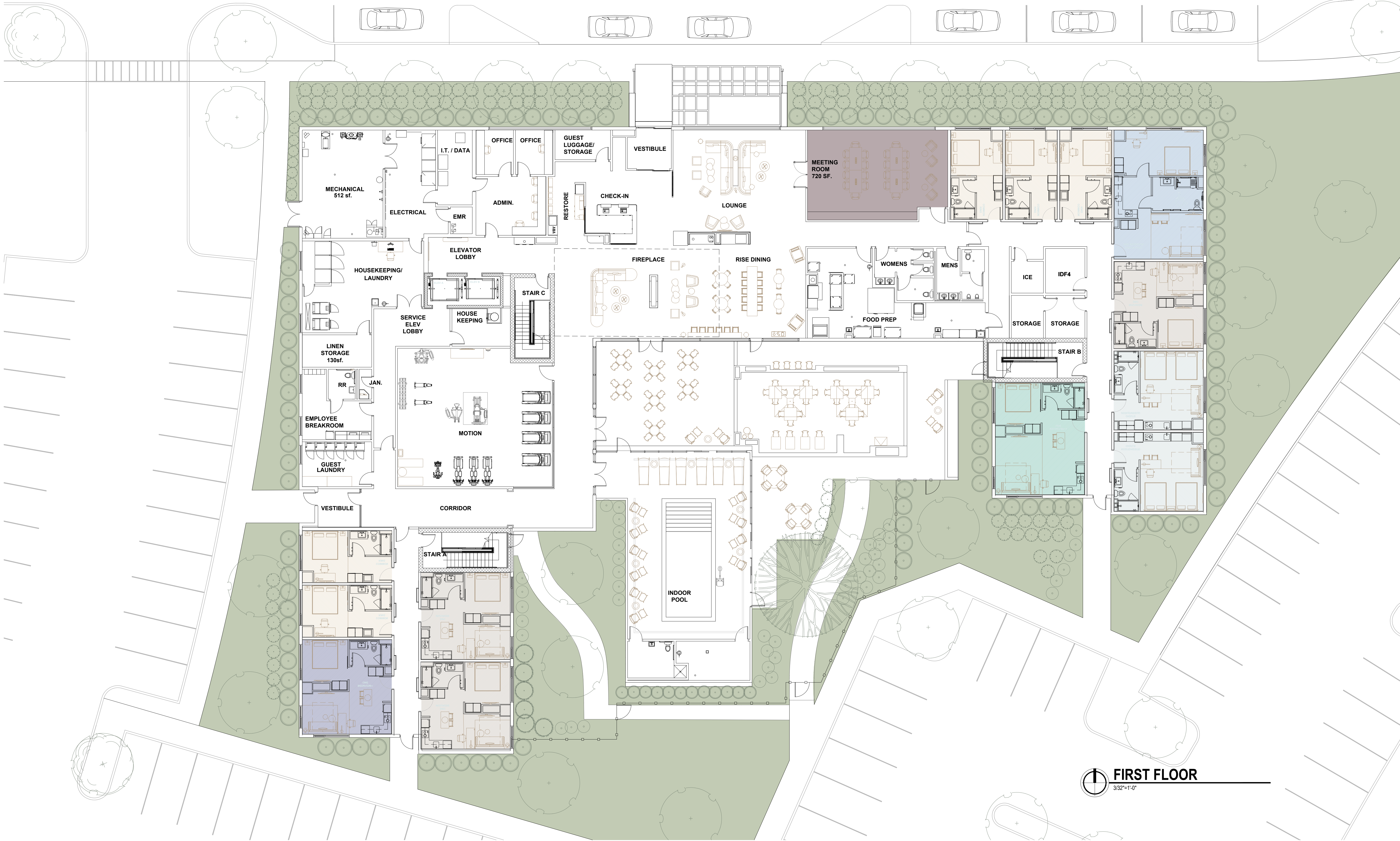
PROJECT No. • 230402

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Room Type Summary								
	Standard King	Studio King	Studio Queen/Queen	One Bedroom	One Bedroom ADA	Common King	Conference Suite	Total Rooms
First Floor	0	0	2	5	1	5	0	13
Second floor	6	1	6	9	1	6	1	30
Third Floor	7	1	6	10	1	6	1	32
Fourth Floor	7	1	6	10	1	6	1	32
Fifth Floor	4	0	6	4	1	4	0	19
Total	24	3	26	38	5	30	3	126
Extended Stay	75	58%						
Standard	54	42%						

PARKING SUMMARY		
LODGING	(1 PER ROOM)	129 SPACES
1ST FLOOR OFFICE/RETAIL (1,176 SF.)	(1 PER 500SF.)	3 SPACES
5TH FLOOR OFFICE/RETAIL (6,938 SF.)	(1 PER 500SF.)	13 SPACES
		146 SPACES



 **FIRST FLOOR**
3/32"=1'-0"



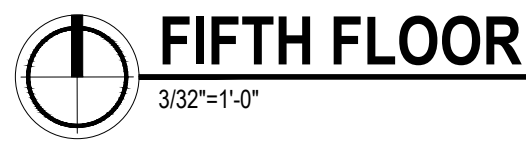
 **SECOND FLOOR**
3/32"=1'-0"



 **THIRD FLOOR**
3/32"=1'-0"



 **FOURTH FLOOR**
3/32"=1'-0"



PROJECT No. • 230402



NORTH ELEVATION

11.22.23



element
BY WESTIN

ELEMENT HOTEL

HARBOR 31 MUSKEGON, MICHIGAN



HENRICKSON
ARCHITECTURE + PLANNING



WEST ELEVATION



EAST ELEVATION



SOUTH ELEVATION

Tables

Table 1 – Summary of Eligible Costs

Act 381 Brownfield Plan

Harbor 31 Hotel

EGLE Eligible Activities Costs and Schedule

EGLE Eligible Activities	Cost	Completion Season/Year
Site Assessment and Baseline Environmental Assessment Activities	\$ 20,000	
<i>Phase I ESA, Phase II ESA, BEA, DDCC</i>	\$ 20,000	Fall 2025
EGLE Eligible Activities Subtotal	\$ 20,000	
EGLE Eligible Activities Total Costs	\$ 20,000	

MEDC Eligible Activities Costs and Schedule

MEDC Eligible Activities	Cost	Completion Season/Year
Site Preparation	\$ 997,000	
<i>Clearing and Grubbing</i>	\$ 5,000	Spring 2026
<i>Cut & Fill Operations</i>	\$ 5,000	Spring 2026
<i>Dewatering</i>	\$ 30,000	Spring 2026
<i>Excavation of Unstable Material</i>	\$ 60,000	Spring 2026
<i>Fill</i>	\$ 71,000	Spring 2026
<i>Foundation Work to Address Special Soil Concerns (Helical Piers)</i>	\$ 620,000	Spring 2026
<i>Staking</i>	\$ 30,000	Spring 2026
<i>Temporary Construction Access/Roads</i>	\$ 6,000	Spring 2026
<i>Temporary Erosion Control</i>	\$ 8,000	Spring 2026
<i>Temporary Site Control</i>	\$ 12,000	Spring 2026
<i>Soft Costs (architectural, engineering)</i>	\$ 150,000	Spring 2026
Demolition	\$ 10,000	
<i>Site Demolition</i>	\$ 10,000	Spring 2026
MEDC Eligible Activities Subtotal	\$ 1,007,000	
Contingency (15%)	\$ 151,050	
Brownfield Plan/Work Plan Preparation	\$ 15,000	
MEDC Eligible Activities Total Costs	\$ 1,173,050	

Local Only Eligible Activities Costs and Schedule

Local Only Eligible Activities	Cost	Completion Season/Year
Due Care Activities	\$ 370,000	
<i>Engineered Barriers</i>	\$ 160,000	Summer /Fall 2026
<i>Vapor Intrusion Mitigation System</i>	\$ 160,000	Summer /Fall 2026
<i>Contaminated Soil Removal and Disposal</i>	\$ 50,000	Summer /Fall 2026
Local Only Eligible Activities Subtotal	\$ 370,000	
Contingency (15%)	\$ 55,500	
Interest Expense (5%)	\$ 533,328	
Brownfield Plan/Work Plan Preparation	\$ 10,000	
Brownfield Plan/Work Plan Implementation	\$ 10,000	
Local Only Eligible Activities Total Costs	\$ 978,828	

Table 2 – Total Captured Incremental Taxes Schedule

Act 381 Brownfield Plan
Harbor 31 Hotel
181 201 Viridian Drive
Muskegon, MI

Estimated Taxable Value (TV) Increase Rate: 2% increase per year																							
	Plan Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	Totals
	Calendar Year	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	
	* Base Taxable Value	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ -
	Future Taxable Value	\$ 5,000,000	\$ 5,100,000	\$ 5,202,000	\$ 5,306,040	\$ 5,412,161	\$ 5,520,404	\$ 5,630,812	\$ 5,743,428	\$ 5,858,297	\$ 5,975,463	\$ 6,094,972	\$ 6,216,872	\$ 6,341,209	\$ 6,468,033	\$ 6,597,394	\$ 6,729,342	\$ 6,863,929	\$ 7,001,207	\$ 7,141,231	\$ 7,284,056	\$ 7,429,737	\$ -
	Incremental Difference (New TV - Base TV)	\$ 4,799,200	\$ 4,899,200	\$ 5,001,200	\$ 5,105,240	\$ 5,211,361	\$ 5,319,604	\$ 5,430,012	\$ 5,542,628	\$ 5,657,497	\$ 5,774,663	\$ 5,894,172	\$ 6,016,072	\$ 6,140,409	\$ 6,267,233	\$ 6,396,594	\$ 6,528,542	\$ 6,663,129	\$ 6,800,407	\$ 6,940,431	\$ 7,083,256	\$ 7,228,937	\$ -
School Capture																							
Millage Rate																							
School Operating	18.0000	\$ 43,193	\$ 44,093	\$ 45,011	\$ 45,947	\$ 46,902	\$ 47,876	\$ 48,870	\$ 49,884	\$ 50,917	\$ 51,972	\$ 53,048	\$ 54,145	\$ 55,227	\$ 56,310	\$ 57,403	\$ 58,506	\$ 59,619	\$ 60,742	\$ 61,875	\$ 63,018	\$ 1,662,739	\$ -
State Education Tax (SET)	6.0000	\$ 28,795	\$ 29,395	\$ 30,007	\$ 30,631	\$ 31,268	\$ 31,918	\$ 32,580	\$ 33,256	\$ 33,945	\$ 34,648	\$ 35,365	\$ 36,096	\$ 36,842	\$ 37,603	\$ 38,380	\$ 39,171	\$ 39,979	\$ 40,802	\$ 41,643	\$ 42,500	\$ 43,374	\$ 748,199
School Total	24.0000	\$ 71,988	\$ 73,488	\$ 75,018	\$ 76,579	\$ 78,170	\$ 79,794	\$ 81,450	\$ 83,139	\$ 84,862	\$ 86,620	\$ 88,413	\$ 90,241	\$ 92,110	\$ 94,013	\$ 95,943	\$ 97,899	\$ 99,878	\$ 101,884	\$ 103,915	\$ 105,973	\$ 108,022	\$ 2,410,937
Local Capture																							
Millage Rate																							
County Operating	5.5637	\$ 13,351	\$ 13,629	\$ 13,913	\$ 14,202	\$ 14,497	\$ 14,798	\$ 15,105	\$ 15,419	\$ 15,738	\$ 16,064	\$ 16,397	\$ 16,736	\$ 34,163	\$ 34,869	\$ 35,589	\$ 36,323	\$ 37,072	\$ 37,835	\$ 38,614	\$ 39,409	\$ 40,220	\$ 513,943
County Museum	0.3169	\$ 760	\$ 776	\$ 792	\$ 809	\$ 826	\$ 843	\$ 860	\$ 878	\$ 896	\$ 915	\$ 934	\$ 953	\$ 1,946	\$ 1,986	\$ 2,027	\$ 2,069	\$ 2,112	\$ 2,155	\$ 2,199	\$ 2,245	\$ 2,291	\$ 29,273
County Veterans	0.0739	\$ 177	\$ 181	\$ 185	\$ 189	\$ 193	\$ 197	\$ 201	\$ 205	\$ 209	\$ 213	\$ 218	\$ 222	\$ 454	\$ 463	\$ 473	\$ 482	\$ 492	\$ 503	\$ 513	\$ 523	\$ 534	\$ 6,826
Senior Citizen Services	0.4921	\$ 1,181	\$ 1,205	\$ 1,231	\$ 1,256	\$ 1,282	\$ 1,309	\$ 1,336	\$ 1,364	\$ 1,392	\$ 1,421	\$ 1,450	\$ 1,480	\$ 3,022	\$ 3,084	\$ 3,148	\$ 3,213	\$ 3,279	\$ 3,346	\$ 3,415	\$ 3,486	\$ 3,557	\$ 45,457
Central Dispatch	0.2952	\$ 708	\$ 723	\$ 738	\$ 754	\$ 769	\$ 785	\$ 801	\$ 818	\$ 835	\$ 852	\$ 870	\$ 888	\$ 1,813	\$ 1,850	\$ 1,888	\$ 1,927	\$ 1,967	\$ 2,007	\$ 2,049	\$ 2,091	\$ 2,134	\$ 27,269
Community College	2.1693	\$ 5,205	\$ 5,314	\$ 5,425	\$ 5,537	\$ 5,653	\$ 5,770	\$ 5,890	\$ 6,012	\$ 6,136	\$ 6,263	\$ 6,393	\$ 6,525	\$ 13,320	\$ 13,596	\$ 13,876	\$ 14,162	\$ 14,454	\$ 14,752	\$ 15,056	\$ 15,366	\$ 15,682	\$ 200,388
MAISD	4.6773	\$ 11,224	\$ 11,458	\$ 11,696	\$ 11,939	\$ 12,188	\$ 12,441	\$ 12,699	\$ 12,962	\$ 13,231	\$ 13,505	\$ 13,784	\$ 14,069	\$ 28,721	\$ 29,314	\$ 29,919	\$ 30,536	\$ 31,165	\$ 31,808	\$ 32,462	\$ 33,131	\$ 33,812	\$ 432,063
City Operating	9.8554	\$ 23,649	\$ 24,142	\$ 24,644	\$ 25,157	\$ 25,680	\$ 26,213	\$ 26,757	\$ 27,312	\$ 27,878	\$ 28,456	\$ 29,045	\$ 29,645	\$ 60,516	\$ 61,766	\$ 63,041	\$ 64,341	\$ 65,668	\$ 67,021	\$ 68,401	\$ 69,808	\$ 71,244	\$ 910,386
City Sanitation	2.9364	\$ 7,046	\$ 7,193	\$ 7,343	\$ 7,496	\$ 7,651	\$ 7,810	\$ 7,972	\$ 8,138	\$ 8,306	\$ 8,478	\$ 8,654	\$ 8,833	\$ 18,031	\$ 18,403	\$ 18,783	\$ 19,170	\$ 19,566	\$ 19,969	\$ 20,380	\$ 20,799	\$ 21,227	\$ 271,248
Hackley Library	2.3516	\$ 5,643	\$ 5,760	\$ 5,880	\$ 6,003	\$ 6,128	\$ 6,255	\$ 6,385	\$ 6,517	\$ 6,652	\$ 6,790	\$ 6,930	\$ 7,074	\$ 14,440	\$ 14,738	\$ 15,042	\$ 15,353	\$ 15,669	\$ 15,992	\$ 16,321	\$ 16,657	\$ 17,000	\$ 217,228
MPS Sinking	0.9712	\$ 2,330	\$ 2,379	\$ 2,429	\$ 2,479	\$ 2,531	\$ 2,583	\$ 2,637	\$ 2,692	\$ 2,747	\$ 2,804	\$ 2,862	\$ 2,921	\$ 5,964	\$ 6,087	\$ 6,212	\$ 6,341	\$ 6,471	\$ 6,605	\$ 6,741	\$ 6,879	\$ 7,021	\$ 89,714
Local Total	29.7030	\$ 71,275	\$ 72,760	\$ 74,275	\$ 75,820	\$ 77,397	\$ 79,004	\$ 80,644	\$ 82,316	\$ 84,022	\$ 85,762	\$ 87,537	\$ 89,348	\$ 182,389	\$ 186,156	\$ 189,998	\$ 193,917	\$ 197,915	\$ 201,992	\$ 206,152	\$ 210,394	\$ 214,721	\$ 2,743,796
Non-Capturable Millages																							
Millage Rate																							
Community College Debt	0.2700	\$ 648	\$ 661	\$ 675	\$ 689	\$ 704	\$ 718	\$ 733	\$ 748	\$ 764	\$ 780	\$ 796	\$ 812	\$ 1,658	\$ 1,692	\$ 1,727	\$ 1,763	\$ 1,799	\$ 1,836	\$ 1,874	\$ 1,912	\$ 1,952	\$ 24,941
Hackley Debt	0.4999	\$ 1,200	\$ 1,225	\$ 1,250	\$ 1,276	\$ 1,303	\$ 1,330	\$ 1,357	\$ 1,385	\$ 1,414	\$ 1,443	\$ 1,473	\$ 1,504	\$ 3,070	\$ 3,133	\$ 3,198	\$ 3,264	\$ 3,331	\$ 3,400	\$ 3,470	\$ 3,541	\$ 3,614	\$ 46,178
MPS Debt (2020 & 2021)	7.7500	\$ 18,597	\$ 18,984	\$ 19,380	\$ 19,783	\$ 20,194	\$ 20,613	\$ 21,041	\$ 21,478	\$ 21,923	\$ 22,377	\$ 22,840	\$ 23,312	\$ 47,588	\$ 48,571	\$ 49,574	\$ 50,596	\$ 51,639	\$ 52,703	\$ 53,788	\$ 54,895	\$ 56,024	\$ 715,901
Non-Capturable Total	8.5199	\$ 20,444	\$ 20,870	\$ 21,305	\$ 21,748	\$ 22,200	\$ 22,661	\$ 23,132	\$ 23,611	\$ 24,101	\$ 24,600	\$ 25,109	\$ 25,628	\$ 52,316	\$ 53,396	\$ 54,498	\$ 55,623	\$ 56,769	\$ 57,939	\$ 59,132	\$ 60,349	\$ 61,590	\$ 787,020
Total Tax Increment Revenue (TIR) Available for Capture																							
		\$ 143,263	\$ 146,248	\$ 149,293	\$ 152,399	\$ 155,567	\$ 158,798	\$ 162,094	\$ 165,456	\$ 168,885	\$ 172,382	\$ 175,950	\$ 179,589	\$ 329,758	\$ 336,569	\$ 343,516	\$ 350,602	\$ 357,830	\$ 365,202	\$ 372,722	\$ 380,392	\$ 388,216	\$ 5,154,733
NOTES:																							
PA 255 Commercial Redevelopment Act Tax Abatement - New Facility is anticipated for 12 years.																							
PA 255 is a 50% reduction in ad valorem taxes (excluding only SET) for a period of 12 years.																							

Table 3 – Estimated Reimbursement Schedule

Act 381 Brownfield Plan
Harbor 31 Hotel
181 201 Viridian Drive
Muskegon, MI

Developer Maximum Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	44.7%	\$ 651,305	\$ -	\$ 651,305
Local	55.3%	\$ 806,071	\$ 737,502	\$ 1,543,573
TOTAL				
Pre-Approved	2.6%	\$ 20,000	\$ --	\$ 20,000
MEDC	98.6%	\$ 1,437,376	\$ -	\$ 1,437,376
Local-Only	97.4%	\$ -	\$ 737,502	\$ 737,502

Estimated Total Years of Plan:	21 (including 5 years LBRF Capture)
--------------------------------	-------------------------------------

Estimated Capture	
Administrative Fees	\$ 274,380
State Brownfield Redevelopment Fund	\$ -
Local Brownfield Revolving Fund	\$ 808,860

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	
	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	TOTAL
Total State Incremental Revenue	\$ 71,988	\$ 73,488	\$ 75,018	\$ 76,579	\$ 78,170	\$ 79,794	\$ 81,450	\$ 83,139	\$ 84,862	\$ 86,620	\$ 88,413	\$ 90,241	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 969,763
State Brownfield Redevelopment Fund (50% of SET)	\$ 21,596	\$ 22,046	\$ 22,505	\$ 22,974	\$ 23,451	\$ 23,938	\$ 24,435	\$ 24,942	\$ 25,459	\$ 25,986	\$ 26,524	\$ 27,072	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 290,929
State TIR Available for Reimbursement	\$ 50,392	\$ 51,442	\$ 52,513	\$ 53,605	\$ 54,719	\$ 55,856	\$ 57,015	\$ 58,198	\$ 59,404	\$ 60,634	\$ 61,889	\$ 63,169	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 678,834
Total Local Incremental Revenue	\$ 71,275	\$ 72,760	\$ 74,275	\$ 75,820	\$ 77,397	\$ 79,004	\$ 80,644	\$ 82,316	\$ 84,022	\$ 85,762	\$ 87,537	\$ 89,348	\$ 182,389	\$ 186,156	\$ 189,998	\$ 193,917	\$ 197,915	\$ 201,992	\$ 206,152	\$ 210,394	\$ 214,721	\$ 2,743,796
BRA Administrative Fee (10%)	\$ 7,128	\$ 7,276	\$ 7,428	\$ 7,582	\$ 7,740	\$ 7,900	\$ 8,064	\$ 8,232	\$ 8,402	\$ 8,576	\$ 8,754	\$ 8,935	\$ 18,239	\$ 18,616	\$ 19,000	\$ 19,392	\$ 19,791	\$ 20,199	\$ 20,615	\$ 21,039	\$ 21,472	\$ 274,380
Local TIR Available for Reimbursement	\$ 64,148	\$ 65,484	\$ 66,848	\$ 68,238	\$ 69,657	\$ 71,104	\$ 72,579	\$ 74,085	\$ 75,620	\$ 77,186	\$ 78,784	\$ 80,413	\$ 164,150	\$ 167,540	\$ 170,998	\$ 174,526	\$ 178,123	\$ 181,793	\$ 185,536	\$ 189,355	\$ 193,249	\$ 2,469,416
Total State & Local TIR Available	\$ 114,539	\$ 116,926	\$ 119,360	\$ 121,843	\$ 124,376	\$ 126,960	\$ 129,595	\$ 132,282	\$ 135,024	\$ 137,820	\$ 140,672	\$ 143,582	\$ 164,150	\$ 167,540	\$ 170,998	\$ 174,526	\$ 178,123	\$ 181,793	\$ 185,536	\$ 189,355	\$ 193,249	\$ 3,148,250
DEVELOPER	Beginning Balance																					
Reimbursement Balance	\$ 2,194,878	\$ 2,080,338	\$ 1,963,412	\$ 1,844,052	\$ 1,722,208	\$ 1,597,832	\$ 1,470,873	\$ 1,341,278	\$ 1,208,996	\$ 1,073,972	\$ 964,544	\$ 885,761	\$ 805,348	\$ 641,198	\$ 473,658	\$ 302,660	\$ 128,134	- \$	- \$	- \$	- \$	- \$
EGLE Environmental Costs	\$ 20,000	\$ 20,000	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$
State Tax Reimbursement	\$ 8,938	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 8,938
Local Tax Reimbursement	\$ 11,062	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 11,062
Total EGLE Reimbursement Balance	\$ -	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 20,000
MEDC Non-Environmental Costs	\$ 1,173,050	\$ 1,173,050	\$ 1,078,511	\$ 961,585	\$ 842,224	\$ 720,381	\$ 596,005	\$ 469,045	\$ 339,450	\$ 207,168	\$ 72,144	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$
State Tax Reimbursement	\$ 41,454	\$ 51,442	\$ 52,513	\$ 53,605	\$ 54,719	\$ 55,856	\$ 57,015	\$ 58,198	\$ 59,404	\$ 32,241	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 516,446
Local Tax Reimbursement	\$ 53,086	\$ 65,484	\$ 66,848	\$ 68,238	\$ 69,657	\$ 71,104	\$ 72,579	\$ 74,085	\$ 75,620	\$ 39,903	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 656,604
Total MEDC Reimbursement Balance	\$ 1,078,511	\$ 961,585	\$ 842,224	\$ 720,381	\$ 596,005	\$ 469,045	\$ 339,450	\$ 207,168	\$ 72,144	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 1,173,050
Local-Only Costs	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 431,217	\$ 352,433	\$ 272,020	\$ 107,871	- \$	- \$	- \$	- \$	- \$	- \$	- \$
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,283	\$ 78,784	\$ 80,413	\$ 164,150	\$ 107,871	- \$	- \$	- \$	- \$	- \$	\$ 468,500
Total Local-Only Reimbursement Balance	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 431,217	\$ 352,433	\$ 272,020	\$ 107,871	- \$	- \$	- \$	- \$	- \$	- \$	\$ 468,500
Simple Interest Expense (5%)	\$ 533,328	- \$	\$ 77,351	\$ 148,855	\$ 214,391	\$ 273,835	\$ 327,060	\$ 373,937	\$ 414,335	\$ 448,118	\$ 475,151	\$ 496,711	\$ 514,333	\$ 527,934	\$ 533,328	\$ 473,658	\$ 302,660	\$ 128,134	- \$	- \$	- \$	- \$
Annual Interest Incurred	\$ 77,351	\$ 71,504	\$ 65,536	\$ 59,444	\$ 53,225	\$ 46,877	\$ 40,398	\$ 33,783	\$ 27,032	\$ 21,561	\$ 17,622	\$ 13,601	\$ 5,394	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 533,328
MEDC	\$ 53,926	\$ 48,079	\$ 42,111	\$ 36,019	\$ 29,800	\$ 23,452	\$ 16,973	\$ 10,358	\$ 3,607	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 264,326
Local-Only	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 21,561	\$ 17,622	\$ 13,601	\$ 5,394	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 269,002
Local Tax Reimbursement	\$ -	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 59,670	\$ 170,998	\$ 174,526	\$ 128,134	- \$	- \$	- \$	\$ 533,328
Total Interest Reimbursement Balance	\$ 77,351	\$ 148,855	\$ 214,391	\$ 273,835	\$ 327,060	\$ 373,937	\$ 414,335	\$ 448,118	\$ 475,151	\$ 496,711	\$ 514,333	\$ 527,934	\$ 533,328	\$ 473,658	\$ 302,660	\$ 128,134	- \$	- \$	- \$	- \$	- \$	\$ 533,328
Total Annual Developer Reimbursement	\$ 114,539	\$ 116,926	\$ 119,360	\$ 121,843	\$ 124,376	\$ 126,960	\$ 129,595	\$ 132,282	\$ 135,024	\$ 109,428	\$ 78,784	\$ 80,413	\$ 164,150	\$ 167,540	\$ 170,998	\$ 174,526	\$ 128,134	- \$	- \$	- \$	- \$	\$ 2,194,878
LOCAL BROWNFIELD REVOLVING FUND																						
LBRF Deposits *	\$ -	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 808,860
State Tax Capture	\$ 8,938	- \$	- \$	- \$	\$ -	- \$	- \$	- \$	- \$	- \$	8,938	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 8,938
Local Tax Capture	\$ 799,922	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	49,989	\$ 181,793	\$ 185,536	\$ 189,355	\$ 193,249	\$ 799,922
Total LBRF Capture	\$ 808,860	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$

* Up to five years of capture for LBRF Deposits after eligible activities are reimbursed. May be taken from state and local TIR

Appendix 1

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Resolutions Pending

Appendix 2

DEVELOPMENT AND REIMBURSEMENT AGREEMENT

This DEVELOPMENT AND REIMBURSEMENT AGREEMENT (the “**Agreement**”) is made on _____, _____, by and among the CITY OF MUSKEGON BROWNFIELD REDEVELOPMENT AUTHORITY, a Michigan public body corporate whose address is 933 Terrace Street, Muskegon, Michigan 49443 (the “**Authority**”), the CITY OF MUSKEGON, a public body corporate whose address is 933 Terrace Street, Muskegon, Michigan 49443 (the “**City**”), and Lakeshore Hotel Partners, LLC, a Michigan limited liability company whose address is 2325 Belmont Center Drive NE, Belmont, Michigan 49306 (the “**Developer**”).

RECITALS

A. Pursuant to P.A. 381 of 1996, as amended (“**Act 381**”), the Authority approved and recommended a Brownfield Plan which was duly approved by the City (the “**Plan**”). The Plan was amended on December 10, 2024 (the “**Amendment**,” and, together with the Plan, the “**Brownfield Plan**” – See Exhibit A) to identify the construction of a five-story hotel with 126 hotel rooms. The Plan Amendment was amended on _____ to allow for the state tax capture of eligible non-environmental activities.

B. The Brownfield Plan and Amendment includes specific eligible activities associated with the Developer’s plan to develop land located at 181 & 201 Viridian Drive in Muskegon, Michigan (collectively, the “**Developer Property**”).

C. The Developer is in the process of acquiring the Developer Property, which is included in the Brownfield Plan as an “eligible property” because it was determined to be a “facility”, as defined by Part 201 of the Natural Resources and Environmental Protection Act (“**Part 201**”), or adjacent and contiguous to an “eligible property.”

D. The Developer intends to conduct eligible activities on the Developer Property including the construction of a five-story hotel with 126 hotel rooms, 146 parking spaces, and two elevators. Amenities include two meeting rooms, an indoor pool, a gym, and a restaurant and bar on the fifth floor along with an outdoor patio and dining (the “**Project**”), including department specific environmental activities, site preparation, a 15% contingency, 5% simple interest and brownfield plan preparation/implementation, as described in the Amendment to the Brownfield Plan, with an estimated cost of **\$2,194,878** (the “**Developer Eligible Activities**”). All of the Developer Eligible Activities are eligible for reimbursement under Act 381. The total cost of the Eligible Activities, including contingencies and interest, are **\$2,194,878** (the “**Total Eligible Brownfield TIF Costs**”).

E. Act 381 permits the Authority to capture and use local and certain school property tax revenues generated from the incremental increase in property value of a redeveloped brownfield site constituting an “eligible property” under Act 381 (the “**Brownfield TIF Revenue**”) to pay or to reimburse the payment of Eligible Activities conducted on the “eligible property.” The Brownfield TIF Revenue will be used to

reimburse the Developer for the Developer Eligible Activities incurred and approved for the Project.

F. In accordance with Act 381, the parties desire to establish the procedure for using the available Brownfield TIF Revenue generated from the Property to reimburse the Developer for completion of Eligible Activities on the Property in an amount not to exceed the Total Eligible Brownfield TIF Costs.

NOW, THEREFORE, the parties agree as follows:

1. Reimbursement Source.

(a) During the Term (as defined below) of this Agreement, and except as set forth in paragraph 2 below, the Authority shall reimburse the Developer for the costs of their Eligible Activities conducted on the Developer Property from the Brownfield TIF Revenue collected from the real and taxable personal property taxes on the Developer Property. The amount reimbursed to the Developer for their Eligible Activities shall not exceed the Total Eligible Brownfield TIF Costs, and reimbursements shall be made on approved costs submitted and approved in connection with the Developer Eligible Activities, as follows:

(i) the Authority shall pay 100% of available Brownfield TIF Revenue (except the TIF Management Administrative Fee outlined in Section 1 (a)(ii)), to Developer to reimburse the cost of the Developer Eligible Activities submitted and approved for reimbursement by the Authority until Developer is fully reimbursed; and

(ii) Notwithstanding any provision in this Agreement to the contrary, the Authority's annual TIF Management Administrative Fee, as described in the Brownfield Plan Amendment, shall be paid to the Authority each year to the extent that Brownfield TIF Revenue has been captured and collected during that year, prior to the payment of any Request for Cost Reimbursement.

(b) The Authority shall capture Brownfield TIF Revenue from the Property and reimburse the Developer for their Eligible Activities until the earlier of the Developer being fully reimbursed or December 31, 2044. Unless otherwise prepaid by the Authority, payments to the Developer shall be made on a semi-annual basis as incremental local taxes are captured and available.

(c) Following reimbursement of all amounts due the Developer and all amounts payable to the Authority as Administrative Costs from applicable Tax Increment Revenues, additional tax increment revenues will be deposited into the local brownfield revolving fund (LBRF) for five full years, which is accordance with Section 13(5) of Act 381, which limits such deposits to be made for no more than 5 years after the time that capture is required to pay the Eligible Costs.

2. Developer Reimbursement Process.

(a) The Developer shall submit to the Authority, not more frequently than on a quarterly basis, a "Request for Cost Reimbursement" for Developer Eligible Activities paid for by the Developer during the prior period. All costs for the Developer Eligible Activities must be consistent with the approved Brownfield Plan. The Developer must include documentation sufficient for the Authority to determine whether the costs incurred were for Developer Eligible Activities, including detailed invoices and proof of payment. Copies of all invoices for Developer Eligible Activities must note what Developer Eligible Activities they support.

(b) Unless the Authority disputes whether such costs are for Developer Eligible Activities within thirty (30) days after receiving a Request for Cost Reimbursement from the Developer, the Authority shall pay the Developer the amounts for which submissions have been made pursuant to paragraph 2(a) of this Agreement in accordance with the priority set forth in paragraph 1, from which the submission may be wholly or partially paid from available Brownfield TIF Revenue from the Developer Property.

(i) The Developer shall cooperate with the Authority's review of its Request for Cost Reimbursement by providing supplemental information and documentation which may be reasonably requested by the Authority.

(ii) If the Authority determines that requested costs are ineligible for reimbursement, the Authority shall notify the Developer in writing of its reasons for such ineligibility within the Authority's thirty (30) day period of review. The Developer shall then have thirty (30) days to provide supplemental information or documents to the Authority demonstrating that the costs are for Developer Eligible Activities and are eligible for reimbursement.

(c) If a partial payment is made to the Developer by the Authority because of insufficient Brownfield TIF Revenue captured in the semi-annual period for which reimbursement is sought, the Authority shall make additional payments toward the remaining amount within thirty (30) days of its receipt of additional Brownfield TIF Revenue from the Developer Property until all of the amounts for which submissions have been made have been fully paid to the Developer, or by the end of the Term (as defined below), whichever occurs first. The Authority is not required to reimburse the Developer from any source other than Brownfield TIF Revenue.

(d) The Authority shall send all payments to the Developer by registered or certified mail, addressed to the Developer at the address shown above, or by electronic funds transfer directly to the Developer's bank account. The Developer may change its address by providing written notice sent by registered or certified mail to the Authority.

4. Term of Agreement.

The Authority's obligation to reimburse the Developer (and the Authority) for the Total Eligible Brownfield TIF Costs incurred by each party under this Agreement shall terminate the earlier of the date when all reimbursements to the Developer required under this Agreement have been made or December 31, 2044 and the five additional years (post developer reimbursement) of TIF capture for reimbursement into the LBRF have been made or December 31, 2048 (the "**Term**"). If the Brownfield TIF Revenue ends before all of the Total Eligible Brownfield TIF Costs have been fully reimbursed to the Developer, the last reimbursement payment by the Authority shall be paid from the summer and winter tax increment revenue collected during the final year of this Agreement.

5. Adjustments.

If, due to an appeal of any tax assessment or reassessment of any portion of the Developer Property, or for any other reason, the Authority is required to reimburse any Brownfield TIF Revenue to any tax levying unit of government, the Authority may deduct the amount of any such reimbursement, including interest and penalties, from any amounts due and owing to the Developer. If all amounts due to the Developer under this Agreement have been fully paid or the Authority is no longer obligated to make any further payments to the Developer, the Authority shall invoice the Developer for the amount of such reimbursement and the Developer shall pay the Authority such invoiced amount within thirty (30) days of the receipt of the invoice. Amounts withheld by or invoiced and paid to the Authority by the Developer pursuant to this paragraph shall be reinstated as Developer Eligible Activities, respectively, for which the Developer shall have the opportunity to be reimbursed in accordance with the terms, conditions, and limitations of this Agreement. Nothing in this Agreement shall limit the right of the Developer to appeal any tax assessment. In the event of a tax appeal, the term of the Plan made be extended to cover the capture of eligible activities, but in all cases cannot extend beyond 30 years from the initial date of capture.

6. Legislative Authorization.

This Agreement is governed by and subject to the restrictions set forth in Act 381. If there is legislation enacted in the future that alters or affects the amount of Brownfield TIF Revenue subject to capture, eligible property, or Eligible Activities, then the Developer's rights and the Authority's obligations under this Agreement shall be modified accordingly as required by law, or by agreement of the parties.

7. Notices.

All notices shall be given by registered or certified mail addressed to the parties at their respective addresses as shown above. Any party may change the address by written notice sent by registered or certified mail to the other party.

8. Assignment.

This Agreement and the rights and obligations under this Agreement shall not be assigned or otherwise transferred by any party without the consent of the other party, which shall not be unreasonably withheld, *provided, however*, the Developer may assign their interest in this Agreement to an affiliate without the prior written consent of the Authority if such affiliate acknowledges its obligations to the Authority under this Agreement upon assignment in writing on or prior to the effective date of such assignment, *provided, further*, that the Developer may each make a collateral assignment of their share of the Brownfield TIF Revenue for project financing purposes. As used in this paragraph, “affiliate” means any corporation, company, partnership, limited liability company, trust, sole proprietorship or other entity or individual which (a) is owned or controlled by the Developer, (b) owns or controls the Developer or (c) is under common ownership or control with the Developer. This Agreement shall be binding upon and inure to the benefit of any successors or permitted assigns of the parties.

9. Entire Agreement.

This Agreement supersedes all agreements previously made between the parties relating to the subject matter. There are no other understandings or agreements between the parties.

10. Non-Waiver.

No delay or failure by either party to exercise any right under this Agreement, and no partial or single exercise of that right, constitutes a waiver of that or any other right, unless otherwise expressly provided herein.

11. Governing Law.

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

12. Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

[Signature page follows]

The parties have executed this Agreement on the date set forth above.

**CITY OF MUSKEGON BROWNFIELD
REDEVELOPMENT AUTHORITY**

By:
Its:

CITY OF MUSKEGON

By:
Its:

By:
Its:

Lakeshore Hotel Partners, LLC

By:
Its:

19886336-2

EXHIBIT A

Copy of Brownfield Plan

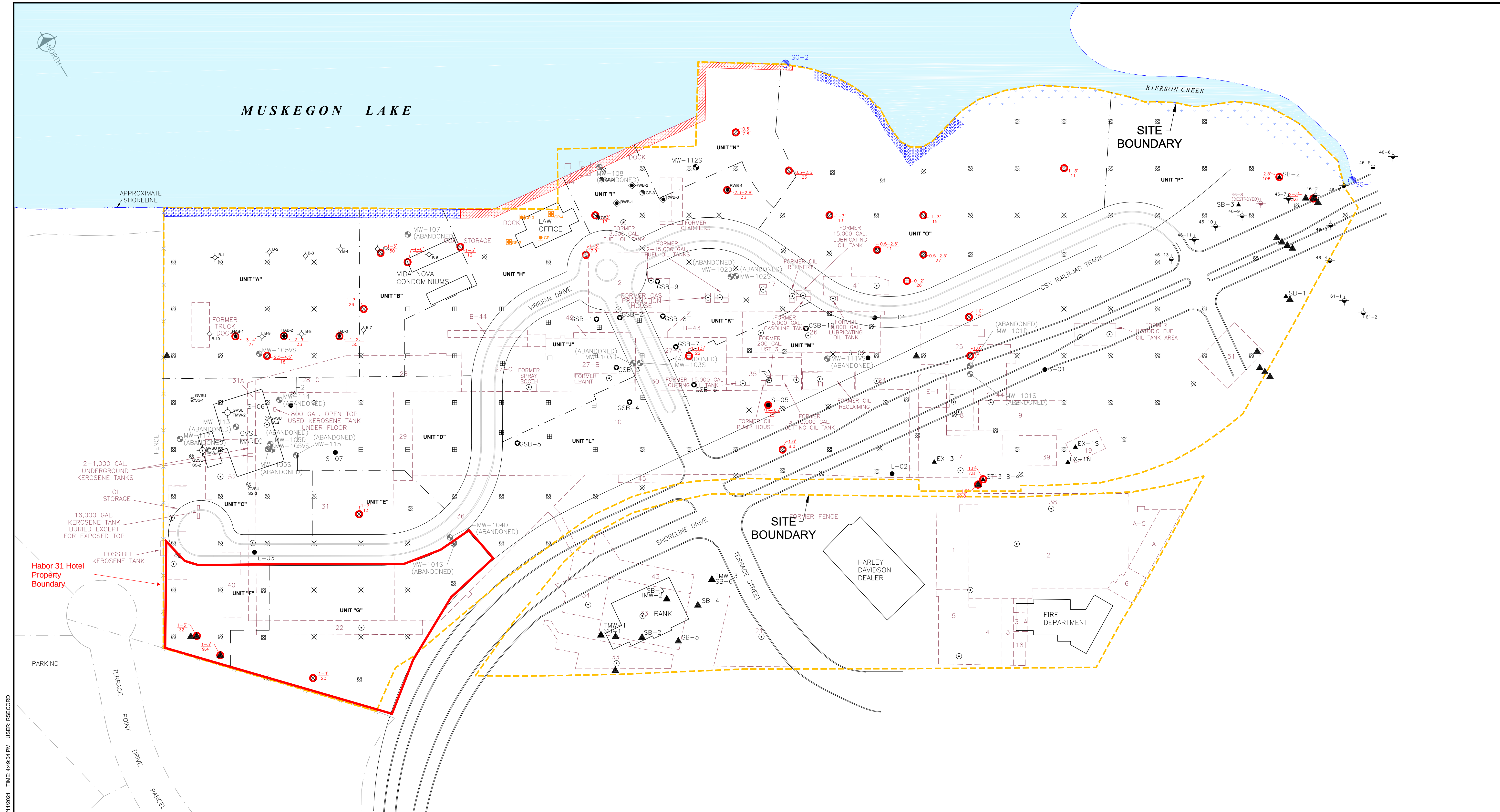
Appendix 3

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Notices Pending

Appendix 4

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Notices Pending

Appendix 5



LEGEND

- MAY 1993 SAMPLING LOCATION
- ⊗ JUNE 1994 SOIL SAMPLING LOCATION
- ⊗ MAY 1995 SAMPLING LOCATION
- ⊗ DECEMBER 1998 SAMPLING LOCATION
- ▲ DELL SOIL BORING LOCATION
- ▲ SUPERIOR ENVIRONMENTAL SOIL BORING LOCATION
- MONITORING WELL LOCATION
- ELEVATED DETECTION LIMITS
- ▲ ERM SOIL BORING DECEMBER 2001
- ⊗ ERM (GVSU) TEMPORARY MONITORING WELL (2003)
- ⊗ ERM (GVSU) SOIL SAMPLE (2003)
- ⊗ ERM SOIL BORING (2003)
- ⊗ ERM GEOPROBE BORING (2004)
- ⊗ ERM GEOPROBE BORING (2005)
- ⊗ ERM SOIL BORING (2006)
- ⊗ RWB SOIL BORING (2011)
- ND NOT DETECTED (CONCENTRATION < REPORTING LIMIT)
- RESULTS EXCEED RESIDENTIAL DIRECT CONTACT CRITERION

- ▨ RIPRAP AREA BEHIND WOOD BARRIER REMNANTS
- ▨ RIPRAP AREA WITH NO BARRIER
- ▨ SANDY AREA WITH SOME RIPRAP
- ▨ NEW SEAWALL (BASED ON DESIGN DRAWINGS PROVIDED BY: DRIESEN & ASSOCIATES, INC.)
- ▨ MARSHY/BOGGY FLAT AREA
- 1-3' SOIL SAMPLE DEPTH (ft.)
- 20 ARSENIC EXCEEDANCE (mg/kg)

REVISIONS

Drawn By
Designer
Reviewer
Manager

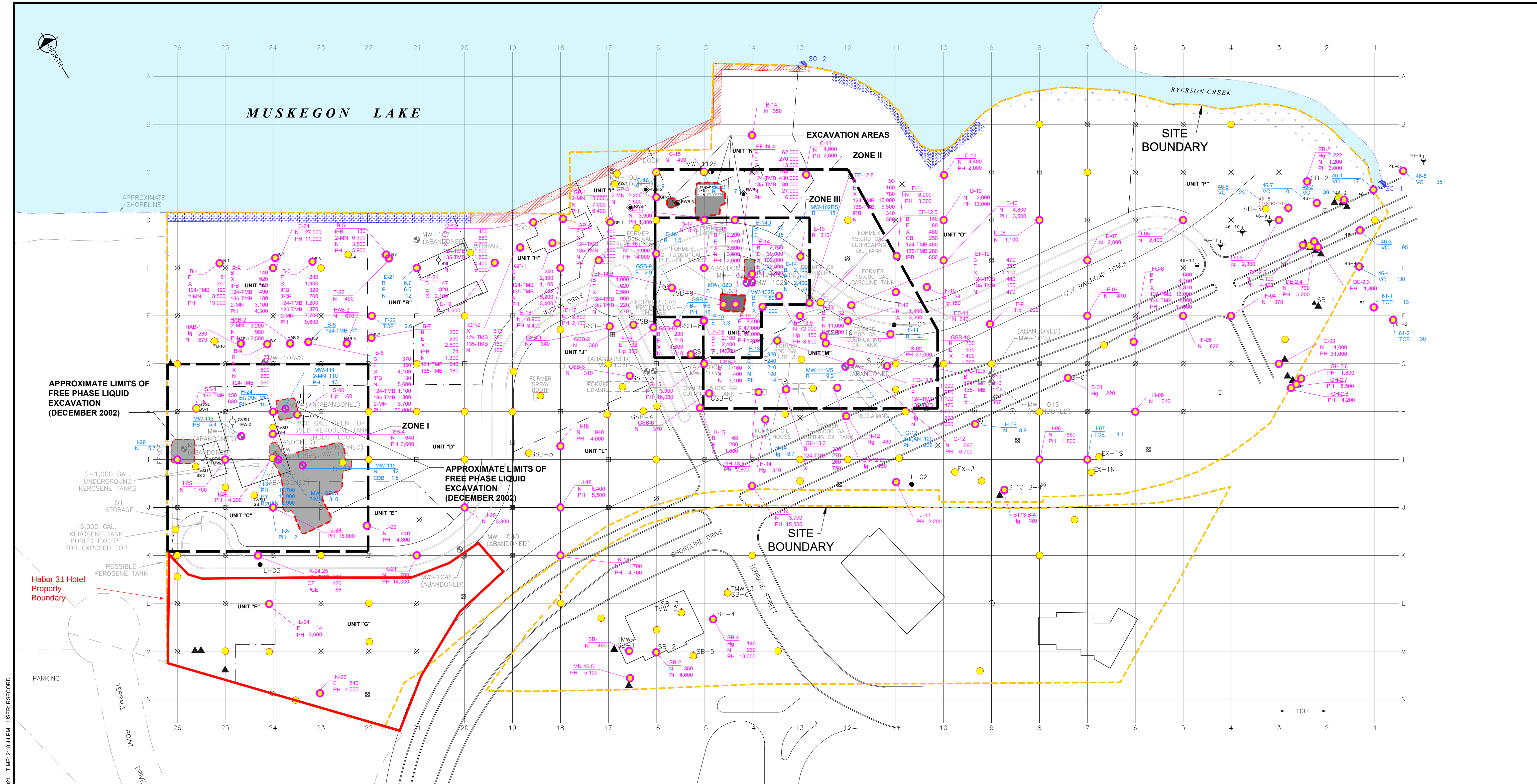
Hard copy is intended to be 24"x36" when plotted. Scale(s) indicated and graphic quality may not be accurate for any other size.

PROJECT NO.

SHEET NO.

3

**ARSENIC
GENERIC RESIDENTIAL
DIRECT CONTACT CRITERION
EXCEEDANCES (mg/kg)**



LEGEND

- MAY 1993 SAMPLING LOCATION
 - ⊠ JUNE 1994 SAMPLING LOCATION
 - ⊞ MAY 1995 SAMPLING LOCATION
 - ⊠ DECEMBER 1998 SAMPLING LOCATION
 - ⊠ DELL SOIL BORING LOCATION
 - ▲ SUPERIOR ENVIRONMENTAL SOIL BORING LOCATION
 - ⊙ MONITORING WELL LOCATION
 - ▲ ELEVATED DETECTION LIMITS
 - ERM SOIL BORING DECEMBER 2001
 - ⊙ ERM (GVSU) TEMPORARY MONITORING WELL (2003)
 - ⊙ ERM (GVSU) SOIL SAMPLE (2003)
 - ⊙ ERM SOIL BORING (2003)
 - ⊙ ERM GEOPROBE BORING (2004)
 - ⊙ ERM GEOPROBE BORING (2005)
 - ⊙ ERM SOIL BORING (2006)
 - ⊙ RWB SOIL BORING (2011)
 - ⊙ TEMPORARY WELL FOR DE-WATERING
 - SOIL SAMPLE COLLECTED
 - RESULTS EXCEED RESIDENTIAL VISL IN SOIL
 - RESULTS EXCEED RESIDENTIAL VISL IN GROUNDWATER
- B BENZENE
 - T TOLUENE
 - E ETHYLBENZENE
 - X XYLENES
 - TMB TRIMETHYLBENZENE
 - 2-MN 2-METHALNAPHTHALENE
 - N NAPHTHALENE
 - CB CHLOROBENZENE
 - CF CHLOROFORM
 - IPB ISOPROPYLBENZENE
 - PCE TETRACHLOROETHENE
 - TCE TRICHLOROETHENE
 - cisDCE cis-1,2-DICHLOROETHENE
 - PY PYRENE
 - PH PHENENTHRENE
 - VIAC VOLATILIZATION TO INDOOR AIR CRITERIA
 - VC VINYL CHLORIDE
 - EBD ETHYLENE DIBROMIDE
 - Hg MERCURY, TOTAL
 - B(a)AN BENZO(a)ANTHRACENE
- ▨ RIPRAP AREA BEHIND WOOD BARRIER REMNANTS
 - ▨ RIPRAP AREA WITH NO BARRIER
 - ▨ SANDY AREA WITH SOME RIPRAP
 - ▨ NEW SEAWALL (BASED ON DESIGN DRAWINGS PROVIDED BY: DRIESNGA & ASSOCIATES, INC.)
 - ▨ MARSHY/BOGGY FLAT AREA
 - ND NOT DETECTED (CONCENTRATION < REPORTING LIMIT)
 - μg/Kg MICROGRAMS PER KILOGRAM
 - μg/L MICROGRAMS PER LITER
 - SDBL STATEWIDE DEFAULT BACKGROUND LEVEL

VAPOR INTRUSION CLEANUP CRITERIA – SOIL (Site-Specific Volatilization to Indoor Air Criteria, EGLE, February 2021)	
Compound	Residential VIAC in Soil (μg/Kg)
Benzene	1.7
Toluene	3,700
Ethylbenzene	12
Xylenes	280
Chlorobenzene	82
Chloroform	0.26
1,2,4 Trimethylbenzene	150
1,3,5 Trimethylbenzene	100
2-Methylnaphthalene	1,700
Naphthalene	67
Isopropylbenzene	3.8
Phenanthrene	1,700
Trichloroethene	0.33
Tetrachloroethene	6.2
Mercury, Total	22 (SDBL 130)

VAPOR INTRUSION CLEANUP CRITERIA – GROUNDWATER (Site-Specific Volatilization to Indoor Air Criteria, EGLE, February 2021)	
Compound	Residential VIAC in Groundwater (μg/L)
Benzene	1.0
Toluene	300
Ethylbenzene	2.8
Xylenes	75
2-Methylnaphthalene	66
Naphthalene	4.2
Trichloroethene	0.073
Isopropylbenzene	0.6
Phenanthrene	9.5
Pyrene	140
cis- 1,2-Dichloroethene	3.4
Vinyl Chloride	0.12
Ethylene Dibromide	0.13
Benzo(a)Anthracene	9.4
Mercury, Total	0.088

SOIL (μg/Kg) AND GROUNDWATER (μg/L)
ANALYTICAL RESULTS
EXCEEDING SITE-SPECIFIC RESIDENTIAL VIAC

REVISIONS

Drawn By
Designer
Reviewer
Manager

Hard copy is intended to be 24"x36" when plotted. Scale(s) indicated and graphic quality may not be accurate for any other size.

PROJECT NO.

SHEET NO.

4

RESOLUTION APPROVING THE BROWNFIELD PLAN AMENDMENT

Lakeshore Hotel Partners, LLC, (181 and 201 Viridian Drive)

(Harbor 31 Hotel)

1ST AMENDMENT

City of Muskegon

County of Muskegon, Michigan

Minutes of a Special Meeting of the City Commission of the City of Muskegon, County of Muskegon, Michigan (the "City"), held in the City Commission Chambers on the 10th day of November, 2025 at 5:30 p.m., prevailing Eastern Time.

PRESENT:

ABSENT:

The following preamble and resolution were offered by Commissioner _____ and supported by Commissioner _____.

WHEREAS, in accordance with the provisions of Act 381, Public Acts of Michigan, 1996, as amended ("Act 381"), the City of Muskegon Brownfield Redevelopment Authority (the "Authority") has prepared and approved Brownfield Plan Amendment #1 to add Lakeshore Hotel Partners, LLC, 181 and 201 Viridian Drive; and

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

WHEREAS, the City Commission has provided notice and a reasonable opportunity to the taxing jurisdictions levying taxes subject to capture to express their views and recommendations regarding the Brownfield Plan Amendment, as required by Act 381; and

WHEREAS, not less than 10 days has passed since the City Commission provided notice of the proposed Brownfield Plan to the taxing units; and

WHEREAS, the City Commission held a public hearing on the proposed Brownfield Plan on November 10, 2025.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. That the Brownfield Plan constitutes a public purpose under Act 381.
2. That the Brownfield Plan meets all the requirements of Section 13(1) of Act 381.
3. That the proposed method of financing the costs of the eligible activities, as identified in the Brownfield Plan and defined in Act 381, is feasible and the Authority has the authority to arrange the financing.
4. That the costs of the eligible activities proposed in the Brownfield Plan are reasonable and necessary to carry out the purposes of Act 381.
5. That the amount of captured taxable value estimated to result from the adoption of the Brownfield Plan is reasonable.
6. That the Brownfield Plan in the form presented is approved and is effective immediately.
7. That all resolutions or parts of resolutions in conflict herewith shall be and the same are hereby rescinded.

Be it Further Resolved that the Mayor and City Clerk are hereby authorized to execute all documents necessary or appropriate to implement the provisions of the Brownfield Plan.

AYES:

NAYS:

RESOLUTION DECLARED APPROVED.

Ann Marie Meisch, City Clerk

Ken Johnson, Mayor

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, State of Michigan, at a special meeting held on November 10, 2025 and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Ann Marie Meisch, City Clerk



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: November 10, 2025	Title: PA 198 Industrial Facilities Exemption — 2034 Latimer Drive
Submitted by: Jocelyn Hines, Development Analyst	Department: Economic Development
Brief Summary: Pursuant to Public Act 198 of 1974, as amended, Johnson Technology, INC has requested the issuance of an Industrial Facilities Exemption Certificate for their property located at 2034 Latimer Drive.	
Detailed Summary & Background: Johnson Technology, Inc., a subsidiary of GE Aerospace, has submitted an application for an Industrial Facilities Exemption (IFT) certificate for real property improvements at 2034 Latimer Drive. The company is proposing a 20,000 sq. ft. addition with a total investment of \$9,078,845. This addition will expand shipping and receiving facilities and add manufacturing floor space to support increasing production demands. If approved, the IFT certificate would reduce property taxes on the real property improvements by 50% for the duration of the exemption. Johnson Technology, Inc. is an aircraft engine parts manufacturer headquartered in the City of Muskegon, with additional facilities in Norton Shores. GE Aerospace employs over 330 people at its Muskegon location and plans to hire an additional 90 employees as part of this expansion. GE Aerospace (formerly GE Aviation) has been part of the Muskegon area since 1997, when it acquired Johnson Technology. The company is also investing \$70 million in a separate expansion in Norton Shores and has announced a broader \$1 billion nationwide commitment. Due to Johnson Technology's status as a federal contractor and pursuant to Executive Order 14173, the company is not subject to local affirmative action plan requirements. However, Johnson Technology remains committed to non-discrimination and ensuring equal opportunity for all employees and applicants, and has provided the City with a copy of its Respectful Workplace Policy reflecting that commitment. Following its review, the City's Internal Tax Committee recommends approval of a 12-year abatement term for the proposed investment.	
Goal/Action Item: 2027 Goal 2: Economic Development Housing and Business - Progress toward new and ongoing economic development projects	

Is this a repeat item?:

Explain what change has been made to justify bringing it back to Commission:

Amount Requested:

N/A

Budgeted Item:

Yes

No

N/A

Fund(s) or Account(s):

N/A

Budget Amendment Needed:

Yes

No

N/A

Recommended Motion:

I move to close the public hearing and approve the issuance of an Industrial Facilities Exemption certificate for a period of 12 years for the property located at 2034 Latimer Dr. and to authorize the Mayor and City Clerk to sign the application and the resolution.

Approvals:

Immediate Division Head		
Information Technology		
Other Division Heads		
Communication		
Legal Review		

Name the Policy/Ordinance Followed:

PA 198 of 1974, as amended

Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of Public Act 198 of 1974, as amended. Filing is mandatory.

INSTRUCTIONS: File the completed application and the required attachments with the clerk of the local government unit. If you have any questions regarding the completion of this form, call 517-335-7491.

To be completed by Clerk of Local Government Unit	
Signature of Clerk	Date Received by Local Unit 10/14/2025
STC Use Only	
Date Received by Local Unit	Date Received by Local Unit

APPLICANT INFORMATION

All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) Johnson Technology, Inc.		1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 336411	
1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 2034 Latimer Drive		1d. City/Township/Village (indicate which) Muskegon	1e. County Muskegon
2. Type of Approval Requested ☒ New (Sec. 2(5)) ☐ Speculative Building (Sec. 3(8)) ☐ Research and Development (Sec. 2(10)) ☐ Transfer ☐ Rehabilitation (Sec. 3(6)) ☐ Increase/Amendment		3a. School District where facility is located Orchard View 3b. School Code 61190	
		4. Amount of years requested for exemption (1-12 Years) 12 Years After Completion	

5. Per section 5, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed.

GE Aerospace Muskegon plans to construct a 20k SF addition at the 2034 Latimer Site. The addition will provide improved shipping/receiving facilities and manufacturing floor space for machinery to support increasing demand from our customers.

6a. Cost of land and building improvements (excluding cost of land) * Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.	9,078,845 Real Property Costs
6b. Cost of machinery, equipment, furniture and fixtures * Attach itemized listing with month, day and year of beginning of installation, plus total	0.00 Personal Property Costs
6c. Total Project Costs * Round Costs to Nearest Dollar	9,078,845 Total of Real & Personal Costs

7. Indicate the time schedule for start and finish of construction and equipment installation. Projects must be completed within a two year period of the effective date of the certificate unless otherwise approved by the STC.

	Begin Date (M/D/Y)	End Date (M/D/Y)	
Real Property Improvements	11/11/2025	11/10/2027	☒ Owned ☐ Leased
Personal Property Improvements			☐ Owned ☐ Leased

8. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)? If yes, applicant must attach a signed MEDC Letter of Commitment to receive this exemption. ☒ Yes ☐ No

9. No. of existing jobs at this facility that will be retained as a result of this project 331	10. No. of new jobs at this facility expected to create within 2 years of completion. 90
---	---

11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

a. TV of Real Property (excluding land)	
b. TV of Personal Property (excluding inventory)	
c. Total TV	

12a. Check the type of District the facility is located in: ☒ Industrial Development District ☐ Plant Rehabilitation District	
12b. Date district was established by local government unit (contact local unit) 07/26/1983	12c. Is this application for a speculative building (Sec. 3(8))? ☐ Yes ☒ No

APPLICANT CERTIFICATION - complete all boxes.

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all are truly descriptive of the industrial property for which this application is being submitted.

It is further certified that the undersigned is familiar with the provisions of P.A. 198 of 1974, as amended, being Sections 207.551 to 207.572, inclusive, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof, which are prerequisite to the approval of the application by the local unit of government and the issuance of an Industrial Facilities Exemption Certificate by the State Tax Commission.

13a. Preparer Name Kelsey Rhoda	13b. Telephone Number (616) 566-7605	13c. Fax Number	13d. E-mail Address krhoda@westmiapex.org
14a. Name of Contact Person Curtis Evans	14b. Telephone Number (231) 777-7127	14c. Fax Number	14d. E-mail Address michael.c.evans@ge.com
▶ 15a. Name of Company Officer (No Authorized Agents) Ryan James			
15b. Signature of Company Officer (No Authorized Agents) 		15c. Fax Number (231) 777-7175	15d. Date 10/2/25
▶ 15e. Mailing Address (Street, City, State, ZIP Code) 2034 Latimer Drive, Muskegon, MI 49442		15f. Telephone Number (231) 777-7100	15g. E-mail Address Ryan.James@ge.com

LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.

This section must be completed by the clerk of the local governing unit before submitting application to the State Tax Commission. Check items on file at the Local Unit and those included with the submittal.

▶ 16. Action taken by local government unit ☐ Abatement Approved for _____ Yrs Real (1-12), _____ Yrs Pers (1-12) After Completion ☐ Yes ☐ No ☐ Denied (Include Resolution Denying)		16b. The State Tax Commission Requires the following documents be filed for an administratively complete application: Check or Indicate N/A if Not Applicable ☐ 1. Original Application plus attachments, and one complete copy ☐ 2. Resolution establishing district ☐ 3. Resolution approving/denying application. ☐ 4. Letter of Agreement (Signed by local unit and applicant) ☐ 5. Affidavit of Fees (Signed by local unit and applicant) ☐ 6. Building Permit for real improvements if project has already begun ☐ 7. Equipment List with dates of beginning of installation ☐ 8. Form 3222 (if applicable) ☐ 9. Speculative building resolution and affidavits (if applicable)
16a. Documents Required to be on file with the Local Unit Check or Indicate N/A if Not Applicable ☐ 1. Notice to the public prior to hearing establishing a district. ☐ 2. Notice to taxing authorities of opportunity for a hearing. ☐ 3. List of taxing authorities notified for district and application action. ☐ 4. Lease Agreement showing applicants tax liability.		
16c. School Code		
17. Name of Local Government Body		▶ 18. Date of Resolution Approving/Denying this Application

Attached hereto is an original application and all documents listed in 16b. I also certify that all documents listed in 16a are on file at the local unit for inspection at any time, and that any leases show sufficient tax liability.

19a. Signature of Clerk	19b. Name of Clerk	19c. E-mail Address
19d. Clerk's Mailing Address (Street, City, State, ZIP Code)		
19e. Telephone Number	19f. Fax Number	

State Tax Commission Rule Number 57: Complete applications approved by the local unit and received by the State Tax Commission by October 31 each year will be acted upon by December 31. Applications received after October 31 may be acted upon in the following year.

For faster service, email the completed application and additional required documentation to PTE@michigan.gov.

An additional submission option is to mail the completed application and required documents to:

Michigan Department of Treasury
State Tax Commission
PO Box 30471
Lansing, MI 48909

STC USE ONLY				
▶ LUCI Code	▶ Begin Date Real	▶ Begin Date Personal	▶ End Date Real	▶ End Date Personal

Instruction for Completing Form 1012, Industrial Facilities Tax Exemption (IFT) Application

The completed original application form 1012 and all required attachments, **MUST** be filed with the clerk of the local unit of government where the facility is or will be located. Complete applications must be received by the State Tax Commission by October 31 to ensure processing and certification for the following tax year. Applications received after the October 31 deadline will be processed as expeditiously as possible.

Please note that attachments listed on the application in number 16a are to be retained by the local unit of government, and attachments listed in number 16b are to be included with the application when forwarding to the State Tax Commission (STC).

(Before commencement of a project the local unit of government must establish a district, or the applicant must request in writing a district be established, in order to qualify for an IFT abatement. Applications and attachments must be received by the local unit of government **within six months of commencement of project.**)

The following information is required on separate documents attached to form 1012 by the applicant and provided to the local unit of government (city, township or village). (Providing an accurate school district where the facility is located is vital.)

1. Legal description of the real property on which the facility is or will be located. Also provide property identification number if available.
2. Personal Property Requirements: Complete list of new machinery, equipment, furniture and fixtures which will be used in the facility. The list should include description, **beginning date of installation** or expected installation by **month/day/year**, and costs or expected costs (see sample). Detail listing of machinery and equipment **must match amount shown** on question 6b of the application. Personal property applications must have attached a certified statement/affidavit as proof of the beginning date of installation (see sample).
3. Real Property Requirements: Proof of date the construction started (groundbreaking). Applicant must include one of the following if the project has already begun; building permit, footings inspection report, or certified statement/affidavit from contractor indicating exact date of commencement.
4. Complete copy of lease agreement as executed, if applicable, verifying lessee (applicant) has direct ad

valorem real and/or personal property tax liability.

The applicant must have real and/or personal property tax liability to qualify for an IFT abatement on leased property. If applying for a real property tax exemption on leased property, the lease must run the full length of time the abatement is granted by the local unit of government. Tax liability for leased property should be determined before sending to the STC.

The following information is required of the local unit of government: [Please note that only items 2, 4, 5, 6, & 7 below are forwarded to the State Tax Commission with the application, along with items 2 & 3 from above. The original is required by the STC. The remaining items are to be retained at the local unit of government for future reference. **(The local unit must verify that the school district listed on all IFT applications is correct.)**]

1. A copy of the notice to the general public and the certified notice to the property owners concerning the establishment of the district.
2. Certified copy of the resolution establishing the Industrial Development District (IDD) or Plant Rehabilitation District (PRD), which includes a legal description of the district (see sample). If the district was not established prior to the commencement of construction, the local unit shall include a certified copy or date stamped copy of the written request to establish the district.
3. Copy of the notice and the certified letters to the taxing authorities regarding the hearing to approve the application.
4. Certified copy of the resolution approving the application. The resolution must include the number of years the local unit is granting the abatement and the statement "the granting of the Industrial Facilities Exemption Certificate shall not have the effect of substantially impeding the operation of (governmental unit), or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in (governmental unit – see sample).
5. Letter of Agreement (signed by the local unit of government and the applicant per P.A. 334 of 1993 (see sample)).
6. Affidavit of Fees (signed by the local unit of government and the applicant), (Bulletin 3, January 16, 1998). This statement may be

incorporated into the Letter of Agreement (see sample).

7. Treasury Form 3222 (if applicable - *Fiscal Statement for Tax Abatement Request.*)

The following information is required for rehabilitation applications in addition to the above requirements:

1. A listing of existing machinery, equipment, furniture and fixtures which will be replaced or renovated. This listing should include description, beginning date of installation or expected installation by month/day/year, and costs or expected costs.
2. A rehabilitation application must include a statement from the Assessor showing the taxable valuation of the plant rehabilitation district, separately stated for real property (EXCLUDING LAND) and personal property. Attach a statement from the assessor indicating the obsolescence of the property being rehabilitated.

The following information is required for speculative building applications in addition to the above requirements:

1. A certified copy of the resolution to establish a speculative building.
2. A statement of non-occupancy from the owner and the assessor.

Please refer to the following Web site for P.A. 198 of 1974: www.legislature.mi.gov/. For more information and Frequently Asked Questions, visit www.michigan.gov/propertytaxexemptions.

GE Aerospace - 2034 Latimer Drive	
Project Estimate - 20,000 Sq Ft Building Addition	
Description	Estimate
General Requirements	\$386,011
Excavation/Parking Expansion	\$321,676
Demo	\$107,225
Oil Filtration Room Constriction	\$556,250
Concrete/Concrete Mez	\$461,069
Masonry	\$214,451
Structural Steel, Bar Joist, Metal Dec	\$1,193,750
Metal Panel siding and flashings	\$750,578
Roofing	\$375,289
Aluminum Doors and Windows	\$406,250
Floor Coatings	\$253,670
Floor Finishes	\$252,089
Ceiling grid and tile	\$296,835
Drywall	\$414,509
Cabinets / countertops / sills	\$75,058
Elevator	\$321,676
Turnstiles and decorative Fencing	\$189,335
Mechanical - HVAC	\$786,126
Plumbing	\$232,225
Fire Protection	\$107,225
Electrical Service	\$511,011
Natural Gas Service	\$75,058
Building Management system	\$125,000
Security Systems	\$287,500
Architects ad Engineering Services	\$312,500
Permits	\$66,480
	\$0
Total	\$9,078,845

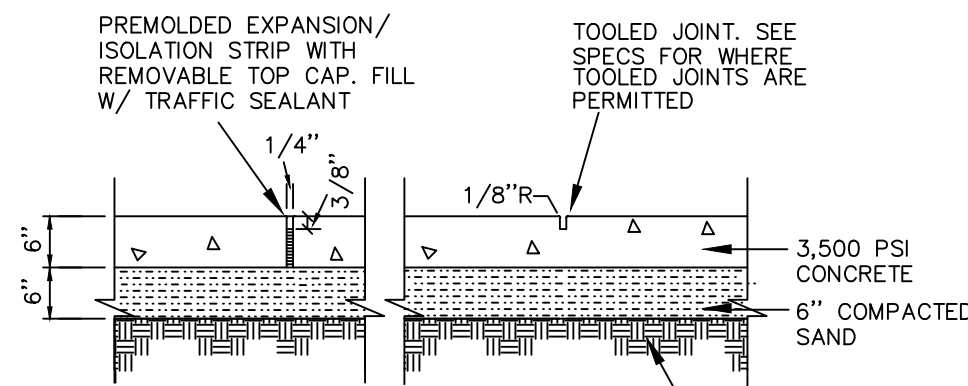
I-2
ZONING

R-2
RESIDENTIAL
(MUSKEGON TOWNSHIP)

GENERAL NOTES

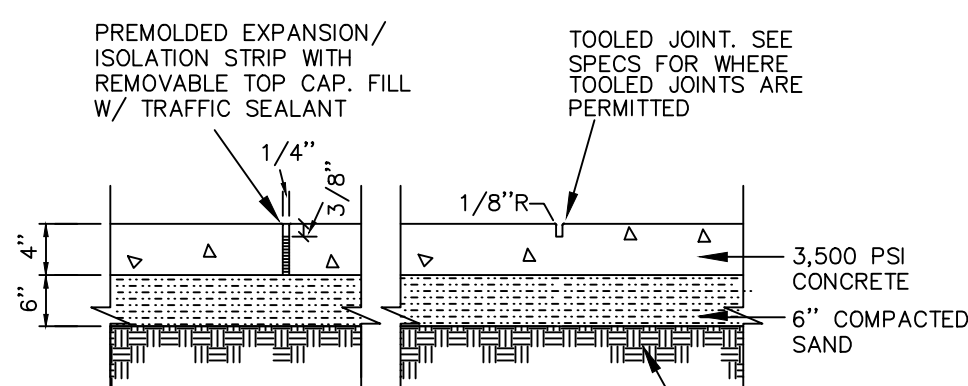
- Parking Calculations
East Parking Lot +113 Spaces
West Parking Lot -72 Spaces
Total Net Parking 41 Spaces
- Snow storage shall be along the perimeter green spaces & within the retention basin area.
- This property is located within a I-2 General Industrial zoning district per City of Muskegon zoning map. General Industrial district regulations for this property include:

Front setback: 30 feet minimum
Side setback: 15 feet minimum, 25 feet total
Rear setback: 10 feet minimum



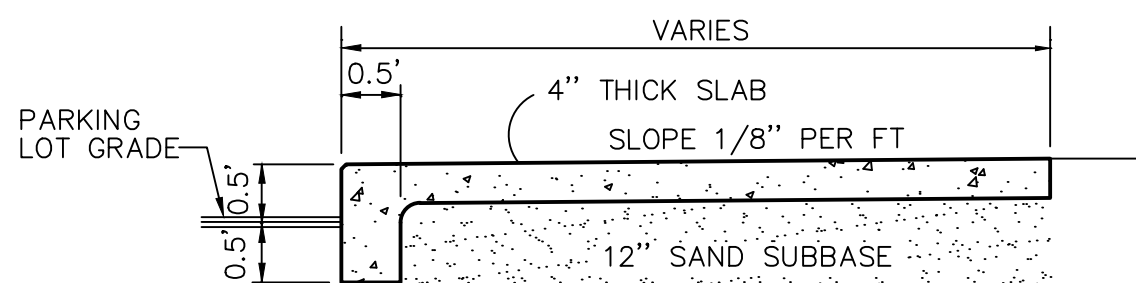
NOTES :
LOCATE CONTROL JOINTS AND
EXPANSION JOINTS AS PER
LAYOUT PLANS

6" THICK CONCRETE W/ WWM (HEAVY DUTY)

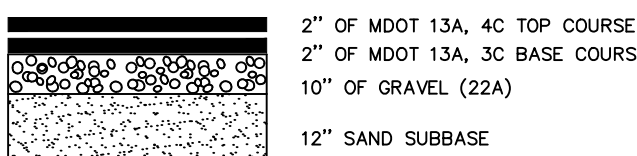


NOTES :
LOCATE CONTROL JOINTS AND
EXPANSION JOINTS AS PER
LAYOUT PLANS

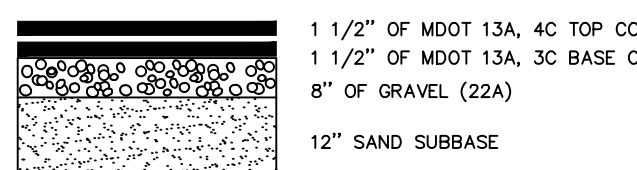
4" CONCRETE WALKWAY DETAIL



RAISED WALK DETAIL



HEAVY PAVING CROSS SECTION
(TRUCK ROUTE)



STANDARD PAVING CROSS SECTION

SCALE: 1" = 40'
1" CONTOUR INTERVAL

LEGEND

- = IRON STAKE FOUND
- ⊙ = MONUMENT
- ⊙ = LIGHT POLE
- ⊙ = SIGN
- ⊙ = CLEANOUT
- ⊙ = HYDRANT
- ⊙ = WATERMAIN VALVE
- ⊙ = CATCH BASIN
- ⊙ = MANHOLE
- ⊙ = BURIED FIBER OPTIC MARKER
- ⊙ = BURIED GAS LINE MARKER
- ⊙ = BURIED ELECTRIC MARKER
- ⊙ = MAILBOX
- ⊙ = POST INDICATOR VALVE
- ⊙ = TELEPHONE BOX
- ⊙ = FENCE LINE

SITE DEVELOPMENT PLAN

FOR: GE AVIATION
P.O. BOX 982464
EL PASO, TX 79998-2292

RE: 2140 LATIMER DR.,
MUSKEGON, MI

IN: PART OF THE NE 1/4, SECTION 34, T10N, R16W,
CITY OF MUSKEGON, MUSKEGON COUNTY, MICHIGAN

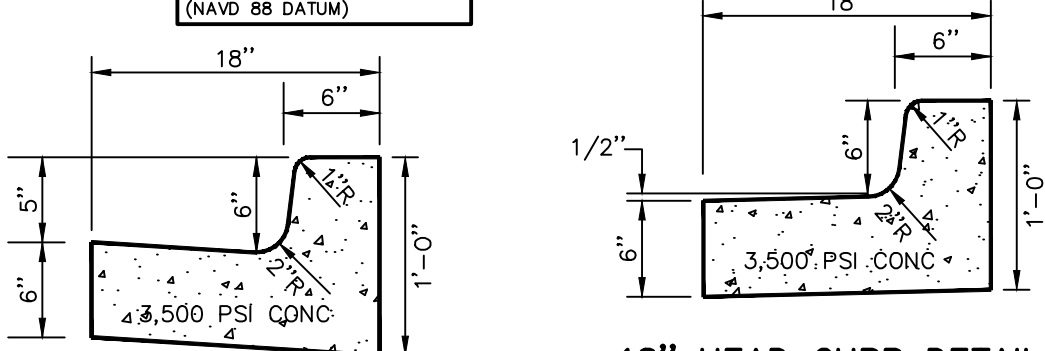
REVISIONS:

REV	PER	DATE	BY	DESCRIPTION
1	TR	8/26/25	CJK	REV PER DRAIN REVIEW
2	TR	8/13/25	CJK	REV PER DRAIN REVIEW

exel engineering, inc.
planners • engineers • surveyors
5232 Clyde Park, S.W. • Grand Rapids, MI 49509
Phone: (616) 531-3660 www.exelengineering.com

DRAWN BY: CJK
APPROVED BY: TRS
FILE NO.: 241640E
DATE: 5/15/25

SHEET
3 of 6



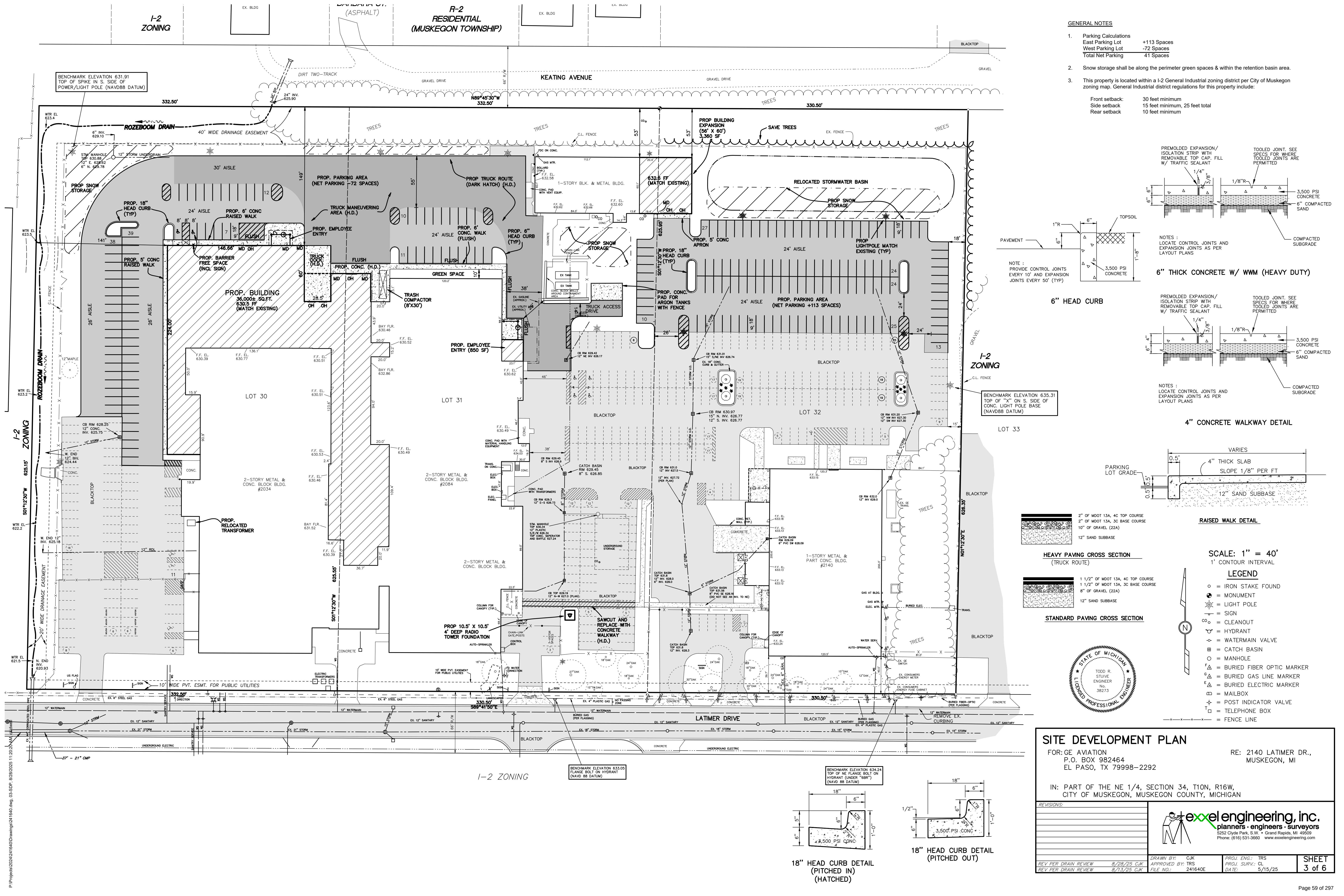
18" HEAD CURB DETAIL
(PITCHED IN)
(HATCHED)

18" HEAD CURB DETAIL
(PITCHED OUT)

I-2 ZONING

BENCHMARK ELEVATION 633.05
FLANGE BOLT ON HYDRANT
(NAVD88 DATUM)

BENCHMARK ELEVATION 634.24
TOP OF NE FLANGE BOLT ON
HYDRANT (UNDER "60BT")
(NAVD88 DATUM)



City of Muskegon Com Addition Permit No: PB250897

BUILDING SAFETY INSPECTIONS 933 TERRACE ST., ROOM 201 MUSKEGON, MI 49440

CALL FOR INSPECTIONS: 231-724-6715 FAX 231-728-4371

Permit Issued: 09/25/25
Permit Expires: 03/24/2026

**ALL PERMITS MUST BE FINALED -
PLEASE CALL 231-724-6715 FOR
AN INSPECTION AT LEAST 24 HOURS IN ADVANCE**

MUSKEGON QUALITY BUILDERS **Contractor**
2837 PECK ST (231) 733-4278
MUSKEGON HGTS, MI 49444

2034 LATIMER DR **Job Location**

24-692-000-0030-00
MUSKEGON 49442-6232

GE AVIATION (FKA: JOHNSON **Owner**

2034 LATIMER DR
MUSKEGON MI 49442-6232

GE AVIATION

Category: Com Addition

Work Description: 20,000 SQ FT BUILDING ADDITION WITH TRUCK DOCKS/MOSTLY PRODUCTION SPACE. EXCAVATION, CONCRETE, STEEL, SIDING, ROOFING, FIRE PROTECTION, MEP'S

PERMIT MUST BE POSTED/KEPT ON JOB SITE UNTIL FINAL INSPECTION IS COMPLETED AND APPROVED

PERMIT ITEM	WORK TYPE	PERMIT VALUE	FEE
(8) > \$1,000,000	Com Addition	3,499,989.0	\$16,824.00
Plan Review	Com Addition	16,824.00	\$10,935.60

Fee Total: \$27,759.60

Amount Paid: \$27,759.60

CODE BOOK REFERENCE 2021 MICHIGAN BUIL

Balance Due: \$0.00

I agree this permit is only for the work described, and does not grant permission for additional or related work which requires separate permits. I understand that this permit will expire, and become null and void if work is not started within 180 days, or if work is suspended or abandoned for a period of 180 days at any time after work has commenced; and, that I am responsible for assuring all required inspections are requested in conformance with the applicable code.

I hereby certify that the proposed work is authorized by the owner, and that I am authorized by the owner to make this application as his authorized agent. I agree to conform to all applicable laws of the State of Michigan and the local jurisdiction. All information on the permit application is accurate to the best of my knowledge.

Payment of permit fee constitutes acceptance of the above terms.

Resolution No. _____

MUSKEGON CITY COMMISSION

RESOLUTION APPROVING APPLICATION FOR ISSUANCE OF INDUSTRIAL
FACILITIES EXEMPTION CERTIFICATE *Johnson Technology, INC*

WHEREAS, pursuant to P.A. 198 of 1974 as amended, after duly noticed public hearing held on July 26, 1983 this Commission by resolution established a Plant Rehabilitation and Industrial Development District for Port City Industrial Park, Muskegon, Michigan 49441; and

WHEREAS, Johnson Technology, INC has filed an application for the issuance of an Industrial Facilities Tax Exemption Certificate with respect to the rehabilitation of a facility within said Plant Rehabilitation and Industrial Development District; and

WHEREAS, before acting on said application the Muskegon City Commission held a public hearing on November 10, 2025 at the Muskegon City Hall in Muskegon, Michigan at 5:30 p.m. at which hearing the applicant, the assessor and representatives of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, the rehabilitation of the facility is calculated to and will have the reasonable likelihood to retain, create, or prevent the loss of employment in Muskegon, Michigan; and

WHEREAS, the aggregate SEV of real property exempt from ad valorem taxes within the City of Muskegon, will not exceed 5% of an amount equal to the sum of the SEV of the local government unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE, BE IT RESOLVED by the Muskegon City Commission of the City of Muskegon, Michigan that:

- 1) The Muskegon City Commission finds and determines that the Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Act of 1974 as amended shall not have the effect of substantially impeding the operation of the City of Muskegon or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Muskegon.
- 2) The application of Johnson Technology, INC, for the issuance of an Industrial Facilities Tax Exemption Certificate with respect to the rehabilitation on the following described parcel of real property situated within the City of Muskegon to wit:

CITY OF MUSKEGON PORT CITY INDUSTRIAL CENTER NO 2 LOT 30

3) The Industrial Facilities Tax Exemption Certificate is issued and shall be and remain in force and effect for a period of twelve (12) years on real property.

Adopted this 10 Day of NOVEMBER 2025

Ayes:

Nays:

Absent:

BY: _____
Ken Johnson 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 Muskegon City Commission, County of Muskegon, Michigan, at a regular meeting held on November 10, 2025.

Ann Meisch, City Clerk

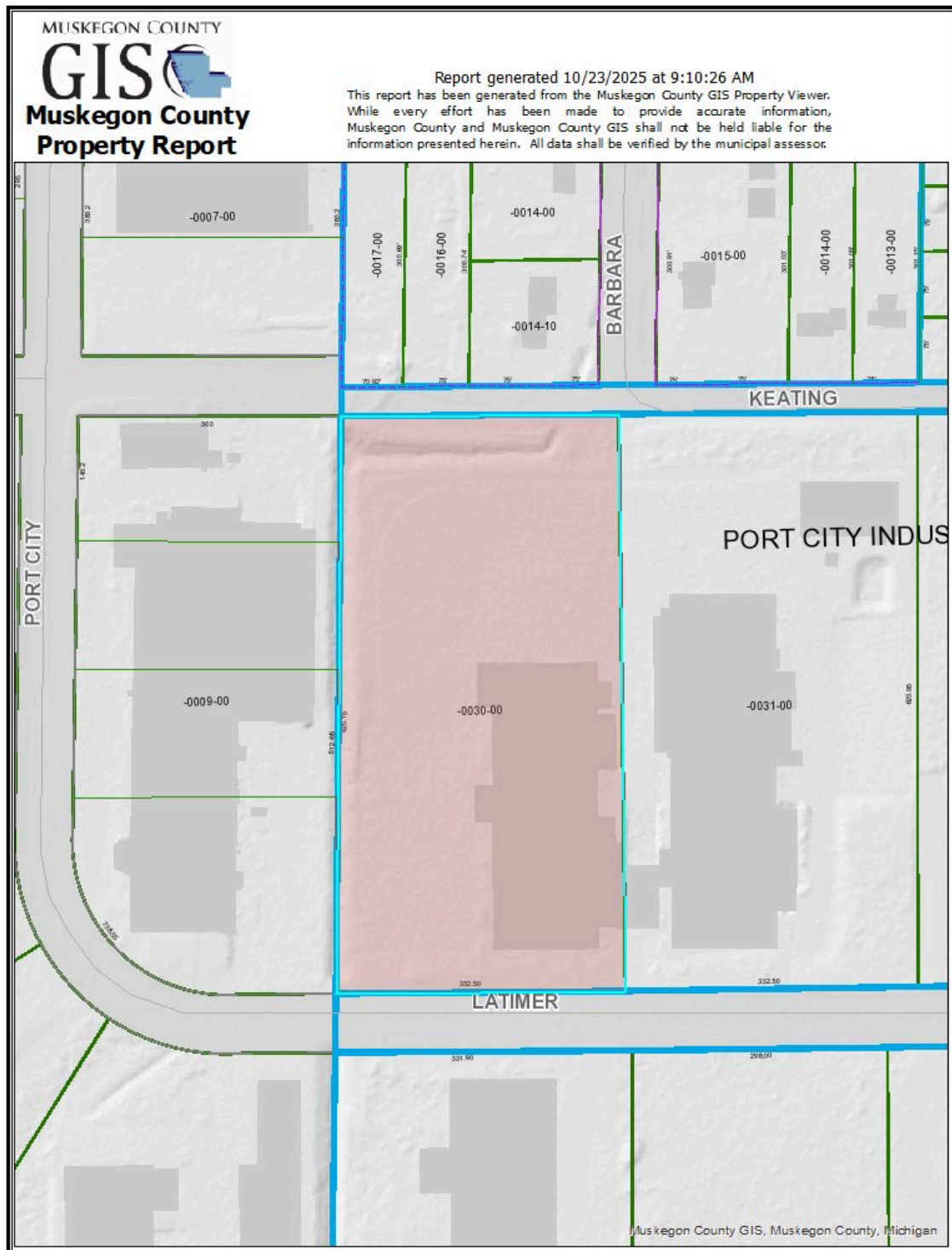


2034 Latimer Dr. Property Report

Area of Interest (AOI) Information

Area : 213,874.06 ft²

Oct 23 2025 9:09:44 Eastern Daylight Time



Summary

Name	Count	Area(ft ²)	Length(ft)
Parcels	1	213,874.06	N/A

Parcels

#	PIN	Municipality Code	Acreage per GIS	Acreage per Assessor	Property Address Number	Property Address Direction	Property Address Combined	Property Address City
1	61-24-692-000-0030-00	24	4.91	4.77	2034	No Data	2034 LATIMER DR	MUSKEGON

#	Property Address State	Property Address Zip Code	Owner Name 1	Owner Name 2	Owner Care Of	Owner Address	Owner Address City	Owner Address State
1	MI	49442	GE AVIATION	(FKA: JOHNSON TECHNOLOGY INC)	No Data	2034 LATIMER DR	MUSKEGON	MI

#	Owner Address Zip Code	Assessed Value	State Equalized Value	Taxable Value	PRE Homestead Pct	Property Class Code	Property Class Description	School District Code
1	49442	980,500.00	980,500.00	820,794.00	0	301	Industrial - Improved	61190

#	School District Name	Zoning per Assessor Primary	Tax Description	Area(ft ²)
1	ORCHARD VIEW SCHOOLS	I-2	CITY OF MUSKEGON PORT CITY INDUSTRIAL CENTER NO 2 LOT 30	213,874.06

©2020 Muskegon County GIS Data reported herein is believed to be accurate and up to date, however Muskegon County and Muskegon County GIS make no warranty to the accuracy of the data. It is advised that before any decisions are made from this data, that the local assessor or building officials are contacted.

CITY OF MUSKEGON

CONTRACT FOR TAX ABATEMENT

Act 198 Public Acts of 1974

AGREEMENT between CITY OF MUSKEGON, a municipal corporation of 933 Terrace Street, Muskegon, Michigan 49440, (“City”) and **Johnson Technologies, LLC**.

Recitals:

A. The Company has applied to City for the establishment of an **industrial development district pursuant to the provisions of** Act198 of the Public Acts of 1974, as amended, which act requires a contract between the City and the Company to be agreed and submitted with the Company’s subsequent anticipated application for an industrial facilities exemption certificate.

B. That in addition to the statutory requirement, the City has determined that it is in the best interests of the taxpayers, property owners and residents of the City that this Agreement be approved and executed prior to the establishment of the requested district, and the City deems this Contract, together with the conditions set forth in the said Act to constitute a necessary element in the City’s determination whether or not to create the district.

C. The Company intends to install the project set forth in its application (“project”) which it believes qualifies for the process of establishing the district and the application for industrial facilities exemption certificate.

D. The City, provided this Agreement is executed, will determine whether to create the district based upon the potential for the production of permanent jobs, the continuation, stabilization or increase of economic activity, planning and zoning considerations and the City’s general plan and intentions regarding economic development. In addition to the City policy considerations and predictions that the Company’s proposed district and certificate benefit the community in those ways, the City has further determined that the contractual commitments made by the Company to thereby assist the community shall be binding on the Company and necessary to continue the tax exemption made possible by the certificate.

E. This contract shall become effective upon the issuance of an Industrial Facilities Tax Exemption Certificate.

NOW THEREFORE THE PARTIES AGREE:

1. **COMPANY AGREEMENT.** The Company irrevocably commits to the investment, job retention and job creation promises made in its application, a copy of which is attached hereto and incorporated herein. In particular the Company agrees:

1.1 That 100% of the jobs shall be filled and in existence with full-time employees by a date no later than two (2) years from the date of the granting of the certificate by the State Tax Commission, subject to the provisions of section 3.4 of this agreement.

1.2 That the amount of jobs listed on the application, whether new or retained, will be maintained through the life of the abatement, subject to the provisions of section 3.4 of this agreement.

1.3 The Company shall meet the affirmative action goal included in the application or in any documents supplied by the City and utilized by the Company, including any additional representations made to the City Commission on or before the date two (2) years after the granting of the certificate by the State Tax Commission. It shall maintain the said levels of employment diversity during the period of the certificate, subject to the provisions of section 3.4 of this agreement.

1.4 The Company, by the end of two (2) years from the date of the grant of the certificate by the State Tax Commission shall have completed the investment of \$9,078,845 in improvements as shown in the application, subject to the provisions of section 3.4 of this agreement.

1.5 That the improvements and equipment to receive the tax abatement treatment shall be completed on or before the date two (2) years from the date of granting of the certificate by the State Tax Commission.

1.6 The Company shall pay its specific taxes required by the act in a timely manner, and shall not delay payments so as to incur any penalties or interest.

1.7 The Company shall fully cooperate with the City representatives in supplying all requested and required documentation regarding jobs, investment, the meeting of all goals and the timely installation and utilization of equipment and improvements. The City shall be entitled to inspect at reasonable hours the Company's premises where the said improvements and equipment have been installed and where the said jobs are performed.

1.8 The Company shall maintain, during the entire period for which the tax abatement is granted, the level of jobs, affirmative action goals, production and utilization of the improvements and equipment at the site where the district has been created and for which the tax exemption has been granted.

1.9 The Company shall not cause or fail to cure the release of any hazardous substance, or the violation of any environmental law on its premises in the City. It shall report any releases to the appropriate governmental authority in a timely and complete manner, and provide copies of said report documentation to the City. It shall comply with all orders and actions of any governmental agency having authority.

1.10 The Company shall maintain the equipment and improvements so as to minimize physical or functional obsolescence.

1.11 The Company shall continue to operate its business location in the City, containing the same number of and type of jobs, for the term of the certificate.

2. **AGREEMENT BY THE CITY.** Provided this contract has been executed and further provided all applications to create the district and achieve the industrial facility exemption certificate have been properly filed, the City shall, in a timely manner, determine in a public meeting to whether to create the district and whether to receive, process, and approve thereafter the Company's application for an industrial facilities exemption certificate. The City may consider this contract in a meeting separate from and prior to the meeting in which the City considers the creation of the district and/or approval of the application for certificate. Further, the City shall require the submission of this contract signed by the Company together with its applications, before creating the district.

3. **EVENTS OF DEFAULT.** The following actions or failures to comply shall be considered events of default by the Company:

3.1 Failure to meet any of the commitments set forth above.

3.2 The closing of the Company's facilities in the City. Closing shall mean for purpose of this Agreement, the removal, without transfer to another site within the City of substantially all of the production facilities, and the elimination of substantially all the jobs created or retained thereby, which are set forth in the Company's application.

3.3 Failure to afford to the City the documentation and reporting required.

3.4 The failure to create or retain jobs, meet affirmative action goals or expend the funds on equipment and improvements as represented in the application within the times required hereby, unless the company can show that there has been a loss of revenue and employment due to circumstances beyond the control of the company. In order to make that showing the company shall have the burden of supplying, to the City's satisfaction, complete and convincing documentation supporting and justifying reductions in investment, failures to

attain affirmative action goals or job losses, such as, without limitation, written evidence of lost contracts, accounting information showing reduced revenues due to the loss of business, (not due to diversion of production to affiliate companies or divisions of the company), production records showing reduced quantities over significant periods of time, and such other information required by the City to support the Company's claim that the failure to invest, failure to achieve affirmative action goals, or loss of jobs should not form the basis for a finding of default.

3.5 The bankruptcy or insolvency of the Company.

3.6 The failure to pay any and all taxes and assessments levied on the Company's property or any other taxes, local, state or federal, including but not limited to City income taxes and the withholding of said City income taxes from employees as required by the City Income Tax Ordinance.

3.7 The performance or omission of any act which would lead to revocation under MCLA 207.565, being §15 of the Act.

3.8 The violation of any provisions, promises, commitments, considerations or covenants of this Agreement.

4. **REMEDIES ON DEFAULT.** In the event of any of the above defaults the City shall have the following remedies which it may invoke without notice, except as may be reasonably required by the Company's rights to due process:

4.1 In the event of closing as determined after investigation of the facts and a public hearing, the Company shall be immediately liable for penalties to be paid forthwith to the city as determined as follows:

4.1.1 The Company shall pay to the City for prorata distribution to the taxing units experiencing the abatement, an amount equal to the difference between the industrial facilities tax which it has paid, and the total property taxes to the relevant taxing units which it would have paid, given its installations of improvements and equipment, during the years for which the certificate was in effect.

4.1.2 **Immediate Revocation.** The Company hereby consents to revocation to the IFT certificate before the State Tax Commission, without hearing, and the City shall submit a copy of this Agreement to the State Tax Commission in connection with its revocation procedure, giving notice that the default has occurred and immediate revocation should occur.

4.2 In the event the improvements and equipment have not been installed before the two (2) year period, in addition to the revocation procedures before the State

Tax Commission, the abatement should immediately be reduced by the City proportionately, and any installations which have not been finished at the end of said two (2) year period shall not be eligible for the abatement thereafter and shall be placed on the regular tax roll.

4.3 Failure to Expend the Funds Represented. In the event, (whether or not the installations have been completed), the Company has not expended the funds it has represented on its application that it would invest for the installation of equipment, the abatement shall be reduced prorata, and any remaining value of equipment shall be placed on the regular tax roll, unless the company can show, through receipts, etc. that the cost of the equipment was actually less than the amount estimated by the company (i.e., the same equipment was purchased as listed in the IFT application, but the bids came in less than expected).

4.4 Job Creation and Retention. In the event the promised number of jobs have not been created or retained at the end of the two (2) years after the grant of the certificate by the State Tax Commission, the abatement shall be proportionately reduced, unless the company can show that the loss of jobs, or inability to hire as many people as expected, is due to circumstances beyond the control of the company (such as an economic downturn).

4.5 Affirmative Action Goals. In the event, after one (1) year from the grant of the certificate by the State Tax Commission, the affirmative action goals of the City for additional jobs have not been met on a prorata basis, the abatement shall be revoked.

4.6 For other violations of this Agreement or for actions or omissions by the Company amounting to grounds for revocation by statute, the City shall recommend to the State Tax Commission immediate revocation of the certificate.

4.7 Special Assessment. For any amount due to be paid to the City, under this Section 4, the Company consents that the City shall have a personal action against the Company for the said amount, and in addition, cumulatively, and not by election, the City shall have a special assessment lien on all the property of the Company personal and real, located in the City, for the collection of the amounts due as and in the manner of property taxes and in such case the collection of the said special assessment shall be accomplished by addition by the City to the Company's property tax statement regularly rendered.

5. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Michigan applicable to contracts made and to be performed within the State of Michigan.

6. Counterparts. This Agreement may be executed in one or more counterparts. Notwithstanding such execution all such counterparts shall constitute one and the same Agreement.

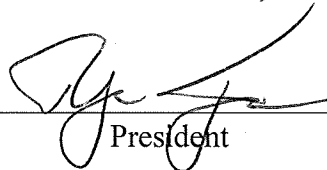
7. Benefit. This Agreement shall be binding upon and inure to the benefit of the respective parties, their successors and personal representatives.

8. Effective Date. This Agreement shall be effective on the date the State of Michigan Tax Commission grants the company at Industrial Facilities Exemption Certificate.

CITY OF MUSKEGON

By _____
Ken Johnson, Mayor

and _____
Ann Meisch, Clerk

By  _____
President

July 26, 1983

83-303. Port City Industrial Park Plant Rehabilitation and Industrial Development District Under Act 198 Established.

This was the time set for Public Hearing on the request to establish a "Plant Rehabilitation District" and an "Industrial Development District" under the provisions of Act No. 198 of the Public Acts of Michigan of 1974, as amended, for Port City Industrial Park.

Proof of Publication of Notice of Hearing as published in the Muskegon Chronicle was filed.

Receipts of Certified Mail Notice to the owners of the property were also filed.

No objections were heard or filed.

The following resolution was offered by Commissioner Holcomb and supported by Commissioner Larson:

WHEREAS, the City of Muskegon for the owners of the following described property, has filed an Application to establish a "Plant Rehabilitation District" and an "Industrial Development District" under the provisions of Act No. 198 of the Public Acts of Michigan of 1974, as amended:

All that Area within the City of Muskegon East of the U.S. - 31 Highway right-of-way and South of E. Laketon Avenue, Muskegon, Michigan.

and,

WHEREAS, a Public Hearing was held by the City Commission of the City of Muskegon providing an opportunity for any citizen or taxpayer of the City to be heard; and,

WHEREAS, no objections were heard or filed to the establishment of a "Plant Rehabilitation District" and an "Industrial Development District" for the property described in the Application; and

NOW, THEREFORE, BE IT RESOLVED, that the City Commission does hereby establish a "Plant Rehabilitation District" and an "Industrial Development District" for the property in Port City Industrial Park,

Dated this 26th day of July, 1983.

ADOPTED: Yeas, Commissioners Stewart, Holcomb, Jones, Larson, Oglesby, Walcott, and Freye.

Nays, None.

STATE OF MICHIGAN)
) ss
COUNTY OF MUSKEGON)

I hereby certify that the attached is a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, State of Michigan, at a Regular Meeting held on July 26, 1983, and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976.

Marva A. Vasquez
Marva A. Vasquez,
City Clerk



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: November 10, 2025		Title: Approval of Minutes																
Submitted by: Ann Meisch, City Clerk		Department: City Clerk																
Brief Summary: To approve minutes of the October 13, 2025, Commission Worksession Meeting and the October 14, 2025, City Commission Meeting.																		
Detailed Summary & Background:																		
<u>Goal/Action Item:</u>																		
Is this a repeat item?: Explain what change has been made to justify bringing it back to Commission:																		
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			<u>Name the Policy/Ordinance Followed:</u>	
Immediate Division Head																		
Information Technology																		
Other Division Heads																		
Communication																		
Legal Review																		

CITY OF MUSKEGON

CITY COMMISSION WORKSESSION

October 13, 2025 @ 5:30 PM
MUSKEGON CITY COMMISSION CHAMBERS
933 TERRACE STREET, MUSKEGON, MI 49440
MINUTES

The City Commission Worksession Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Monday, October 13, 2025.

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

2025-81 NEW BUSINESS

A. Ordinance Adoption: Unlawful Speed Exhibition Events Public Safety

The City of Muskegon Police Department requests consideration to adopt an ordinance to address the rise in unauthorized vehicle speed exhibitions—commonly known as “street takeovers”—which threaten public safety, disrupt neighborhoods, and damage infrastructure, by enhancing enforcement and providing progressive responses such as impoundment authority and advance notice procedures.

The City of Muskegon finds that unauthorized motor vehicle speed exhibition events—commonly known as “street takeovers,” “sideshows,” or “slideshows”—pose a serious threat to public safety, disrupt neighborhoods, damage infrastructure, and endanger motorists, pedestrians, and first responders. Events like these have been an issue in other communities, like Grand Rapids and Kalamazoo, and the Police Department has seen an uptick in these events in Muskegon. This ordinance is adopted to deter such behavior, enhance enforcement options, and provide for progressive administrative response through impoundment authority and advance notice procedures.

Public Safety Director Tim Kozal explained the item and answered questions.

B. Project Development Agreement with Johnson Controls, Inc. Public Works

Staff, together with Johnson Controls, Inc., will present the details of a Project Development Agreement that will prepare the details needed to enter into an Energy Performance Contract in 2026 to make improvements to the DPW Facility, the Water System, City Hall, and other facilities.

In May of this year, staff issued an RFQ for an Energy Performance Contract Consultant, and the Commission agreed with staff's recommendation and awarded to Johnson Controls, Inc. (JCI). Staff recommended entering into this arrangement with goals of improving the DPW facility and making energy-saving improvements to that facility and others throughout the City. JCI has spent the last 6 months or so working with staff to identify a scope of work that fits well within the framework of an EPC, as well as makes progress on the City's needs and goals. The specific items of work proposed to be included in this Project Development Agreement (PDA), a precursor to the EPC itself, are shown on the included summary document, and are detailed in the agreement as well. One notable item is preparing for the replacement of all residential water meters in the City (that have not recently been replaced for other reasons), which is anticipated to increase water system revenue by several percent by reducing errors.

Public Works Director Dan VanderHeide and Chris Downs, Dave Gehrls, John Crawford and Brad Estadt from Johnson Controls, Inc. explained the agreement and the EPC process.

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

October 14, 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, October 14, 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 Jay Kilgo, Willie German, Jr., Rachel Gorman, and Katrina Kochin, City Manager Jonathan Seyferth, City Attorney John Schrier, and City Clerk Ann Marie Meisch
Absent: Commissioner Destinee Keener

2025-82 PUBLIC HEARINGS

A. Establishment of a Commercial Redevelopment District — 431 E. Laketon Ave. Economic Development

Pursuant to Public Act 255 of 1978, as amended, Gigi's Grill has requested the establishment of a Commercial Redevelopment District.

Creating the district will enable the property owner to apply for a Commercial Facilities Exemption certificate. If approved, the certificate will freeze the taxable value of the building and exempt the new real property investment from local property taxes for the duration of the exemption.

The proposed redevelopment will allow a church building to be transformed into a restaurant. This will create continued investment, job creation, and economic vitality within this district.

STAFF RECOMMENDATION: I move to close the public hearing and approve the establishment of the Commercial Redevelopment District for 431 E. Laketon Ave. and authorize the Mayor and City Clerk to sign the resolution.

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

Motion by Commissioner Kilgo, second by Commissioner Kochin, to close the public hearing and approve the establishment of the Commercial Redevelopment District for 431 E. Laketon Ave. and authorize the Mayor and City Clerk to sign the resolution.

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

MOTION PASSES

B. Issuance of a Commercial Facilities Exemption Certificate — 431 E. Laketon Ave. Economic Development

Pursuant to Public Act 255 of 1978, as amended, Gigi's Grill has requested the issuance of a Commercial Facilities Exemption Certificate. The certificate will freeze the taxable value of the building and exempt new real property investment from local taxes.

Gigi's Grill plans to rehabilitate an 18,686 sq. ft. facility beginning in November 2025. The project represents a \$65,000 investment and is expected to create between seven (7) and 10 jobs.

The applicant was the Pastor of the building when it was previously a church and now wants to make it into a restaurant. They have been operating outside the building selling authentic cuisine.

A public hearing on the establishment of the Commercial Redevelopment District is scheduled for the October 14, 2025, City Commission meeting.

The internal tax committee has reviewed the application and, based on their findings and calculations, recommends approval of the resolution for a term of eight (8) years for real property. The applicant has submitted all required documentation.

STAFF RECOMMENDATION: I move to close the public hearing and approve an eight (8) year Commercial Facilities Exemption Certificate for Gigi's Grill, and authorize the Mayor and City Clerk to sign the resolution.

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 and approve an eight (8) year Commercial Facilities Exemption Certificate for Gigi's Grill, and authorize the Mayor and City Clerk to sign the resolution.

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

MOTION PASSES

PUBLIC COMMENT ON AGENDA ITEMS

Public comments received.

2025-83 CONSENT AGENDA

A. Approval of Minutes City Clerk

To approve minutes of the September 23, 2025, City Commission Meeting.

STAFF RECOMMENDATION: Approval of the minutes.

B. DivDat Payment Kiosk Contract Treasury

In December of 2024, we entered into a contract with Diversified Data Processing & Consulting, Inc. (DivDat) to provide a payment kiosk that can be utilized to pay utility bills and property tax bills when City Hall is closed. Because there was no cost to the City, the City Manager was able to sign a one-year contract. Although the contract has an automatic renewal each year, we are looking for City Commission approval to continue this contract beyond December of 2025, when the initial year ends.

In December of 2024, we were able to negotiate a contract with DivDat that allowed the City to place a payment kiosk at City Hall that could be used to pay water/sewer bills, as well as property tax bills. The kiosk is available just inside the entrance off of Walton Avenue, and is available around the clock. Payments can be made using cash, check or credit card, and the only fee charged is a 2.49% processing fee charged to the customer, should they choose to pay by credit card. Payments made by cash or check are fee-free to both the customer and the City.

We were able to enter into the contract with no costs due to allowing the kiosk to be placed at City Hall and allowing it to accept DTE utility payments as well as City payments. We had a very short time frame to get this in place, so the initial contract was signed by the City Manager in December of 2024. It fell within his authority to do so, as the contract lasted for one year, and there was no cost to the City. Now we are asking for Commission approval to continue the contract with DivDat, and to allow the contract to automatically renew each year. There is a clause that allows us to exit the contract with 30 day notice should we have a need to do so. The contract was reviewed and approved by legal counsel in December of 2024, and no changes have been made since the initial contract was signed.

To this point, we have found that DivDat has been very easy to work with, and we haven't experienced any problems with the kiosk. DivDat also has created a mobile app that our customers can use to pay their bills from their smart phones, again with no cost other than a credit card processing fee.

STAFF RECOMMENDATION: I move to approve the contract with DivDat for the bill payment kiosk with automatic renewal each year as presented.

D. Project Development Agreement with Johnson Controls, Inc. Public Works

Staff requests approval to enter into a contract with Johnson Controls, Inc. in the amount of \$554,104, payment deferred, for engineering and project development services as described in the Project Development Agreement. An Energy Performance Contract (EPC), is a financing mechanism where an Energy Service Company (ESCO) installs, and in some cases maintains, energy-efficient equipment in a customer's facility and is partially paid for the cost of the project with a portion of the energy savings generated. The ESCO guarantees a level of energy savings over a specific period, and the customer pays for the project in part through those savings, typically without upfront expenditures. EPCs are commonly used by governments to fund energy efficiency and improvement projects in their facilities, and there are laws in place in Michigan that regulate these activities.

In May of this year, staff issued an RFQ for an Energy Performance Contract Consultant, and the Commission agreed with staff's recommendation and awarded to Johnson Controls, Inc. (JCI). Staff recommended entering into this arrangement with goals of improving the DPW facility and making energy-saving improvements to that facility and others throughout the City. JCI has spent the last 6 months or so working with staff to identify a scope of work that fits well within the framework of an EPC, as well as makes progress on the City's needs and goals. The specific items of work proposed to be included in this Project Development Agreement (PDA), a precursor to the EPC itself, are shown on the included summary document, and are detailed in the agreement as well. One notable item is preparing for the replacement of all residential water meters in the City (that have not recently been replaced for other reasons), which is anticipated to increase water system revenue by several percent by reducing errors.

It's important to know that at this time, staff is asking for approval to enter into a Project Development Agreement (PDA), not the EPC itself. This agreement will include testing of equipment and meters, preparation of plans for the improvements, and finalizing the details of the EPC and financing. During the PDA process, staff will be asked to make a "go/no-go" decision about each scope item depending on the improvements and finances that are developed for each scope item. The final EPC may look slightly different than the scope items in the PDA, but staff and JCI anticipate they will be similar in large part. These efforts are anticipated to include activities identified in the recently adopted Climate Action Plan, with the goal of reducing the City's carbon footprint and seeing energy savings.

While the specific ask is for \$554,104, as broken down by fund on the summary, it's important to note that amount is not actually due during the life of this agreement. The costs associated with the PDA are deferred by JCI until the time the Energy Performance Contract is entered into, likely late in the Spring of 2026. At that time, these engineering costs will be rolled into the EPC and paid via the tax-free municipal lease (also known as a lease-purchase) that EPC's are funded by.

STAFF RECOMMENDATION: Move to approve staff to enter into a contract with Johnson Controls, Inc. in the amount of \$554,104, payment deferred, for engineering and project development services as described in the Project Development Agreement.

E. Sale of 821/856/923 Emerald, 213/275/313 Myrtle, 480 Oak, 302 Orchard, 822/980 Williams, and 462 White. Planning

Staff is seeking authorization to sell the City-owned vacant lots at 821/856/923 Emerald, 213/275/313 Myrtle, 480 Oak, 302 Orchard, 822/980 Williams, and 462 White to CSM PROPERTIES OF WEST MICHIGAN, LLC (Chris McAuley).

CSM PROPERTIES OF WEST MICHIGAN, LLC (Chris McAuley) would like to purchase the City-owned buildable lots at 821/856/923 Emerald, 213/275/313 Myrtle, 480 Oak, 302 Orchard, 822/980 Williams, and 462 White to build single family homes. 313 and 275 Myrtle will be split into two buildable lots each, and 822 Williams will be split into three buildable lots.

STAFF RECOMMENDATION: To authorize the Code Coordinator to complete the sale of 821/856/923 Emerald, 213/275/313 Myrtle, 480 Oak, 302 Orchard, 822/980 Williams, and 462 White, as described in the purchase agreement and to have the Mayor and Clerk sign the purchase agreement.

F. Sale of 1967 Reynolds Planning

Staff is seeking authorization to sell the City-owned vacant lot at 1967 Reynolds to Shequita Brown.

Shequita Brown would like to purchase the City-owned buildable lots at 1967 Reynolds to build a triplex. She is the owner of an adjacent property. The lot is 50' x 125' with an alley, and meets the Zoning Ordinance size requirements for a triplex. The purchase price is \$4,275.00, which is 75% of the True Cash Value (\$5,700).

STAFF RECOMMENDATION: To authorize the Code Coordinator to complete the sale of 1967 Reynolds, as described in the purchase agreement and to have the Mayor and Clerk sign the purchase agreement.

I. City of Muskegon 2026 Fireworks Contract - Pyrotecnico DPW- Parks

Staff is requesting authorization to enter into an agreement with Pyrotecnico Fireworks for \$40,000 for the annual fireworks show in Muskegon, and approval of the fireworks display permit for Pyrotecnico contingent upon inspection of the fireworks and approval of the insurance. The annual Fireworks contract of \$40,000 will be scheduled for July 4, 2026. The agreement is of the standard form with Pyrotecnico that the City has entered into for the past several years.

STAFF RECOMMENDATION: I move to authorize staff to enter into a Fireworks Agreement with Pyrotecnico Fireworks for \$40,000 for a fireworks show at Heritage Landing, and approval of the fireworks display permit for Pyrotecnico.

K. Concession Application - Pere Marquette Mobile Sauna DPW- Parks

The Parks Department has received an application for a concessionaire "Saunaty" to run a mobile sauna at Pere Marquette. The request is for 2-3 Saturdays per month October - December near the MacKite building. The applicant has requested the \$1,000 concession (fee for a PM vendor) to be waived. This is an option in the contract which staff interprets as commissions discretion. Due to the cost of maintaining Pere Marquette and the exposure it brings, the parks department does not prefer to waive fees.

Activities Conducted:

Community sauna sessions and cold plunging/swimming.

Equipment Used:

Two 6' x 14' wood-fired sauna trailers manufactured by NorthUp Saunas Minneapolis, MN. Each sauna fits in a single parking space. Both units have been inspected by City of Norton Shores Fire Department (contact: Joe Munson) and both are equipped with fire extinguishers & carbon monoxide detectors. In addition to the trailer, there are a few folding benches, tables, and a 3' x 7' pop-up changing tent for people to change into/out of swimwear.

Setup Location:

Pere Marquette - near MACkiteboarding, in parking spaces nearest the lake.

Liability/Insurance:

Liability Waivers signed by all participants.

Sauna-specific liability insurance (4mil/2mil) through Alternative Balance.

City of Muskegon will be listed as an additional insured on the policy.

Dates:

2-3 Saturdays per month from October-End of December

Saunaty typically operates for 8-10 hours between 9am - 9pm.

Setup time as early as 7:30am - out of the parking lot by 10pm.

Sauna Fees:

60 Minutes: \$25

120 Minutes: \$35

Each sauna fits 6 guests. A typical day could range from 24-72 guests.

The applicant is asking for the \$1,000 annual fee to be waived and to pay 10% of gross receipts instead of the current fee structure of 5% + \$1,000.

STAFF RECOMMENDATION: Authorize staff to enter into an agreement with Saunaty for concession services at Pere Marquette Park.

L. Ordinance Adoption: Unlawful Speed Exhibition Events Public Safety

The City of Muskegon Police Department requests consideration to adopt an ordinance to address the rise in unauthorized vehicle speed exhibitions—commonly known as “street takeovers”—which threaten public safety, disrupt neighborhoods, and damage infrastructure, by enhancing enforcement and providing progressive responses such as impoundment authority and advance notice procedures.

The City of Muskegon finds that unauthorized motor vehicle speed exhibition events—commonly known as “street takeovers,” “sideshows,” or “slideshows”—

pose a serious threat to public safety, disrupt neighborhoods, damage infrastructure, and endanger motorists, pedestrians, and first responders. Events like these have been an issue in other communities, like Grand Rapids and Kalamazoo, and the police department has seen an uptick in these events in Muskegon. This ordinance is adopted to deter such behavior, enhance enforcement options, and provide for progressive administrative response through impoundment authority and advance notice procedures.

STAFF RECOMMENDATION: I move to adopt Chapter 92, Article VIII, Sections 92-500 through 92-504 of the Code of Ordinances of the City of Muskegon, Michigan to deter unauthorized speed exhibitions.

(REQUIRES SECOND READING)

O. Concur with CRC Recommendation City Clerk

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

To accept the resignations of Steven Frantz from the Housing Code Board of Appeals and Jay Wallace from the Downtown Development Authority. To appoint James Curtis to the Downtown Development Authority as member with a term ending 1-31-27; and appoint David England to the Farmers Market Advisory Board as a seasonal farmer with a term ending 1-31-28.

STAFF RECOMMENDATION: To accept the resignations of Steven Frantz and Jay Wallace and appoint James Curtis to the Downtown Development Authority and David England to the Farmers Market Advisory Board.

Motion by Commissioner Kilgo, second by Vice Mayor St.Clair, to adopt the Consent Agenda as presented minus items C, G, H, J, M, and N.

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

MOTION PASSES

2025-84 ITEMS REMOVED FROM THE CONSENT AGENDA

C. Laketon-Lakeshore Trail Connector Engineering Change Order Public Works

Staff requests approval to enter into an amended Professional Services Agreement with Prein & Newhof in the amount of \$69,590 for final design and construction services related to the Laketon-Lakeshore Trail Connector. The Laketon-Lakeshore Trail Connector is the final piece in a trail system that runs from Hart to Muskegon, on to Grand Rapids and beyond. It will sit along the east side of Sanford Street and the west side of Terrace Street from Laketon Avenue to Shoreline Drive, connecting the Laketon Trail and the Lakeshore Trail. It represents both a connection of two major trail systems as well as a new non-motorized corridor through, near and to the Marsh Field, McLaughlin,

Nelson and Jackson Hill neighborhoods.

Prein & Newhof was hired in 2021 to help the City obtain funding for and to design the trail. After advocacy efforts by many in the community, the City was informed in 2023 that the project was expected to receive about two-thirds of the needed funding from the Transportation Alternatives Program (TAP) funding through a competitive Michigan Department of Transportation (MDOT) grant program. Since then, staff and Prein & Newhof have been working hard to meet all the requirements of that funding program, as well as seeking additional funding to help cover the City's \$940,000 match. While none of those additional funding efforts were successful, the City is in a position to cover the match using funds on hand, and with program requirements met the project is proceeding to construction in the summer of 2026.

The efforts to meet all requirements of the TAP program, apply for additional funding sources, and make changes to the preliminary design needed to accommodate future land use changes along Terrace have effectively used up Prein & Newhof's original contract. While the proposal from Prein & Newhof details what efforts have been made to date outside the initial scope of their contract, this amendment will actually provide funds for final design and construction services needed to bring the project to completion going forward. This project is closely coordinated with the reconstruction of Apple Avenue, and staff looks forward to Prein & Newhof being able to complete this project next year using these requested funds.

STAFF RECOMMENDATION: Move approval for staff to enter into an amended Professional Services Agreement with Prein & Newhof in the amount of \$69,590 for final design and construction services related to the Laketon-Lakeshore Trail Connector.

Motion by Vice Mayor St.Clair, second by Commissioner Kilgo, to approve staff to enter into an amended Professional Services Agreement with Prein & Newhof in the amount of \$69,590 for final design and construction services related to the Laketon-Lakeshore Trail Connector.

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

MOTION PASSES

G. Adelaide Point, Extension of Timeline for Park-like Improvements — Hartshorn Peninsula Manager's Office

In May 2025, the City Commission set a deadline for the developer of Adelaide Point to have park improvements on the Hartshorn Peninsula completed by November 1, 2025. This action would provide additional time until May 1, 2026, if additional specific steps are met.

The May 2025 letter was sent by City staff at the direction of the City

Commission. There were two primary deadlines in the agreement: improvements were required to commence by July 1, 2025 (which they did), and the improvements were required to be completed by November 1, 2025. At the time of this meeting, the bike trail has been completed. However, improvements to Hartshorn Peninsula have not been completed and will not be completed by the November 1, 2025, deadline.

As the bike trail has been completed, City staff is proposing that the completion deadline for the Hartshorn Peninsula improvements be extended until May 1, 2026, with the condition that updated surveys, legal descriptions, and (if needed) easements for the completed bike trail be recorded with the County Register of Deeds by December 1, 2025. Recording of the deed will show City ownership and clarify who owns what in that area. The City is currently contracting with Westshore for the survey work on the bike trail. If this work is not completed by the specified date or if Adelaide Point does not sign off on the required paperwork, the City may take action in December as outlined in the letter.

It's important to note that the May 1, 2026, deadline would allow the public to use the improvements for the 2026 season. Additionally, Independent Bank has taken steps to appoint a receiver to finish the condo project. Any stability the City can provide to partner with the bank as it navigates this process is in the best interest of the community to see the project completed.

STAFF RECOMMENDATION: To extend the deadline for park improvements at Hartshorn Park and Launch ramp until May 1, 2026.

Much discussion was heard. It was discussed that the Commission requires a timeline of December 1st to have communication in writing from the developer on what will be done with the park-like improvements on Hartshorn Peninsula.

Motion by Commissioner German, second by Commissioner Kilgo, to extend the deadline for park improvements at Hartshorn Park and Launch ramp until May 1, 2026.

Motion amended by Vice Mayor St.Clair, second by Commissioner Gorman, that the developer must by December 1st submit to the City a detailed plan of what park-like improvements will be done at the Hartshorn Peninsula.

Vote on Amendment:

ROLL VOTE: Ayes: Johnson, Kilgo, German, Gorman, Kochin, and St.Clair

Nays: None

MOTION PASSES

Vote on Original Motion:

ROLL VOTE: Ayes: St.Clair, Johnson, Kilgo, German, Gorman, and Kochin

Nays: None

MOTION PASSES

H. Policy for the Use & Sale of City-Owned Residential Property: Amendment Planning

The current Policy for the Use & Sale of City-Owned Residential Property was last updated in 2022. This amendment makes minor changes to the policy without changing the essence. There have been changes to purchase prices, reimbursement amounts, and the removal of the language of a landscaping grant that is no longer offered.

Last updated in 2022, the Policy for the Use & Sale of City-Owned Residential Property has been changed as follows:

- “Lot Use: Permanent Use Options”, the “Public Space” bullet point, has been removed.
- “Lot Use: Temporary Use Options”, language has been added to the “Adopt-a-Lot” bullet point clarifying that infill housing on lots will supersede the Adopt-a-Lot designation.
- “Buildable Lot Sales”, the lot pricing, has changed the reimbursement amount for all lots built on to 80%. The purchase price of lots for single-family homes remains the same at 75% of the True Cash Value of the property. The purchase price of lots for single-family homes plus accessory dwelling units, duplexes, or small multiplexes is changed to be 50% of the True Cash Value of the property.
- “Development Incentives”, all housing types will now receive a 100% reduction in water/sewer connection fees if the address is included in the City’s Brownfield Plan Amendment or if a developer completes construction of three of any type of housing units.
- “Non-Buildable Lot Sales”, the Landscaping Incentive, has been removed. This has not been budgeted for or administered in recent years.

STAFF RECOMMENDATION: To approve and accept the amended Policy for the Use & Sale of City-Owned Residential Property.

Motion by Commissioner German, second by Commissioner Kilgo, to approve and accept the amended Policy for the Use & Sale of City-Owned Residential Property.

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

MOTION PASSES

J. Concession Agreement — Smith-Ryerson Vending Machine DPW- Parks

The Parks Department has received a concession application for a vending machine at Smith Ryerson Park in the Sim Ray Center. This particular vending machine will be for snacks (non-refrigerated items) and the machine will be available when the building is open and for any rentals.

The applicant, Nefiteria Ray, is a local resident who reached out as she heard this as a community request from neighbors and friends. As stated in the City of Muskegon park concession policy, the fee for this agreement will be \$250 annually + 5% of gross receipts.

STAFF RECOMMENDATION: I authorize staff to enter into an agreement with Threes Company LLC for concession services at Smith Ryerson Park.

Motion by Commissioner German, second by Commissioner Kochin, to authorize staff to enter into an agreement with Threes Company LLC for concession services at Smith Ryerson Park.

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

MOTION PASSES

M. Resolution for Housing Tax Exemption for Four Properties, LLC
(609,619,629 Amity) Economic Development

Tyce VanNoord, doing business as Four Properties LLC, desires to construct 8 units of workforce housing (3 duplexes and 2 ADUs)

As with other properties we have approved for workforce housing, this development will utilize the new scattered-site PILOT we have done with Allen Edwin and other smaller-scale builders. All three parcels in this item would include a two-story duplex with both upper and lower units offering 3-beds/3-baths. On 609 & 629 Amity (2 parcels), there will be an ADU that is 1bed/1bath. The center parcel will feature a shared backyard with mature trees and comfortable parking/turnaround to support the parcels.

These will all be listed under MSHDA HUD rent requirements for 120%AMI. ADU 1-bed/1-bath target rent will be \$785, and the 3-bed/3-bath Duplex has a target rent between \$1400 and \$1500 per month. As with the other projects approved under this statute, the payment in lieu of taxes is equal to 10% of the annual shelter rent.

STAFF RECOMMENDATION: Motion to approve the Resolution for Housing Tax Exemption as presented and to authorize the Mayor and Clerk to sign.

Motion by Commissioner Kilgo, second by Vice Mayor St.Clair, to approve the Resolution for Housing Tax Exemption as presented and to authorize the Mayor and Clerk to sign.

ROLL VOTE: Ayes: German, Gorman, Kochin, St.Clair, Johnson, and Kilgo

Nays: None

MOTION PASSES

N. Workforce Housing Restrictive Covenant - Four Properties LLC Economic Development

Tyce VanNoord, doing business as Four Properties LLC, desires to construct 8 units of workforce housing (3 duplexes and 2 ADUs)

As with other properties we have approved for workforce housing, this development will utilize the new scattered site PILOT we have used with Allen Edwin and other smaller-scale builders. All three parcels in this item would include a two-story duplex with both upper and lower units offering 3-beds/3-baths each. At 609 & 629 Amity (2 parcels), there will be an ADU that is 1bed/1bath. The center parcel will feature a shared backyard with mature trees and comfortable parking/turnaround to support the parcels.

These will all be listed under MSHDA HUD rent requirements for 120%AMI. ADU 1-bed/1-bath target rent will be \$785, and the 3-bed/3-bath Duplex has a target rent between \$1400 and \$1500 per month. As with the other projects approved under this statute, the payment in lieu of taxes is equal to 10% of the annual shelter rent.

STAFF RECOMMENDATION: Motion to Approve the Workforce Housing Restrictive Covenant as presented and to authorize the Mayor and Clerk to sign.

Motion by Commissioner Kilgo, second by Commissioner German, to approve the Workforce Housing Restrictive Covenant as presented and to authorize the Mayor and Clerk to sign.

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

MOTION PASSES

GENERAL PUBLIC COMMENT

Public comments received.

Mayor Johnson stated the October 28th City Commission Meeting is canceled due to early voting. The next Commission Meeting will be a combined Worksession/Commission Meeting on November 10th because City Hall is closed November 11th for Veterans Day.

Commissioner Kilgo announced that there will be a presentation at Muskegon High School to discuss Fisherman's Landing on October 21st at 6:00 p.m.

2025-85 CLOSED SESSION

A. CLOSED SESSION ITEM Finance

Motion by Vice Mayor St.Clair, second by Commissioner Kilgo, to go into closed session under Section 8(1)(e) of the Open Meetings Act to discuss trial or settlement strategy with legal counsel in connection with the lawsuit titled *Jerry Jewett v City of Muskegon*, Case No: 24-5323-NO pending before the 14th Circuit Court of Muskegon County. Discussion of this matter on the open record will have a detrimental financial effect on the litigating or settlement position of the City of Muskegon, its employees and officials.

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

MOTION PASSES

Motion by Vice Mayor St.Clair, second by Commissioner German, to come out of Closed Session.

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

MOTION PASSES

Motion by Vice Mayor St.Clair, second by Commissioner Kilgo, to follow the advice of counsel and approve the settlement proposal in the pending case of *Jerry Jewett v City of Muskegon*, Case No: 24-5323-NO before the 14th Circuit Court of Muskegon County.

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

MOTION PASSES

ADJOURNMENT

The City Commission meeting adjourned at 9:00 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC City Clerk



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: November 10, 2025	Title: Ordinance Adoption: Unlawful Speed Exhibition Events (SECOND READING)						
Submitted by: Timothy Kozal, Public Safety Director	Department: Public Safety						
Brief Summary: The City of Muskegon Police Department requests consideration to adopt an ordinance to address the rise in unauthorized vehicle speed exhibitions—commonly known as “street takeovers”—which threaten public safety, disrupt neighborhoods, and damage infrastructure, by enhancing enforcement and providing progressive responses such as impoundment authority and advance notice procedures.							
Detailed Summary & Background: The City of Muskegon finds that unauthorized motor vehicle speed exhibition events—commonly known as “street takeovers,” “sideshows,” or “slideshows”—pose a serious threat to public safety, disrupt neighborhoods, damage infrastructure, and endanger motorists, pedestrians, and first responders. Events like these have been an issue in other communities, like Grand Rapids and Kalamazoo, and the police department has seen an uptick in these events in Muskegon. This ordinance is adopted to deter such behavior, enhance enforcement options, and provide for progressive administrative response through impoundment authority and advance notice procedures.							
Goal/Action Item: 2027 Goal 1: Destination Community & Quality of Life							
Is this a repeat item?: Explain what change has been made to justify bringing it back to Commission: Ordinance change second reading.							
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: I move to adopt Chapter 92, Article VIII, Sections 92-500 through 92- 504 of the Code of Ordinances of the City of Muskegon, Michigan to deter unauthorized speed exhibitions.							
Approvals:	Name the Policy/Ordinance Followed:						

Immediate Division Head			
Information Technology			
Other Division Heads			
Communication			
Legal Review			

**City of Muskegon
Muskegon County, Michigan
Ordinance Amendment No. _____**

THE CITY OF MUSKEGON HEREBY ORDAINS:

1. Chapter 92, Article VIII, Sections 92-500 through 92- 504 of the Code of Ordinances of the City of Muskegon, Michigan, is adopted as follows:

Sec. 92-500. Purpose.

The City of Muskegon finds that unauthorized motor vehicle speed exhibition events—commonly known as “street takeovers,” “sideshows,” or “slideshows”—pose a serious threat to public safety, disrupt neighborhoods, damage infrastructure, and endanger motorists, pedestrians, and first responders. This ordinance is adopted to deter such behavior, enhance enforcement options, and provide for progressive administrative response through impoundment authority and advance notice procedures.

Sec. 92- 501 Definitions.

For purposes of this Article:

(a) *Unlawful Speed Exhibition Event* means any unpermitted motor vehicle activity on a public roadway, highway, alley, bridge, parking lot, or other publicly accessible space that:

- (1) May be preplanned or contemporaneously coordinated by two or more persons;
- (2) Involves spinning of tires, burnouts, “donuts,” drifting, or the creation of tire smoke;
- (3) Involves rapid acceleration or deceleration intended to create noise, disruptions to traffic operations, nuisance to the public, and/or attention;
- (4) Involves excessive speed or street racing;
- (5) Involves any other motor vehicle maneuvers performed recklessly or for the purpose of entertainment, stunt driving, or show; or
- (6) Involves a person knowingly using or aiding a motor vehicle or other obstacle to create a physical barrier that impedes or blocks an intersection, bridge, public right-of-way, or other public place or highway, thereby creating a location or opportunity for a speed exhibition event to occur.

(b) *Unpermitted* means without the express written permission of the owner of private property on which the activity occurs or without prior authorization from the City of Muskegon for use of public property or right-of-way.

(c) *Warning Letter* means a written notice issued to the registered owner of a vehicle, advising that the vehicle was observed to be involved in or aiding in an unlawful speed exhibition event.

Sec. 92 502. Prohibited Conduct.

No person shall engage in, participate in, aid in, coordinate, or facilitate an unlawful speed exhibition event as defined in this Article.

Sec. 92- 503. Vehicle Impoundment and Warning Procedure.

(a) A law enforcement officer who has reasonable suspicion to believe a motor vehicle is actively participating in or aiding in an unlawful speed exhibition event may issue a Warning Letter to the vehicle's registered owner within seven days of the event. The letter shall:

(1) State that the vehicle was identified in or aiding in an unlawful speed exhibition event. The Warning Letter shall identify the location, date and time, of the event. The letter shall provide the process to appeal the Notice to the Director of Public Safety;

(2) Serve as notice that any future involvement or assistance in an unlawful speed exhibit may result in immediate impoundment of the vehicle; and

(3) Remain valid for a period of one (1) year from the date of issuance.

(b) The owner of the vehicle may file a written appeal to the issuance of the Warning Letter to the Director of Public Safety. The written appeal must be submitted within 10 business days to the Director of Public Safety, along with any evidence or written statements that relate to the Warning Letter. The Director of Public Safety's decision shall be in writing and shall be final.

(c) If a vehicle is subsequently involved in or aiding in another unlawful speed exhibition event within one (1) year of a prior Warning Letter, and a law enforcement officer has probable cause to believe the vehicle was used in or aiding in the event, the law enforcement officer may cause the vehicle to be impounded.

(d) If a law enforcement officer is required to enter private property to search for and impound a vehicle that is in violation of this section, the law enforcement officer must submit a request to the district court for an order authorizing the law enforcement officer to enter said private property, unless the law enforcement officer has other legal justification for entering the property and impounding the vehicle or obtains consent from the property owner and vehicle owner.

(e) If an owner's vehicle is impounded, the owner may take ownership of the vehicle at any time so long that all towing and storage fees associated with an impoundment are paid in full. The owner of the vehicle is fully responsible for all fees associated with impoundment and storage of the vehicle.

Sec. 92- 504. Penalties.

(a) Any person who owns a vehicle used in an unlawful speed exhibition event in violation of this ordinance, or any person who knowingly allowed a vehicle to be used in an unlawful speed exhibition event in violation of this ordinance, or any person who failed to exercise reasonable control over the use of a vehicle involved in an unlawful speed exhibition shall be guilty of a misdemeanor, punishable by a term of imprisonment of not more than 90 days and a fine of not more than \$500.00, or both.

(b) Nothing in this Article shall be construed to impose liability or penalties on individuals who are solely spectators or bystanders.

This Ordinance Adopted:

Ayes: _____

Nays: _____

Adoption Date: _____

Effective Date: _____

First Reading: _____

Second Reading: _____

CITY OF MUSKEGON

By: _____

Ann Marie Meisch, MMC
Clerk, City of Muskegon

CERTIFICATE

The undersigned, being the duly qualified clerk of the City of Muskegon, Muskegon County, Michigan, does hereby certify that the foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Muskegon, at a regular meeting of the City Commission on the _____ day of _____, 2025 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 Act No. 267, Public Acts of Michigan of 1976, as amended, and that minutes were kept and will be, or have been made available as required thereby.

CITY OF MUSKEGON

Published: _____, 2025

By: _____
Ann Marie Meisch, MCC
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**

TO: ALL PERSONS INTERESTED

Please take notice that on _____ of ___, 2025, the City Commission of the City of Muskegon adopted an amendment to Section 92-___, summarized as follows:

1. Section 92- 500 provides the purpose for the Unlawful Speed Exhibit Events Ordinance.
2. Section 92- 501 provides the definitions for the Unlawful Speed Exhibition Event Ordinance.
3. Section 92- 502 prohibits Unlawful Speed Exhibition Event.
4. Section 92 – 503 provides a warning procedure and impoundment of vehicles involved in an Unlawful Speed Exhibition Event.
5. Section 92-504 provides the penalties for violating the Unlawful Speed Exhibition Event Ordinance.

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, 49440 during regular business hours.

This ordinance amendment is effective ten (10) days from the date of this publication.

CITY OF MUSKEGON

Published: _____, 2025

By: _____
Ann Marie Meisch, MCC
Clerk, City of Muskegon

PUBLISH ONCE WITHIN TEN (10) DAYS OF FINAL PASSAGE



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: November 10, 2025	Title: Limited Traffic Data Software Subscription							
Submitted by: Dan VanderHeide, Public Works Director	Department: Public Works							
Brief Summary: Staff requests authorization to enter into a three-year contract with Vertosoft, LLC for \$26,752 per year for a subscription to Urban SDK traffic data software.								
Detailed Summary & Background: Staff in the Police Department and Engineering Department have long been interested in taking advantage of improving technology to gain a better understanding of traffic in the City. Current technology involves placing radar trailers or rubber hoses on the roadways and returning later to pick up the devices and process the data, one location at a time. Urban SDK offers a solution that will give both departments access to speed and volume data across the entire city network, instantaneously, via software. Urban SDK uses the connected devices already in nearly all vehicles to anonymously report speed and volume data. Vertisoft has provided the City with a quote for a three-year contract that is based on Sourcewell pricing. Sourcewell is a purchasing cooperative that competitively bids goods and services and offers its members the ability to purchase those items at the lowest bid price. It meets the City's purchasing policy requirements for a public bid. While this item was not specifically budgeted for in the street fund budgets, reserves are available to cover this expense, and the budget will be amended accordingly. This advanced software will improve the staff's efficiency, knowledge and accuracy.								
Goal/Action Item: 2027 Goal 1: Destination Community & Quality of Life - Recognizable improvements to community safety								
Is this a repeat item?: Explain what change has been made to justify bringing it back to Commission:								
Amount Requested: \$26,752	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%;">☐</td> <td style="width: 15%;">☐</td> </tr> </table>	Yes	☐	No	☒	N/A	☐	☐
Yes	☐	No	☒	N/A	☐	☐		
Fund(s) or Account(s): 202 and 203 (Major and Local Streets)	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%;">☐</td> <td style="width: 15%;">☐</td> </tr> </table>	Yes	☒	No	☐	N/A	☐	☐
Yes	☒	No	☐	N/A	☐	☐		
Recommended Motion: Move to authorize staff to enter into a three-year contract with Vertosoft, LLC for \$26,752 per year for								

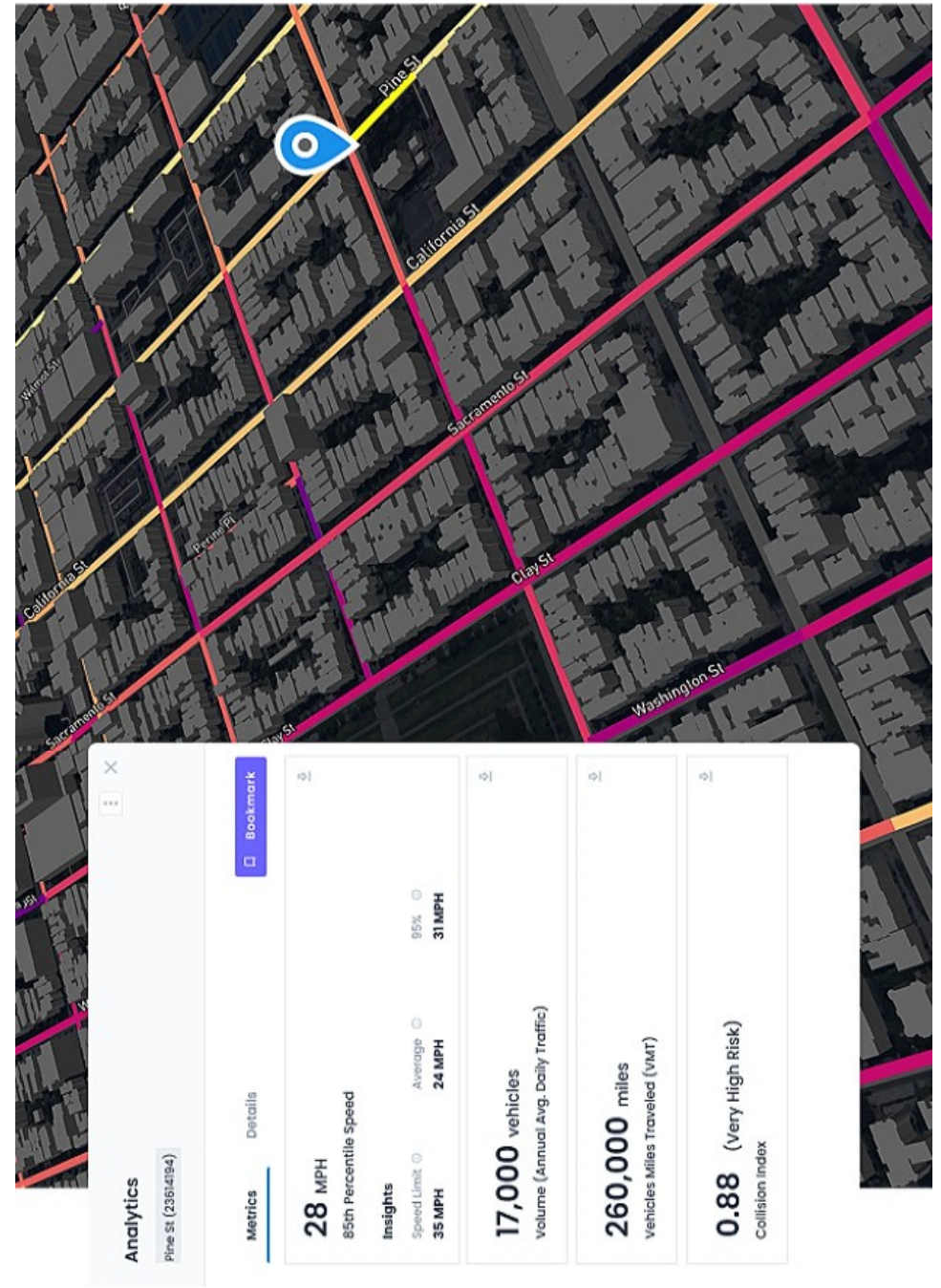
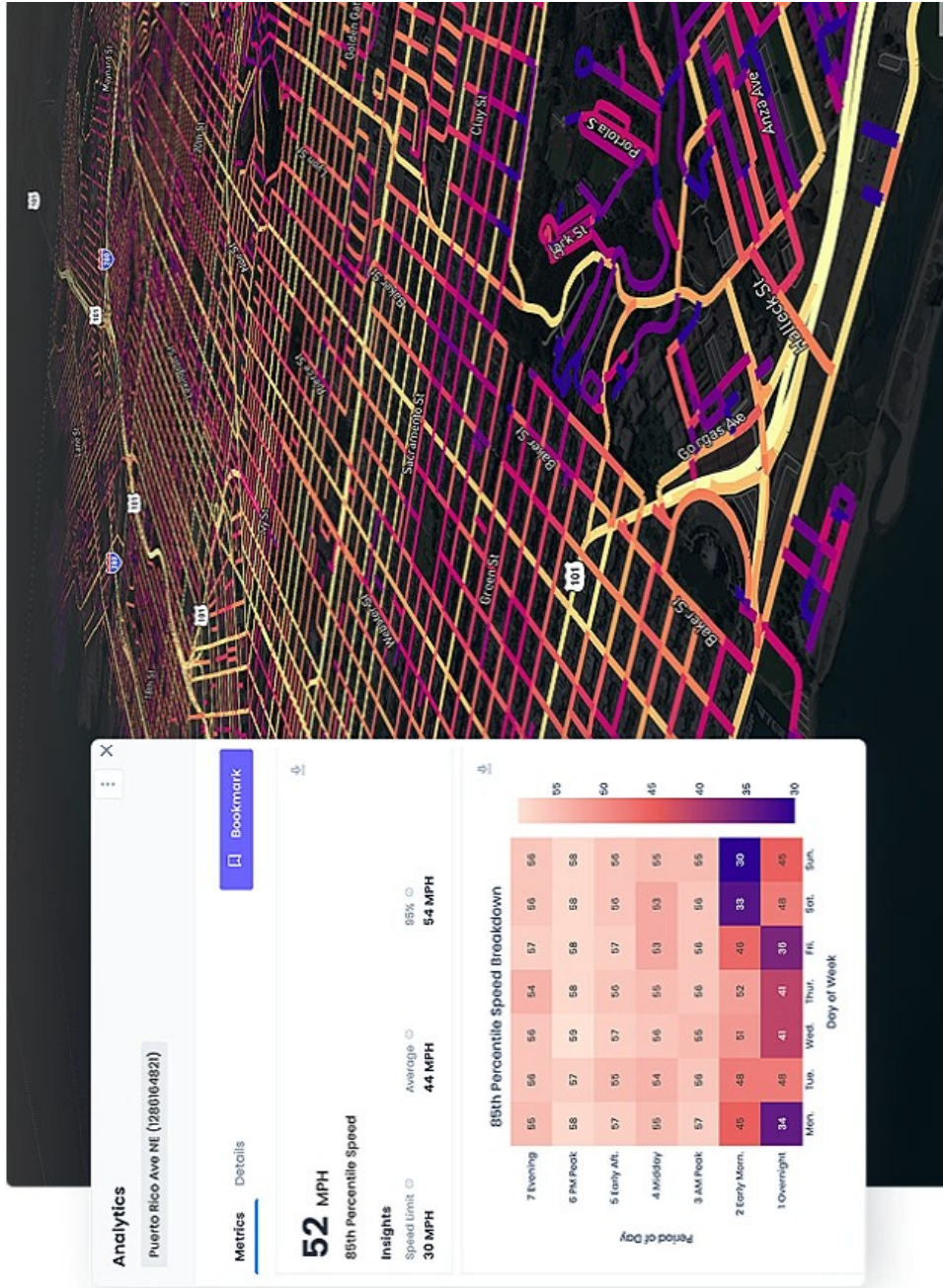
a subscription to Urban SDK traffic data software.

Approvals:

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

Name the Policy/Ordinance Followed:

Purchasing Policy





1602 Village Market Blvd SE, Suite 320
Leesburg, VA20175 USA

Cage Code: 7QV38
UEI Number Y7D5MXRU2839
DUNS# 080431574
Federal Tax ID: 81-3911287
Business Size: Small Business

Date: 10/14/2025, 1:32 PM

Phone: 571 707-4130
Fax: 571-291-4119
Email: sales@vertosoft.com

Vertosoft Contact: David Ball
Phone: (571) 218-5194
Email: david.ball@vertosoft.com

Vertosoft Quote for Urban SDK - City of Muskegon, MI

Contract: Sourcwell: 060624-VTO

Quote #: Q-15689
Expires On: 11/30/2025

Ship To
City of Muskegon, MI

Quote For:
Name: Dan VanderHeide
Company: City of Muskegon, MI
Email: dan.vanderheide@shorelinecity.com
Phone: 231-724-4100

PAYMENT TERMS	DELIVERY METHOD	PAYMENT METHOD	VERTOSOFT CUST ID	SUPPLIER REF #
Net 30	Electronic	Check/ACH/Credit Card		Contract Commitment: 36 Months

Overall POP Start Date: 12/1/2025
Overall POP End Date: 11/30/2028

Year 1

Coverage Dates: 12/1/2025 - 11/30/2026

PART #	DESCRIPTION	QTY	UNIT PRICE	EXTENDED
USDK104	Speed Insights (250-500 Miles)	1.00	\$22,252.00	\$22,252.00
USDK201	Volume Insights (1-1000 Miles)	1.00	\$4,500.00	\$4,500.00
Year 1 TOTAL:				\$26,752.00

Year 2

Coverage Dates: 12/1/2026 - 11/30/2027

PART #	DESCRIPTION	QTY	UNIT PRICE	EXTENDED
USDK104	Speed Insights (250-500 Miles)	1.00	\$22,252.00	\$22,252.00
USDK201	Volume Insights (1-1000 Miles)	1.00	\$4,500.00	\$4,500.00
Year 2 TOTAL:				\$26,752.00

Year 3

Coverage Dates: 12/1/2027 - 11/30/2028

PART #	DESCRIPTION	QTY	UNIT PRICE	EXTENDED
USDK104	Speed Insights (250-500 Miles)	1.00	\$22,252.00	\$22,252.00
USDK201	Volume Insights (1-1000 Miles)	1.00	\$4,500.00	\$4,500.00
Year 3 TOTAL:				\$26,752.00

TOTAL: \$80,256.00

Quote Terms

By purchasing the products and services described in this order form, the Customer is expressly agreeing to the End User Agreement published at <https://www.vertosoft.com/terms-and-conditions-urban-sdk>

Taxes: Sales tax shall be added at the time of an invoice, unless a copy of a valid tax exemption or resale certificate is provided.

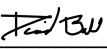
Credit Card Orders: Additional fees may apply if paying by credit card.

All Purchase Orders must include: End User Name, Phone Number, Email Address, Purchase Order Number, Government Contract Number or Our Quote Number, Bill-To and Ship-To Address (Cannot ship to a PO Box), Period of Performance (if applicable), and a Signature of a duly Authorized Representative.

IN WITNESS WHEREOF, the Parties hereto have executed the Agreement as of the last Signature Date below.

Vertosoft LLC

City of Muskegon, MI

Signature: 

Signature: _____

Name: David Ball

Name: _____

Title: Senior Director

Title: _____

Date: 10/14/2025

Date: _____



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: November 10, 2025		Title: Sale of 617, 625, & 635 Oak													
Submitted by: Samantha Pulos, Code Coordinator		Department: Planning													
Brief Summary: Staff is seeking authorization to sell the City-owned vacant lots at 617, 625, and 635 Oak 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 617, 625, and 635 Oak for \$6,100 (50% of the True Cash Value of \$12,200) 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 on each of the properties.															
Goal/Action Item: 2027 Goal 2: Economic Development Housing and Business															
Is this a repeat item?: Explain what change has been made to justify bringing it back to Commission: The sale of 617, 625, and 635 Oak was previously part of a purchase agreement that included 638 and 644 Oak. The developer anticipated MSHDA MI Neighborhood funding for all the addresses included in that agreement. However, they will not receive that grant for this project. Their current funding will not support the originally proposed project of a duplex on each of the lots, (there was to be a split/combination of 617, 625, and 635 Oak into four evenly sized lots). However, it will support a duplex being built on three lots at this location. The developer may also incorporate all of the lots into the project if feasible.															
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>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></td><td>x</td><td></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 617, 625, and 635 Oak to Sjaarda Homes and Properties LLC (Derek Sjaarda).															
Approvals: <table border="1"><tr><td>Immediate Division Head</td><td>x</td><td></td></tr></table>		Immediate Division Head	x		Name the Policy/Ordinance Followed: <table border="1"><tr><td>Master Plan, Zoning Ordinance, Policy for the Use & Sale of City-Owned Residential Property</td></tr></table>						Master Plan, Zoning Ordinance, Policy for the Use & Sale of City-Owned Residential Property				
Immediate Division Head	x														
Master Plan, Zoning Ordinance, Policy for the Use & Sale of City-Owned Residential Property															

Information Technology		
Other Division Heads	x	
Communication		
Legal Review	x	

PURCHASE AND DEVELOPMENT AGREEMENT

This Purchase and Development Agreement (“Agreement”) is made **November 10, 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, for a total of three (3) duplexes. (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 \$6,100.00, 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 80% of the purchase price for the Project Property upon Developer’s completion of construction for each single-family home, duplex, triplex, and accessory dwelling unit on the Project Property.

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 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 duplexes.

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:

CITY OF MUSKEGON

By: _____

Name: Ken Johnson

Title: Mayor

Dated: _____

By: _____

Name: Ann Marie Meisch

Title: City Clerk

Dated: _____

DEVELOPER:

Sjaarda Homes and Properties LLC

By: _____

Name: Derek Sjaarda

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 N 1/2 LOT 7 ALSO E 40 FT OF LOT 8

BLK 49 Address: 617 OAK AVE, MUSKEGON, MI 49442

Parcel #: 24-205-049-0007-00

Price: \$2,500.00

(617, 625, and 635 Oak will be combined and split evenly into three lots)

Legal Description: CITY OF MUSKEGON REVISED PLAT OF 1903 N 1/2 LOT 6 BLK 49

Address: 625 OAK AVE, MUSKEGON, MI 49442

Parcel #: 61-24-205-049-0006-00

Price: \$1,600.00

(617, 625, and 635 Oak will be combined and split evenly into three lots)

Legal Description: CITY OF MUSKEGON REVISED PLAT OF 1903 N 1/2 LOT 5 BLK 49

Address: 635 OAK AVE, MUSKEGON, MI 49442

Parcel #: 61-24-205-049-0005-00

Price: \$2,000.00

(617, 625, and 635 Oak will be combined and split evenly into three lots)

October 31, 2025

Sjaarda Homes and Properties, LLC
Derek Sjaarda
15131 Blueberry Ct.
West Olive, MI 49460

Re: Termination of Purchase and Development Agreement

Dear Mr. Sjaarda,

The City of Muskegon and Sjaarda Homes and Properties, LLC entered into a Purchase and Development Agreement (the "Agreement") dated July 8, 2025, in which you were to purchase and develop five vacant properties owned by the City. Closing was to occur no later than 60 days from the City Commission's approval of the sale.

Pursuant to the terms and conditions set forth in section 13a of the Agreement, the City may terminate the Agreement in the event the Developer fails to tender the purchase price at closing. Given the fact that the closing date did not occur and in accordance with this section, the City hereby exercises our right to terminate the Agreement.

We appreciate your efforts and commitment to the development of the City of Muskegon. Please confirm receipt of this notice and acknowledge the termination in writing.

City of Muskegon



By: Sam Pulos

I agree to the termination.

Sjaarda Homes and Properties, LLC



By: Derek Sjaarda



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: November 10, 2025		Title: Sale of 638 & 644 Oak																	
Submitted by: Samantha Pulos, Code Coordinator		Department: Planning																	
Brief Summary: Staff is seeking authorization to sell the City-owned vacant lots at 638 and 644 Oak 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 638 and 644 Oak for \$4,000 (50% of the True Cash Value of \$8,000) 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 on each property.																			
Goal/Action Item: 2027 Goal 2: Economic Development Housing and Business																			
Is this a repeat item?: Explain what change has been made to justify bringing it back to Commission: The sale of 638 and 644 Oak was previously part of a purchase agreement that included 617, 625, and 635. The developer anticipated MSHDA MI Neighborhood funding for all five of the original addresses included in the agreement. Unfortunately, they will not receive that grant for this project. They would like these two addresses on a separate purchase agreement, so that they can close the sale quickly if approved, and break ground this year.																			
Amount Requested: n/a		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="4" style="padding: 2px;">Budgeted Item:</th> </tr> <tr> <td style="width: 25%; padding: 2px;">Yes</td> <td style="width: 25%; padding: 2px;"></td> <td style="width: 25%; padding: 2px;">No</td> <td style="width: 25%; padding: 2px;"></td> </tr> <tr> <td style="padding: 2px;"></td> <td style="padding: 2px;"></td> <td style="padding: 2px;"></td> <td style="padding: 2px;">N/A</td> </tr> <tr> <td style="padding: 2px;"></td> <td style="padding: 2px;"></td> <td style="padding: 2px;"></td> <td style="padding: 2px;">x</td> </tr> </table>		Budgeted Item:				Yes		No					N/A				x
Budgeted Item:																			
Yes		No																	
			N/A																
			x																
Fund(s) or Account(s): n/a		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="4" style="padding: 2px;">Budget Amendment Needed:</th> </tr> <tr> <td style="width: 25%; padding: 2px;">Yes</td> <td style="width: 25%; padding: 2px;"></td> <td style="width: 25%; padding: 2px;">No</td> <td style="width: 25%; padding: 2px;"></td> </tr> <tr> <td style="padding: 2px;"></td> <td style="padding: 2px;"></td> <td style="padding: 2px;"></td> <td style="padding: 2px;">N/A</td> </tr> <tr> <td style="padding: 2px;"></td> <td style="padding: 2px;"></td> <td style="padding: 2px;"></td> <td style="padding: 2px;">x</td> </tr> </table>		Budget Amendment Needed:				Yes		No					N/A				x
Budget Amendment Needed:																			
Yes		No																	
			N/A																
			x																
Recommended Motion: Authorize staff to sell the City-owned vacant lots at 638 and 644 Oak to Sjaarda Homes and Properties LLC (Derek Sjaarda).																			
Approvals: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%; padding: 2px;">Immediate Division Head</td> <td style="width: 10%; padding: 2px; text-align: center;">x</td> <td style="width: 20%; padding: 2px;"></td> </tr> <tr> <td style="padding: 2px;">Information</td> <td style="padding: 2px;"></td> <td style="padding: 2px;"></td> </tr> </table>		Immediate Division Head	x		Information			Name the Policy/Ordinance Followed: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">Master Plan, Zoning Ordinance, Policy for the Use & Sale of City-Owned Residential</td> </tr> </table>		Master Plan, Zoning Ordinance, Policy for the Use & Sale of City-Owned Residential									
Immediate Division Head	x																		
Information																			
Master Plan, Zoning Ordinance, Policy for the Use & Sale of City-Owned Residential																			

Technology		
Other Division Heads	x	
Communication		
Legal Review	x	

PURCHASE AND DEVELOPMENT AGREEMENT

This Purchase and Development Agreement (“Agreement”) is made **November 10, 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 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, for a total of two (2) duplexes. (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 \$4,000.00, 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 80% of the purchase price for the Project Property upon Developer’s completion of construction for each single-family home, duplex, triplex, and accessory dwelling unit on the Project Property.

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 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 duplexes.

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:

CITY OF MUSKEGON

By: _____

Name: Ken Johnson

Title: Mayor

Dated: _____

By: _____

Name: Ann Marie Meisch

Title: City Clerk

Dated: _____

DEVELOPER:

Sjaarda Homes and Properties LLC

By: _____

Name: Derek Sjaarda

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 E 49 1/2 FT OF S 214.5 FT
LOT 4 BLK 40**

Address: 638 OAK AVE, MUSKEGON, MI 49442

Parcel #: 61-24-205-040-0004-21

Price: \$2,000.00

**Legal Description: CITY OF MUSKEGON REVISED PLAT OF 1903 W 49 1/2 FT OF S 214.5 FT
LOT 3 BLK 40**

Address: 644 OAK AVE, MUSKEGON, MI 49442

Parcel #: 61-24-205-040-0003-01

Price: \$2,000.00

October 31, 2025

Sjaarda Homes and Properties, LLC
Derek Sjaarda
15131 Blueberry Ct.
West Olive, MI 49460

Re: Termination of Purchase and Development Agreement

Dear Mr. Sjaarda,

The City of Muskegon and Sjaarda Homes and Properties, LLC entered into a Purchase and Development Agreement (the "Agreement") dated July 8, 2025, in which you were to purchase and develop five vacant properties owned by the City. Closing was to occur no later than 60 days from the City Commission's approval of the sale.

Pursuant to the terms and conditions set forth in section 13a of the Agreement, the City may terminate the Agreement in the event the Developer fails to tender the purchase price at closing. Given the fact that the closing date did not occur and in accordance with this section, the City hereby exercises our right to terminate the Agreement.

We appreciate your efforts and commitment to the development of the City of Muskegon. Please confirm receipt of this notice and acknowledge the termination in writing.

City of Muskegon



By: Sam Pulos

I agree to the termination.

Sjaarda Homes and Properties, LLC



By: Derek Sjaarda



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: November 10, 2025		Title: Sale of 595 Oak & 594 Orchard																	
Submitted by: Samantha Pulos, Code Coordinator		Department: Planning																	
Brief Summary: Staff is seeking authorization to sell the City-owned vacant lots at 595 Oak and 594 Orchard to Sue Ann Properties LLC (Eric Payne).																			
Detailed Summary & Background: Sue Ann Properties LLC (Eric Payne) would like to purchase the City-owned buildable lots at 595 Oak and 594 Orchard for \$4,000 (50% of the True Cash Value of \$8,000) plus half of the closing costs, and the fee to register the deed. Sue Ann Properties LLC will be constructing a duplex on each property.																			
Goal/Action Item: 2027 Goal 2: Economic Development Housing and Business																			
Is this a repeat item?: Explain what change has been made to justify bringing it back to Commission:																			
Amount Requested: n/a		Budgeted Item: <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <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; margin-top: 5px;"> <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 lots at 595 Oak and 594 Orchard to Sue Ann Properties LLC.																			
Approvals: <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <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 Technology</td> <td></td> <td></td> </tr> <tr> <td>Other Division Heads</td> <td style="text-align: center;">x</td> <td></td> </tr> <tr> <td>Communication</td> <td></td> <td></td> </tr> <tr> <td>Legal Review</td> <td style="text-align: center;">x</td> <td></td> </tr> </table>		Immediate Division Head	x		Information Technology			Other Division Heads	x		Communication			Legal Review	x		Name the Policy/Ordinance Followed: <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tr> <td style="height: 100px; vertical-align: top;">Master Plan, Zoning Ordinance, Policy for the Use & Sale of City-Owned Residential</td> </tr> </table>		Master Plan, Zoning Ordinance, Policy for the Use & Sale of City-Owned Residential
Immediate Division Head	x																		
Information Technology																			
Other Division Heads	x																		
Communication																			
Legal Review	x																		
Master Plan, Zoning Ordinance, Policy for the Use & Sale of City-Owned Residential																			

PURCHASE AND DEVELOPMENT AGREEMENT

This Purchase and Development Agreement (“Agreement”) is made **November 10, 2025** (“Effective Date”), between the **City of Muskegon**, a Michigan municipal corporation, of 933 Terrace Street, Muskegon, Michigan 49440 (“City”), and **Sue Ann Properties LLC**, 9321 Port Sheldon Street, Zeeland, MI 49464 (“Developer”), with reference to the following facts:

Background

A. Developer proposes to purchase and develop two (2) 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 on each Parcel, for a total of two (2) duplexes. (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 **\$4,000.00**, 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 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 80% of the purchase price for the Project Property upon Developer’s completion of construction for each single-family home, duplex, triplex, and accessory dwelling unit on the Project Property.

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 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.

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

To Developer: Sue Ann Properties LLC
Attn: Eric Payne
9321 Port Sheldon Street
Zeeland, MI 49464
Email: Eric@prdesign-build.com
Phone: 616-566-0163

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

Sue Ann Properties LLC

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

By: _____
Name: Eric Payne
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 W 60 FT OF E 66 FT LOT 11 BLK 49

Address: 595 OAK AVE, MUSKEGON, MI 49442

Parcel #: 61-24-205-049-0011-10

Price: \$2,000.00

Legal Description: CITY OF MUSKEGON REVISED PLAT OF 1903 E 66 FT LOT 16 BLK 49 EXC S 2 RODS

Address: 594 ORCHARD AVE, MUSKEGON, MI 49442

Parcel #: 61-24-205-049-0016-40

Price: \$2,000.00



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: November 10, 2025	Title: FY26 State Revolving Fund Engineering Services
Submitted by: Dan VanderHeide, Public Works Director	Department: Public Works

Brief Summary:
 Staff requests authorization to enter into two contracts with Prein & Newhof in the total amount of \$839,700 for design and construction engineering services related to the FY26 DWSRF and CWSRF programs, associated projects and service line replacements.

Detailed Summary & Background:
 The City is again fortunate to have been offered loans, grants and principal forgiveness through the FY26 Drinking Water State Revolving Fund (DWSRF) and the Clean Water State Revolving Fund (CWSRF) programs through the State of Michigan Department of Environment, Great Lakes & Energy (EGLE). Specifically, the City has been offered a combination of grants and principal forgiveness totaling 28% funding, with the remaining 72% eligible for a 20-year loan at a 2% interest rate which is well below market.

Due to scoring requirements, several projects were included in the City's application and must be completed under the program in order to take advantage of the principle forgiveness (most of which is associated with the lead service line replacement work). The overall budget for the projects is \$14,450,000. Note that these represent the amounts the City is *eligible* for, and construction costs may be different once fully designed. Specifically, the program includes:

Project Component	DWSRF (Water)			CWSRF (Sewer)				
	Grant/PF	Loan	Total	Grant/PF	Loan	Ineligible	Total	Total
Lead Service Replacements	\$ 2,500,000	\$ 2,500,000	\$ 5,000,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000
Glenside/9th	\$ 612,000	\$ 2,788,000	\$ 3,400,000	\$ 650,000	\$ 4,350,000	\$ 1,050,000	\$ 6,050,000	\$ 9,450,000
Total	\$ 3,112,000	\$ 5,288,000	\$ 8,400,000	\$ 650,000	\$ 4,350,000	\$ 1,050,000	\$ 6,050,000	\$ 14,450,000

The Glenside/9th Project includes 9th Street from Keating to Shelby, which will loop a dead end water main and provide better interconnects between the City's transmission mains, and work in Glenside to continue moving sewer and water mains from the alleys to the streets (work will occur on Hadden, Lexington, Randolph and Winchester, all west of Wickham).

Depending on bid prices, it is anticipated the FY26 program will replace up to 700 lead service lines. The debt service fees the SRF-eligible portion of the program are expected to add to the water bill are estimated at \$1.62 per month for a water residential account and at \$1.33 for a sewer residential account, for a total of \$2.95 per month which would begin impacting customer's bills in FY28 or FY29. Portions of the engineering work required for these projects are included in the 25/26 budget and should they move forward, the projects will continue to have allocations included in the 26/27 and 27/28 fiscal year budgets. The engineering costs are eligible for the

principle forgiveness and bond at the same cost split as the construction work.

A qualifications-based process was used in 2019 that shortlisted Prein & Newhof along with two other firms to provide engineering services for these projects. Staff solicited proposals from Prein & Newhof which total \$1,113,600, split into one contract for the lead service line replacements and a second contract for the remainder of the projects. Prein & Newhof has already performed about 25% of the design work on the Glenside project for a prior SRF funding round, which the City elected not to take advantage of at that time due to system finances. The staff has reviewed the proposals and feels Prein & Newhof are best suited to handle these projects based on their experience and their intimate familiarity with our water system, the DWSRF program, and their history of exemplary performance on similar projects over the past several years.

Goal/Action Item:

2027 GOAL 4: FINANCIAL INFRASTRUCTURE - Reliable and efficient short and long term financial practices

Is this a repeat item?:

Explain what change has been made to justify bringing it back to Commission:

Amount Requested:

\$839,700

Budgeted Item:

Yes	X	No		N/A		
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Fund(s) or Account(s):

590 (Sewer), 591 (Water)

Budget Amendment Needed:

Yes		No	X	N/A		
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Recommended Motion:

Move to authorize staff to enter into two contracts with Prein & Newhof in the total amount of \$839,700 for design and construction engineering services related to the FY26 DWSRF and CWSRF programs, associated projects and service line replacements.

Approvals:

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

Name the Policy/Ordinance Followed:

Purchasing Policy

October 20, 2025

Mr. Dan VanderHeide, P.E.
City of Muskegon
Department of Public Works
1350 Keating Avenue
Muskegon, MI 49442

Re: Proposal for Professional Engineering Services
FY 26 SRF/DWRF Implementation – Distribution and Collections

Dear Mr. VanderHeide:

We appreciate this opportunity to provide a proposal for professional engineering services to assist you with your SRF/DWRF projects for Fiscal Year 2026. This is a continuation of services for projects outlined in your 2023 Project Plans for Water and Wastewater system improvements.

The specific projects covered under this proposal include the following:

- Glenside Phase II – Hadden Street (Design is Complete) plus Winchester Drive west of Wickham.
- 9th Street – Keating Ave. to Shelby St.

We have reviewed the projects and have developed the following scope of services based on the project descriptions in the SRF and DWRF Project Plans. We assume that the City will follow the 4th quarter funding schedule, which requires project documents to be completed and ready for bidding by spring 2026, and construction will occur through the 2027 construction season. We have also assumed these projects will be in a separate loan as the lead service line replacement project and will have a reduced environmental review effort.

Design and Bidding Phase

- Gather and review record plans, private utility information and any available records pertinent to the proposed project areas;
- Complete topographic survey of all projects;
- Complete approximately one soil boring per 500 feet of project length for 9th Street, borings for Glenside Phase II and Winchester were previously completed;
- Complete design of proposed sanitary sewer, water main, service laterals, water services and road reconstruction as detailed in the SRF and DWRF Project Plans;
- Assist City in tracking and developing Consent to Access documents for replacement of water services and sanitary sewer services on private property;
- Review limits of Glenside Phase II in relation to the additional work on Winchester and make adjustments as necessary to provide a constructible project to fit in the construction season and to combine the projects or split the limits into two projects if necessary;
- Attend three design review meetings;
- Prepare and submit permit applications (City to pay any permit fees);

- Prepare opinion of probable cost based on final design;
- Prepare Alternative Justifiable Expense (AJE);
- Prepare project specifications including specific SRF/DWRF requirements;
- Assist City with preparation of bidding packages (assumes 2 contracts) and contract documents;
- Assist City with advertising for bids, providing responses to questions, preparing addendums;
- Attend pre-bid meeting and prepare minutes;
- Review bids, prepare bid tabulations, and provide recommendations;
- Assist City with Parts I, II, and III SRF and DWRF forms and administration;
- Prepare Notice of Award and Notice to Proceed; and
- Assist City with preparation of final contracts for signing by Contractor

Construction Phase

- Schedule and attend preconstruction meetings and prepare minutes;
- Track and review shop drawings;
- Provide construction staking;
- Provide testing (soil density, gravel, asphalt, and concrete, etc.);
- Provide construction observation for all utility work and reconstruction of Hadden Street assuming 21 weeks of construction. This will require two Construction Observers at certain times (1,210 hours estimated);
- Provide construction observation for all utility work and reconstruction of Winchester Street assuming 11 weeks of construction, (660 hours estimated);
- Provide construction observation for all utility work and reconstruction of 9th Street assuming 2 weeks of construction, (100 hours estimated);
- Schedule and attend monthly progress meetings for each contract as needed, and prepare minutes for each;
- Respond to RFIs, prepare payment applications and change orders;
- Assist with SRF/DWRF administration;
- Prepare punch lists and close out documents; and
- Complete record plans and property iron replacement following completion.

Fee

Based on the scope of work described above, we propose completing the work for a not to exceed cost of \$579,800. Our estimated time/work level of effort is attached. Our hourly rates are adjusted each January, we have included an increase of 4% in hourly rates in 2026 and 2027.

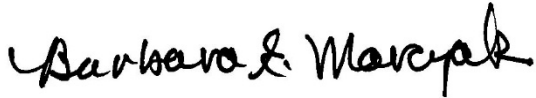
Please note that there are still some uncertainties in the projects that may not have been accounted for. Once the construction contracts are awarded and construction schedules are provided, we will review the hours allocated for the construction phase services with you to determine whether adjustments need to be made.

Mr. Dan VanderHeide
October 20, 2025
Page 3

Thank you for the opportunity to provide this proposal. Please contact us if you have any questions.

Sincerely,

Prein&Newhof



Barbara E. Marczak, P.E.



Jason Washler, P.E.

Enclosures: Estimated work effort/fee, Professional Services Agreement

Professional Hours Worksheet

City of Muskegon - SRF/DWRF 2026

Staff Member	Total Cost
Preliminary Design	
Kickoff Meeting	\$2,300
Preliminary Engineering	\$4,400
Meeting with Stakeholders for Glenside	\$4,000
Soil Borings (9th)	\$3,800
Base Mapping (Glenside III)	\$4,800
Topo Survey (9th)	\$5,700
Glenside III Sanitary Lateral Survey Review	\$9,200
QA/QC	\$1,500
Review Meeting	\$2,100
Preliminary Subtotals	\$37,800
Design Glenside II	
Hadden Design	\$5,200
SESC Permit Application	\$400
EGLE Sewer Permit Application	\$200
EGLE Water Permit Applications - Received	\$100
Specifications for Hadden	\$500
Cost Estimate	\$2,100
QA/QC	\$500
Design Glenside III	
Easements water services and sanitary laterals	\$3,000
Glenside III Design	\$35,600
Glenside Staging, Phasing Design	\$600
SESC Permit Application	\$400
EGLE Sewer Permit Application	\$400
EGLE Water Permit Application	\$400
Specifications for Phase III	\$3,100
Meeting w/ Client (1)	\$1,000
Cost Estimate	\$3,300
QA/QC	\$6,700
2025 Rates Increase	\$2,200

Professional Hours Worksheet

City of Muskegon - SRF/DWRF 2026

Staff Member	Total Cost
Design 9th	
Easements water services	\$300
9th Design	\$6,900
SESC Permit Application	\$800
EGLE Water Permit Application	\$1,100
Specifications for 9th	\$2,200
Meeting w/ Client (1)	\$1,000
Cost Estimate	\$1,200
QA/QC	\$2,100
2025 Rates Increase	\$600
Design Subtotals	\$81,900
Bid Phase	
Advertise and Issue Bid Package	\$3,500
Bidder Questions	\$900
Pre-bid Meeting	\$1,000
Addenda	\$2,100
Attend Bid	\$400
Review Bids/Recommend Award	\$2,200
Prepare Contracts-SRF/DWRF admin.	\$6,800
2025 Rates Increase	\$700
Bid Phase Subtotals	\$17,600
Construction Engineering Services	
Hadden	
Preconstruction Meeting and Minutes	\$1,300
Preconstruction Video (2 hours)	\$200
Construction Staking Hadden	\$35,000
Hadden CO (21 weeks, 110 days)	\$153,800
Project Administration	\$25,100
Respond to RFIs	\$2,200
Change Orders (3 per contract)	\$5,200
Pay Apps (5)	\$3,600
Progress Meetings (monthly per contract)	\$3,300
Punch List Visits (2)	\$4,900
Record Plans/Closeout	\$11,000
Iron Replacement (Included in survey)	\$0
2025 Rates Increase	\$20,000

Professional Hours Worksheet

City of Muskegon - SRF/DWRF 2026

Staff Member	Total Cost
Winchester (Single contract with Phase II)	
Preconstruction Meeting and Minutes	\$0
Preconstruction Video (2 hours)	\$0
Construction Staking Glenside III	\$18,400
Winchester CO (11 weeks, 66 days)	\$77,200
Project Administration	\$18,500
Respond to RFIs	\$2,200
Change Orders (3 per contract)	\$1,300
Pay Apps (4)	\$1,800
Progress Meetings (monthly per contract)	\$3,900
Punch List Visits (2)	\$3,000
Record Plans/Closeout	\$7,600
Iron Replacement (Included in survey)	\$0
2025 Rates Increase	\$10,900
9th	
Preconstruction Meeting and Minutes	\$1,300
Preconstruction Video	\$100
Construction Staking 9th	\$3,700
9th CO (2 weeks, 10 days)	\$15,100
Project Administration	\$2,500
Respond to RFIs	\$900
Change Orders (1 per contract)	\$800
Pay Apps (2)	\$900
Progress Meetings not included	\$0
Punch List Visits (1)	\$1,100
Record Plans/Closeout	\$2,600
Iron Replacement (Included in survey)	\$700
2025 Rates Increase	\$2,400
Construction Engineering Subtotals	\$442,500
Project Grand Total	\$579,800

October 20, 2025

Mr. Dan VanderHeide, P.E.
City of Muskegon
Department of Public Works
1350 Keating Avenue
Muskegon, MI 49442

Re: Proposal for Professional Engineering Services for Drinking State Water Revolving Fund (DWSRF) 2026 Implementation for Lead Service Line Replacements

Dear Mr. VanderHeide:

We are submitting this proposal to provide professional engineering services to assist you with the FY 2026 Lead Service Line replacement project. This project will be funded through the Michigan Department of Environment, Great Lakes, and Energy's (EGLE's) DWSRF program. The City will be receiving a \$5,000,000 loan for lead service line replacements, with 50% principal forgiveness.

It is our understanding that the funding will be used to replace approximately 600 lead/galvanized water services. We have developed the following scope of services to assist you with engineering design, bidding and construction phase services for this work. We assume that the construction will be completed over a three-year period to provide optimal contractor availability, flexibility and the best pricing opportunities. Our fee is based on 600 services being replaced. Unlike the watermain and sewer portions of the FY 2026 projects, this is considered an equivalency project and full environmental and SHPO reviews are required.

Design Phase

- Develop priority list for lead service line replacements in conjunction with City staff
- Prepare maps showing replacement areas
- Review locations in the field with City staff, if needed
- Prepare/update project technical specifications including specific DWRF requirements
- Prepare bidding and contract documents needed to meet City of Muskegon and EGLE/DWRF requirements
- Complete environmental and SHPO review as required by EGLE
- Review draft documents with EGLE staff and prepare final documents based on comments from EGLE
- Assist City with communication with residents
- Assist City with Part I, II and III DWRF Application forms

Bidding Assistance

- Assist with advertising project to potential bidders
- Answer questions during bidding and issue addenda if needed
- Attend pre-bid meeting and prepare minutes
- Review and tabulate bids

Mr. Dan VanderHeide, P.E.
October 20, 2025
Page 2

- Review contractor references, if needed
- Provide Notice of Award documentation to City and EGLE for project award
- Assist with finalizing and distributing signed contracts
- Prepare Notice to Proceed

Construction Phase

- Schedule and attend preconstruction meeting and prepare minutes
- Track and review submittals
- Assist with resident communications
- Provide construction observation services – We have assumed up to 750 hours of field observation, 25 hours per week over 30 weeks.
- Project administration - Respond to RFIs, prepare payment applications and change orders (assumes 5 hours per week during the construction period noted above)
- Assist with DWRF administration submittals
- Prepare punch lists and close out documents
- Complete service record drawings and update City GIS and LSL inventory following completion of project.

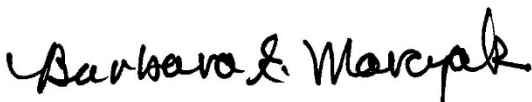
Fee

Based on the scope of work and assumptions described above, we propose to complete the work for a not to exceed cost of \$259,900. Our hourly rates are adjusted each January; we have included an increase of 4% in hourly rates in 2026 and 2027. We propose to work on a time and expense basis. If the contractor does work in a shorter time than expected, then our assumed hours will be less. Once the construction contracts are awarded and a construction schedule is provided, we will review the hours allocated for the construction phase services with you to determine whether adjustments need to be made.

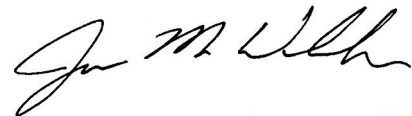
If this proposal is acceptable to you, please sign and return the enclosed Professional Services Agreement. We look forward to working with you and your staff on this project. Should you have any questions, please contact us.

Sincerely,

Prein&Newhof



Barbara E. Marczak, P.E.



Jason M. Washler, P.E.

Enclosures: Estimated work effort/fee
 Professional Services Agreement

Professional Hours Worksheet

City of Muskegon DWRF - FY 26 Lead Service Line Replacements

2025 Hourly Billing Rate	
Staff Member	Total Cost
Design	
Kick-off Meeting	\$1,600
Environmental Review	\$9,300
Water Service Research	\$5,500
Lead Service Line Priority List	\$9,500
Lead Service Specifications	\$3,000
Review Meeting (1)	\$1,400
Bidding Documents	\$4,100
Cost Estimates	\$4,600
QA/QC	\$700
Part I, II, and III DWRF Applications	\$6,700
Design Subtotals	\$46,400

Bid, Award, and Contract Phase	
Advertise and Issue Bid Package	\$400
Prebid Meeting/Minutes/Bidder Questions	\$1,500
Addenda	\$900
Attend Bid Opening	\$800
Review Bids/Recommend Award	\$1,600
Notice to Proceed / Contract Documents	\$900
Bid, Award, and Contract Phase Subtotals	\$6,100

Construction Engineering Services	
Preconstruction Meetings and Minutes	\$1,700
Track and Review Submittals	\$4,600
LSL Observation Year (30 weeks @ 25 hr/week)	\$90,300
Project Administration/DWRF Assistance (30 months)	\$20,300
Respond to RFIs	\$6,300
Change Orders (4)	\$11,300
Pay Apps (10)	\$7,700
Progress Meetings/Minutes (not included)	\$0
Punch List Visits/Follow up (5)	\$6,300
Record Plans/GIS update/Closeout	\$30,700
Rate Adjustment over 3 years	\$28,200
Construction Engineering Subtotals	\$207,400

Project Grand Total	\$259,900
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Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: November 10, 2025	Title: Beach Pass Online Discount															
Submitted by: Debra Matz, Public Safety Administrative Supervisor	Department: Public Safety															
Brief Summary: Request to give a discount to patrons who purchase their annual beach parking permits on the portal.																
Detailed Summary & Background: As we introduce our new license plate reader program for beach passes, a portal is available for the public to purchase all beach passes. As an incentive to encourage people to use the portal, we would like to offer a \$4.00 discount for annual passes purchased on the portal.																
Goal/Action Item: 2027 Goal 1: Destination Community & Quality of Life																
Is this a repeat item?: Explain what change has been made to justify bringing it back to Commission:																
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: Approve \$4.00 discount for patrons who purchase annual beach passes on the new portal.																
Approvals: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Immediate Division Head</td> <td style="width: 10%;"></td> <td style="width: 20%;"></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			<u>Name the Policy/Ordinance Followed:</u>
Immediate Division Head																
Information Technology																
Other Division Heads																
Communication																
Legal Review																



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: November 10, 2025	Title: Rezoning of 560 Mart St from Waterfront Marine (WM) to Waterfront Industrial PUD (WI-PUD).
Submitted by: Mike Franzak, Planning Director	Department: Planning
Brief Summary: Request to rezone a portion of the property at 560 Mart St from Waterfront Marine (WM) to Waterfront Industrial PUD (WI-PUD), by West Michigan Dock & Market Corp.	
Detailed Summary & Background: The applicant is requesting to rezone 23.5 acres of the 43.5 acre site to WI-PUD. The area to be rezoned is located behind the existing security fence (please see attachment). This area has historically been used for port-related activities. Although these uses are not allowed in the WM zoning district, they are considered legally non-conforming (grandfathered). Rezoning this portion of the property to WI-PUD would allow the applicant to apply for a PUD for port-related uses, which would allow them to become legally-conforming. The rest of the parcel would remain under Waterfront Marine (WM) zoning. Please see the enclosed zoning ordinance excerpts. This rezoning request is related to the "land swap" project between the City, Mart Dock, and Verplank. More information regarding the project can be found here: https://muskegon-mi.civilspace.io/en/projects/connecting-community-to-the-water-ports-and-parks The land swap project would help complete several goals identified in city plans, including the following: ○ Increasing publicly-accessible land along the waterfront - Imagine Muskegon Lake (page 10). ○ Increasing publicly-accessible shoreline - Imagine Muskegon Lake (page 10) ○ Increasing multi-use paths and trails align the shoreline - Imagine Muskegon Lake (page 10) ○ Increasing mixed-use development along the waterfront - Imagine Muskegon Lake (page 11) ○ Activating the Mart Dock property as an activity center - Imagine Muskegon Lake (page 37,40,41) ○ Habitat restoration at the future park on the Verplank site - Imagine Muskegon Lake (page 59) ○ Connecting the Western & Central Waterfront Districts to Downtown - Imagine Muskegon Lake (page 15) ○ Become regionally and nationally designated by organizations that will bring visibility and economic development to Muskegon Lake - Master Plan (Economic Development, page 19) ○ Improve the environmental quality of greenway corridors by cleaning up contaminated sites, safeguarding areas highly susceptible to private land use, and reducing dumping - Master Plan (Natural Features, page 13) ○ Increase and enhance publicly-accessible amenities along the waterfront and soften shorelines where possible - Master Plan (Economic Development, page 18)	

- Invest in placemaking opportunities that capitalize on community assets - Master Plan (Economic Development, page 10)
- Increase access to the Muskegon Lake shoreline - Master Plan (Jackson Hill, page 11).

The Planning Commission recommended approval of the request by a 7-2 vote at their special meeting on October 23.

Goal/Focus Area/Action Item Addressed:

Key Focus Areas:

zoning ordinance

Goal/Action Item:

2027 Goal 2: Economic Development Housing and Business

Amount Requested:

N/A

Budgeted Item:

Yes		No		N/A	X	
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Fund(s) or Account(s):

N/A

Budget Amendment Needed:

Yes		No		N/A	X	
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Recommended Motion:

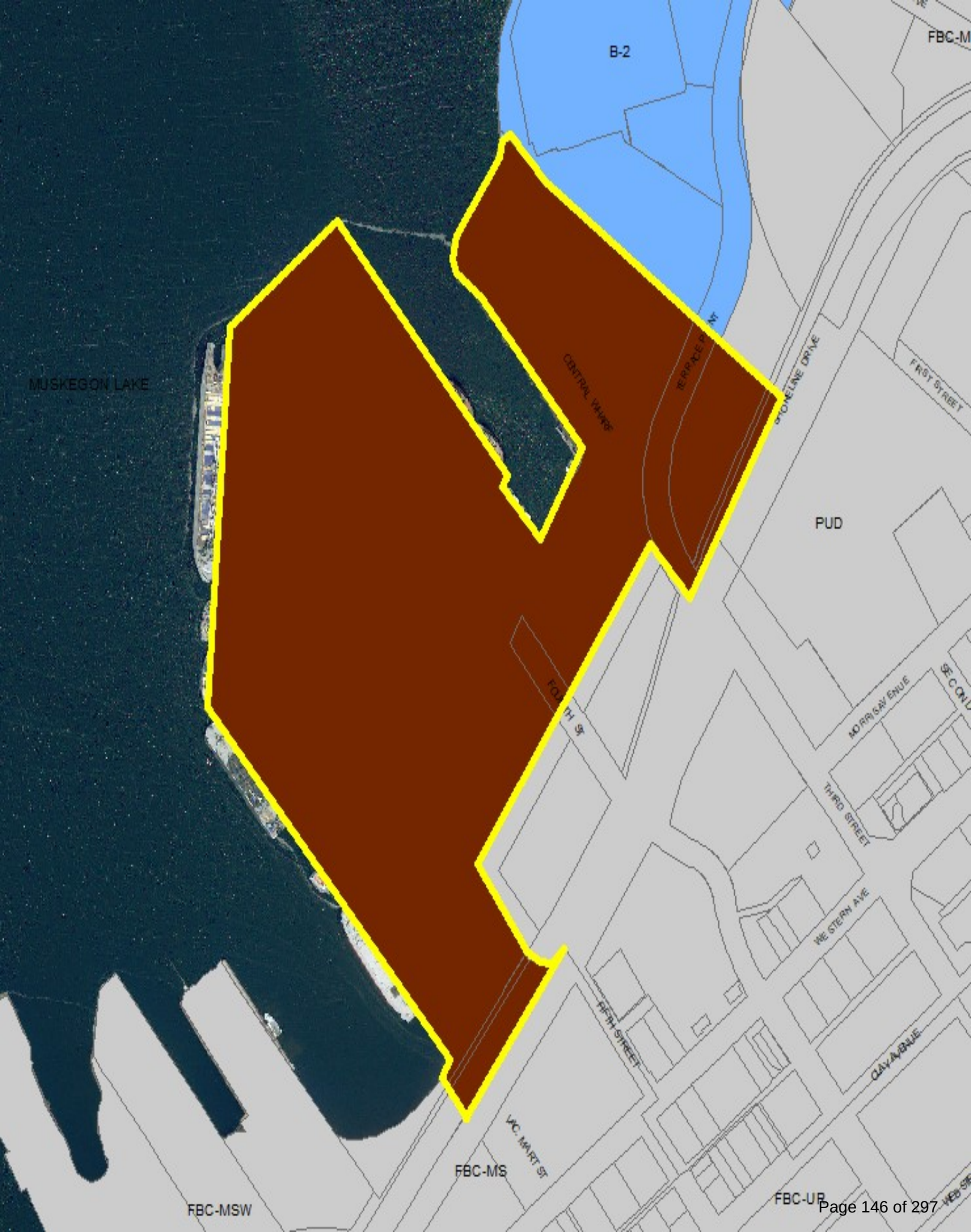
I move that the request to rezone a portion of the property at 560 Mart St from Waterfront Marine to Waterfront Industrial PUD be approved.

Approvals:

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

Guest(s) Invited / Presenting:

No





MUSKEGON LAKE

CENTRAL WHARF

An aerial photograph of a coastal area. A large, irregularly shaped area of land is highlighted with an orange border. This area contains several buildings and some vegetation. To the left of this area is a body of water. To the right, there is a road labeled 'TERRACE POINT' and 'BR-31 NB'. Below the highlighted area, there is a road labeled 'MART' and 'BR-31 SB'. Further down, there is a road labeled 'WES' and 'ATH'. The highlighted area is labeled 'Area: 23.5 Acres'.

Area: 23.5 Acres

WI-PUD WATERFRONT INDUSTRIAL PLANNED UNIT DEVELOPMENT DISTRICTS

PREAMBLE

The Waterfront Industrial PUD district is established primarily for water-dependent, commercial shipping of bulk, general cargo, or container goods by freighter, bulk carrier, tanker, tug barge, or other similar commercial vessels. The WI-PUD District is intended to promote the consolidation of commercial port activities at the eastern terminus of Muskegon Lake because of its proximity to the interstate, established industrial uses, and isolation from residential zones. The intent is to localize this district to promote symbiotic relationships among industrial port activities and to discourage the expansion of such activities elsewhere along Muskegon Lake frontage. It is further the intent of this district to require planned unit developments for all projects to ensure a mix of port uses that enhances the industrial economic base of the city. The planned unit development tool shall be applied to promote flexibility in development and to enhance functional relationships among uses in the district.

The general categories of uses permitted in the WI-PUD district are associated with standard industrial classifications, major group industry 44, "Water Transportation" as found in the 1987 Standard Industrial Classification Manual prepared by the Executive Office of the President, Office of Management and Budget.

SECTION 1504: USES PERMITTED

The following uses, and their accessory buildings and accessory uses, shall be permitted as planned unit developments. Planned unit developments shall be reviewed and approved by the Planning Commission and City Commission subject to the conditions outlined below.

PRINCIPAL USES:

1. Water transportation of freight.
2. Railroad and auto passenger ferries.
3. Marine cargo handling; loading, unloading and stevedore facilities.
4. Marine terminal uses including ancillary inter-modal transportation operations.
5. Any use with outside storage of aggregate, limestone, coal, slag, salt, sand or other bulk materials shipped by commercial watercraft vessels and or barges.
6. Grain elevators.
7. Bulk and warehouse storage of goods shipped by commercial maritime vessels.
8. Towing and tugboat services for commercial freight water vessels.
9. Barge fleeting, mooring and servicing.
10. Lighterage.
11. Commercial engine and hull repair.

12. Marine dock, breakwater, harbor construction and repair contracting.
13. Marine dredging contractors.
14. Palletizing, decanning, container stripping and packing operations associated with maritime shipping and transport.
15. Bulk liquid facilities of non-hazardous materials.
16. Material recovery facilities that are entirely contained in buildings.
17. Commercial fishing facilities.
18. Manufacturing that is dependent on port facilities.
19. Any other uses which meet the intent of this district as deemed by the Planning Commission and City Commission; except that in no case shall a prohibited use be permitted.

ACCESSORY USES:

1. Docks, wharves, piers or transit sheds or related facilities used in connection with the transfer, handling, storage and transit and incidental processing of cargo from or to waterborne craft.
2. Truck or rail freight terminal supporting water freight transport.
3. Offices associated with port facilities and functions.
4. Parking decks.
5. Watchmen quarters employed on the premise.
6. Lift equipment to load and unload ships.
7. Weigh stations.
8. Lighthouse.
9. Fuel dock.
10. Seaplane base.

SECTION 1505: PROHIBITED USES

1. Asphalt batching.
2. Cement processing.
3. Storage of petroleum products stored in excess of 1,000 gallons.
4. Hazardous material or hazardous chemical storage or transport.

5. Ship cleaning.
6. Salvage yards, ship scrapping, dismantling and wrecking operations not wholly contained in buildings.
7. Livestock holding.
8. Marine Salvage.
9. Open storage of fertilizers, agricultural lime and other chemicals.
10. Billboards.

SECTION 1506: REVIEW STANDARDS

The Planning Commission shall approve, deny or modify preliminary planned unit development plans, based upon the site plan review and landscaping standards of this ordinance and the following standards below. Likewise, the City Commission shall approve, deny, or modify final planned unit development plans (after review and recommendation by the Planning Commission) based upon the following standards:

1. The uses proposed will have a beneficial effect, in terms of public health, safety, welfare, or convenience of any combination thereof, on present and potential surrounding land uses. The uses proposed will not adversely affect the public utility and circulation systems, surrounding properties, or the environment.
2. The uses proposed should be consistent with the land use plans adopted by the City.
3. The amount of open space provided is compatible with and meets the requirements of this ordinance, which the Planning Commission or City Commission may modify, even though such modifications do not conform to that required in other sections of this ordinance.
4. The amount of off-street parking areas is adequate, which the Planning Commission or City Commission may modify even though such modifications do not conform to that required in other sections of this ordinance.
5. The amount of landscaping and buffering areas provided are compatible with and meet the requirements of this ordinance, which the Planning Commission or City Commission may modify even though such modifications do not conform to that required in other sections of this ordinance.
6. The design provides for the protection or enhancement of significant natural, historical, or architectural features within the proposed development area.
7. The uses proposed will result in safe, convenient, uncongested and well defined vehicular and pedestrian circulation systems.
8. The land uses presented shall provide a mix of uses to perpetuate an economically viable, mixed use port.
9. The project shall demonstrate adequate support services for all activities.

10. Stockpiles of salt and agricultural lime must be covered or sufficiently isolated from the surface water to prevent leaching.
11. Aggregate, salt, lime, or soil stockpiling areas shall not occupy more than 50% of the site or district.
12. Truck freight terminals shall not occupy more than 30% of the site area or district. Trucks shall be stored a minimum of two hundred (200) feet from the ordinary high water mark.

SECTION 1507: AREA AND BULK REQUIREMENTS

The following are meant as general guidelines. Through the process of the Planned Unit Development process, the Planning Commission may determine that changes to the standards are appropriate to both meet the needs and objectives of the project and the city.

1. Minimum lot size: 43,560 sq. feet.
2. Maximum lot coverage:

Buildings: 75%
Pavement: 25%
3. Lot width: 150 feet (shall be measured at road frontage unless a cul-de-sac, then measured from setback).
4. Width to depth ratios: The depth of any lot(s) or parcel(s) shall not be more than three (3) times longer its width.
5. Height limit: 3 stories or 50 feet.

Height measurement: In the case of a principal building, the vertical distance measured from the average finished grade to the highest point of the roof surface where the building line abuts the front yard, except as follows: to the deck line of mansard roofs, and the average height between eaves and the ridge of gable, hip, and gambrel roofs (see Figure 2-2). If the ground is not entirely level, the grade shall be determined by averaging the elevation of the ground for each face of the building (see Figure 2-3).

6. Front Setbacks:

Minimum:

Expressway or Arterial Street: 30 feet
Collector or Major Street: 20 feet
Minor Street: 10 feet

7. Rear setback: 10 feet.
8. Setback from the ordinary high-water mark or wetland: 75 feet (principal structures only).
9. Side setbacks:

- 1-story: 10 feet and 20 feet
- 2-story: 15 feet and 25 feet
- 3-story: 20 feet and 30 feet

Note, setback measurement: All required setbacks shall be measured from the right-of-way line to the nearest point of the determined drip line of buildings.

10. Zero lot line option: New principal buildings may be erected on the rear lot line and/or one side lot line provided:
 - a. The building has an approved fire rating for zero-lot line development under the building code.
 - b. The building has adequate fire access preserved pursuant to fire code requirements.
 - c. The zero lot line side is not adjacent to a street.
 - d. A maintenance access easement is granted by the adjacent property owner and recorded with the County Register of Deeds and provided to the zoning administrator with the site plan or plot plan.
 - e. It is not adjacent to wetlands, or waterfront.
11. All required side and rear setbacks shall be landscaped, greenbelt buffers, unless zero-lot-line is employed for a structure or fire access. At least fifty percent of all required front setbacks shall be landscaped and adjacent to the road right-of-way. An average minimum greenbelt of 10 feet shall be maintained along each street frontage.

ARTICLE XIX – WM WATERFRONT MARINE DISTRICTS

PREAMBLE

The WM Waterfront Marine Districts are designed to accommodate boating and water-oriented land and building use along with those activities and services related to harbor and waterway improvements, thereby facilitating navigation, and providing safe and economical waterfront developments.

SECTION 1900: PRINCIPAL USES PERMITTED

In the WM Waterfront Marine District, no building or land shall be used and no building shall be erected, structurally altered, be used and no building shall be erected, structurally altered, or occupied except for one (1) or more of the following specified uses, unless otherwise provided in this Ordinance:

1. Marinas including the out of water seasonal storage of boats.
2. Commissary facilities for the provision of food, beverages, and the like to be stores aboard boats.
3. Municipal or private beaches.
4. Retail businesses which supply commodities for persons using the facilities of the District, such as the sale of boats, engines and accessories, fishing equipment, and other similar items.
5. Restaurants and cocktail lounges.
6. Hotels and motels.
7. Accessory buildings and accessory uses customarily incidental to the above Principal Uses Permitted.
8. Uses similar to the above Principal Uses Permitted.

SECTION 1901: SPECIAL LAND USES PERMITTED

The following uses, and their accessory buildings and accessory uses, shall be permitted under the purview of Section 2332 after review and approval of the use (and a site plan, if required) by the Planning Commission, after Public Hearing, subject to the applicable conditions, and any other reasonable conditions imposed by the Planning Commission:

1. Engine and hull repair shops.
2. Marine contracting.
3. Commercial fishing and processing facilities.
4. Accessory buildings and accessory uses customarily incidental to the above Special Land Uses Permitted.
5. Seasonal recreational camper, trailer parks and facilities.
6. Museums.

7. Uses similar to the above Special Land Uses Permitted.

SECTION 1902: PLANNED UNIT DEVELOPMENTS

Planned developments may be allowed by the Planning Commission under the procedural guidelines of Section 2101. The intent of Planned Unit Developments in the WM Waterfront Marine Districts is to allow mixed land uses, which are compatible to each other, while prohibiting uses which would not be compatible or harmonious with permitted uses.

SECTION 1903: AREA AND BULK REQUIREMENTS

1. Minimum lot size: 21,780 sq. feet.
2. Density (see definition in Article II): 24 dwelling units per buildable acre.
3. Dedicated open space requirement: 15%
4. Maximum lot coverage:

Buildings: 60%

Pavement: 25%
5. Lot width: 150 feet (shall be measured at road frontage unless a cul-de-sac, then measured from setback).
6. Maximum building width: 50% (as a portion of the lot width).
7. Width to depth ratios: The depth of any lot(s) or parcel(s) shall not be more than three (3) times longer its width.
8. Height limit: 4 stories or 60 feet

Height measurement: In the case of a principal building, the vertical distance measured from the average finished grade to the highest point of the roof surface where the building line abuts the front yard, except as follows: to the deck line of mansard roofs, and the average height between eaves and the ridge of gable, hip, and gambrel roofs (see Figure 2-2). If the ground is not entirely level, the grade shall be determined by averaging the elevation of the ground for each face of the building (see Figure 2-3).

9. Front Setbacks:

Minimum:

Expressway or Arterial Street: 30 feet
Collector or Major Street: 20 feet
Minor Street: 10 feet

10. Rear setback: 10 feet
11. Setback from the ordinary high-water mark or wetland: 75 feet (principal structures only).

12. Side setbacks:

- 1-story: 8 feet and 12 feet
- 2-story: 10 feet and 14 feet
- 3-story: 12 feet and 16 feet
- 4-story: 16 feet and 20 feet

Note, setback measurement: All required setbacks shall be measured from the right-of-way line to the nearest point of the determined drip line of buildings.

13. Zero lot line option: New principal buildings may be erected on the rear lot line and/or one side lot line provided:

- a. The building has an approved fire rating for zero-lot line development under the building code.
- b. The building has adequate fire access preserved pursuant to fire code requirements.
- c. The zero lot line side is not adjacent to a street.
- d. A maintenance access easement is granted by the adjacent property owner and recorded with the County Register of Deeds and provided to the zoning administrator with the site plan or plot plan.
- e. It is not adjacent to wetlands, or waterfront.

14. All required side and rear setbacks shall be landscaped, greenbelt buffers, unless zero-lot-line is employed for a structure or fire access. At least fifty percent of all required front setbacks shall be landscaped and adjacent to the road right-of-way. An average minimum greenbelt of 10 feet shall be maintained along each street frontage.

CITY OF MUSKEGON
MUSKEGON COUNTY, MICHIGAN
ORDINANCE NO. _____

An ordinance to amend the zoning map and provide a zone change for 560 Mart St.

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 to the following:

A portion of 560 Mart St from Waterfront Marine (WM) to Waterfront Industrial PUD (WI-PUD).

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 560 Mart St to WI-PUD)

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 10th day of November, 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 November 10, 2025, the City Commission of the City of Muskegon adopted an ordinance amending the zoning map to provide for the change of zoning for a portion of 560 Mart St.

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: November 10, 2025	Title: Rezoning of 501 E Western Ave from Open Space Recreation (OSR) to Waterfront Industrial PUD (WI-PUD).
Submitted by: Mike Franzak, Planning Director	Department: Planning
Brief Summary: Staff-initiated request to rezone 501 E Western Ave from Open Space Recreation (OSR) to Waterfront Industrial PUD (WI-PUD).	
Detailed Summary & Background: Staff is requesting to rezone a portion of Fisherman's Landing (501 E Western) to WI-PUD to allow for port activities on-site. Once the property is rezoned to WI-PUD, the owner would be able to apply for a PUD for port-related activities. The remainder of the property will remain OSR zoning, and the boat launch, fishing areas, and bathrooms will remain open to the public. About 3.5 of the 5 parking lots on-site will remain (about 46 parking spaces to be eliminated). Please see the enclosed map depicting the portion of the property to be rezoned and the zoning ordinance excerpts for WI-PUD and OSR. This rezoning request is related to the "land swap" project between the City, Mart Dock, and Verplank. More information regarding the project can be found here: https://muskegon-mi.civilspace.io/en/projects/connecting-community-to-the-water-ports-and-parks The land swap project would help complete several goals identified in city plans, including the following: ○ Increasing publicly-accessible land along the waterfront - Imagine Muskegon Lake (page 10). ○ Increasing publicly-accessible shoreline - Imagine Muskegon Lake (page 10) ○ Increasing multi-use paths and trails align the shoreline - Imagine Muskegon Lake (page 10) ○ Increasing mixed-use development along the waterfront - Imagine Muskegon Lake (page 11) ○ Activating the Mart Dock property as an activity center - Imagine Muskegon Lake (page 37,40,41) ○ Habitat restoration at the future park on the Verplank site - Imagine Muskegon Lake (page 59) ○ Connecting the Western & Central Waterfront Districts to Downtown - Imagine Muskegon Lake (page 15) ○ Become regionally and nationally designated by organizations that will bring visibility and economic development to Muskegon Lake - Master Plan (Economic Development, page 19) ○ Improve the environmental quality of greenway corridors by cleaning up contaminated sites, safeguarding areas highly susceptible to private land use, and reducing dumping - Master Plan (Natural Features, page 13) ○ Increase and enhance publicly-accessible amenities along the waterfront and soften shorelines where possible - Master Plan (Economic Development, page 18)	

- Invest in placemaking opportunities that capitalize on community assets - Master Plan (Economic Development, page 10)
- Increase access to the Muskegon Lake shoreline - Master Plan (Jackson Hill, page 11).

The Planning Commission recommended approval of the rezoning by a 7-2 vote at their special meeting on October 23.

Goal/Focus Area/Action Item Addressed:

Key Focus Areas:

zoning ordinance

Goal/Action Item:

2027 Goal 2: Economic Development Housing and Business

Amount Requested:

N/A

Budgeted Item:

Yes		No		N/A	X	
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Fund(s) or Account(s):

N/A

Budget Amendment Needed:

Yes		No		N/A	X	
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Recommended Motion:

I move that the request to rezone a portion of the property at 501 E Western Ave from Open Space Recreation to Waterfront Industrial PUD be approved.

Approvals:

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

Guest(s) Invited / Presenting:

No



Verplank

Fisherman's Landing

MUSEGON LAKE

Mart Dock



Verplank

Fisherman's Landing

Mart Dock

WI-PUD WATERFRONT INDUSTRIAL PLANNED UNIT DEVELOPMENT DISTRICTS

PREAMBLE

The Waterfront Industrial PUD district is established primarily for water-dependent, commercial shipping of bulk, general cargo, or container goods by freighter, bulk carrier, tanker, tug barge, or other similar commercial vessels. The WI-PUD District is intended to promote the consolidation of commercial port activities at the eastern terminus of Muskegon Lake because of its proximity to the interstate, established industrial uses, and isolation from residential zones. The intent is to localize this district to promote symbiotic relationships among industrial port activities and to discourage the expansion of such activities elsewhere along Muskegon Lake frontage. It is further the intent of this district to require planned unit developments for all projects to ensure a mix of port uses that enhances the industrial economic base of the city. The planned unit development tool shall be applied to promote flexibility in development and to enhance functional relationships among uses in the district.

The general categories of uses permitted in the WI-PUD district are associated with standard industrial classifications, major group industry 44, "Water Transportation" as found in the 1987 Standard Industrial Classification Manual prepared by the Executive Office of the President, Office of Management and Budget.

SECTION 1504: USES PERMITTED

The following uses, and their accessory buildings and accessory uses, shall be permitted as planned unit developments. Planned unit developments shall be reviewed and approved by the Planning Commission and City Commission subject to the conditions outlined below.

PRINCIPAL USES:

1. Water transportation of freight.
2. Railroad and auto passenger ferries.
3. Marine cargo handling; loading, unloading and stevedore facilities.
4. Marine terminal uses including ancillary inter-modal transportation operations.
5. Any use with outside storage of aggregate, limestone, coal, slag, salt, sand or other bulk materials shipped by commercial watercraft vessels and or barges.
6. Grain elevators.
7. Bulk and warehouse storage of goods shipped by commercial maritime vessels.
8. Towing and tugboat services for commercial freight water vessels.
9. Barge fleeting, mooring and servicing.
10. Lighterage.
11. Commercial engine and hull repair.

12. Marine dock, breakwater, harbor construction and repair contracting.
13. Marine dredging contractors.
14. Palletizing, decanning, container stripping and packing operations associated with maritime shipping and transport.
15. Bulk liquid facilities of non-hazardous materials.
16. Material recovery facilities that are entirely contained in buildings.
17. Commercial fishing facilities.
18. Manufacturing that is dependent on port facilities.
19. Any other uses which meet the intent of this district as deemed by the Planning Commission and City Commission; except that in no case shall a prohibited use be permitted.

ACCESSORY USES:

1. Docks, wharves, piers or transit sheds or related facilities used in connection with the transfer, handling, storage and transit and incidental processing of cargo from or to waterborne craft.
2. Truck or rail freight terminal supporting water freight transport.
3. Offices associated with port facilities and functions.
4. Parking decks.
5. Watchmen quarters employed on the premise.
6. Lift equipment to load and unload ships.
7. Weigh stations.
8. Lighthouse.
9. Fuel dock.
10. Seaplane base.

SECTION 1505: PROHIBITED USES

1. Asphalt batching.
2. Cement processing.
3. Storage of petroleum products stored in excess of 1,000 gallons.
4. Hazardous material or hazardous chemical storage or transport.

5. Ship cleaning.
6. Salvage yards, ship scrapping, dismantling and wrecking operations not wholly contained in buildings.
7. Livestock holding.
8. Marine Salvage.
9. Open storage of fertilizers, agricultural lime and other chemicals.
10. Billboards.

SECTION 1506: REVIEW STANDARDS

The Planning Commission shall approve, deny or modify preliminary planned unit development plans, based upon the site plan review and landscaping standards of this ordinance and the following standards below. Likewise, the City Commission shall approve, deny, or modify final planned unit development plans (after review and recommendation by the Planning Commission) based upon the following standards:

1. The uses proposed will have a beneficial effect, in terms of public health, safety, welfare, or convenience of any combination thereof, on present and potential surrounding land uses. The uses proposed will not adversely affect the public utility and circulation systems, surrounding properties, or the environment.
2. The uses proposed should be consistent with the land use plans adopted by the City.
3. The amount of open space provided is compatible with and meets the requirements of this ordinance, which the Planning Commission or City Commission may modify, even though such modifications do not conform to that required in other sections of this ordinance.
4. The amount of off-street parking areas is adequate, which the Planning Commission or City Commission may modify even though such modifications do not conform to that required in other sections of this ordinance.
5. The amount of landscaping and buffering areas provided are compatible with and meet the requirements of this ordinance, which the Planning Commission or City Commission may modify even though such modifications do not conform to that required in other sections of this ordinance.
6. The design provides for the protection or enhancement of significant natural, historical, or architectural features within the proposed development area.
7. The uses proposed will result in safe, convenient, uncongested and well defined vehicular and pedestrian circulation systems.
8. The land uses presented shall provide a mix of uses to perpetuate an economically viable, mixed use port.
9. The project shall demonstrate adequate support services for all activities.

10. Stockpiles of salt and agricultural lime must be covered or sufficiently isolated from the surface water to prevent leaching.
11. Aggregate, salt, lime, or soil stockpiling areas shall not occupy more than 50% of the site or district.
12. Truck freight terminals shall not occupy more than 30% of the site area or district. Trucks shall be stored a minimum of two hundred (200) feet from the ordinary high water mark.

SECTION 1507: AREA AND BULK REQUIREMENTS

The following are meant as general guidelines. Through the process of the Planned Unit Development process, the Planning Commission may determine that changes to the standards are appropriate to both meet the needs and objectives of the project and the city.

1. Minimum lot size: 43,560 sq. feet.
2. Maximum lot coverage:

Buildings: 75%
Pavement: 25%
3. Lot width: 150 feet (shall be measured at road frontage unless a cul-de-sac, then measured from setback).
4. Width to depth ratios: The depth of any lot(s) or parcel(s) shall not be more than three (3) times longer its width.
5. Height limit: 3 stories or 50 feet.

Height measurement: In the case of a principal building, the vertical distance measured from the average finished grade to the highest point of the roof surface where the building line abuts the front yard, except as follows: to the deck line of mansard roofs, and the average height between eaves and the ridge of gable, hip, and gambrel roofs (see Figure 2-2). If the ground is not entirely level, the grade shall be determined by averaging the elevation of the ground for each face of the building (see Figure 2-3).

6. Front Setbacks:

Minimum:

Expressway or Arterial Street: 30 feet
Collector or Major Street: 20 feet
Minor Street: 10 feet

7. Rear setback: 10 feet.
8. Setback from the ordinary high-water mark or wetland: 75 feet (principal structures only).
9. Side setbacks:

- 1-story: 10 feet and 20 feet
- 2-story: 15 feet and 25 feet
- 3-story: 20 feet and 30 feet

Note, setback measurement: All required setbacks shall be measured from the right-of-way line to the nearest point of the determined drip line of buildings.

10. Zero lot line option: New principal buildings may be erected on the rear lot line and/or one side lot line provided:
 - a. The building has an approved fire rating for zero-lot line development under the building code.
 - b. The building has adequate fire access preserved pursuant to fire code requirements.
 - c. The zero lot line side is not adjacent to a street.
 - d. A maintenance access easement is granted by the adjacent property owner and recorded with the County Register of Deeds and provided to the zoning administrator with the site plan or plot plan.
 - e. It is not adjacent to wetlands, or waterfront.
11. All required side and rear setbacks shall be landscaped, greenbelt buffers, unless zero-lot-line is employed for a structure or fire access. At least fifty percent of all required front setbacks shall be landscaped and adjacent to the road right-of-way. An average minimum greenbelt of 10 feet shall be maintained along each street frontage.

ARTICLE XVII – OSR OPEN SPACE RECREATION DISTRICTS

PREAMBLE

The OSR Open Space Recreation Districts are intended to provide for permanent open spaces in the City and are designed to provide recreational activities that are limited to country clubs, marinas, and the like. These Districts are further intended to safeguard the natural features of the City, and the health, safety, and welfare of the citizens of Muskegon and the adjacent area by limiting developments to locations where police and fire protection, or protection against flooding by high water table or storm water, or dangers from excessive erosion are not possible without excessive costs to the City.

SECTION 1700: PRINCIPAL USES PERMITTED

In the OSR Open Space Recreation Districts, no building or land shall be used and no building shall be erected, structurally altered, or occupied except for one (1) or more of the following specified used, unless otherwise provided in this Ordinance:

1. Fishing docks and piers.
2. Hiking, bicycling, jogging, or ski trails.
3. Wildlife preserves or refuge structures.
4. Watershed or erosion protection facilities.
5. Parks, playgrounds, and playfields.
6. Accessory uses customarily incidental to the above Principal Uses Permitted.
7. Uses similar to the above Principal Uses Permitted.

SECTION 1701: SPECIAL LAND USES PERMITTED

The following uses, and their accessory buildings and accessory uses, shall be permitted under the purview of Section 2332 after review and approval of the use (and a site plan, if required) by the Planning Commission, after Public Hearing, subject to the applicable conditions, and any other reasonable conditions imposed by the Planning Commission:

1. Country clubs.
2. Marinas for the berthing and servicing of boats, but without major repair or storage facilities.
3. Public and private utilities and services.
4. Seasonal, recreational, campers and trailer parks, and facilities.
5. Amusement facilities excepting outdoor theaters, adult theaters, and adult bookstores.
6. Seasonal or year-round craft shops.

7. Conference and reception auditoriums.
8. Galleries and museums.
9. Open air amphitheaters.
10. Restaurants and cocktail lounges.
11. Any other similar uses or activity requiring buildings or structures.
12. Accessory buildings and accessory uses customarily incidental to the above Special Land Uses Permitted.
13. Uses similar to the above Special Land Uses Permitted.

SECTION 1702: PLANNED UNIT DEVELOPMENTS

Planned developments may be allowed by the Planning Commission under the procedural guidelines of Section 2101. The intent of Planned Unit Developments in the OSR Open Space Recreation Districts is to allow mixed land uses which are compatible to each other, while prohibiting uses which would not be compatible or harmonious with permitted uses.

SECTION 1703: AREA AND BULK REQUIREMENTS

1. Minimum lot size: 21,780 sq. feet.
2. Maximum lot coverage:

Buildings: 20%
Pavement: 15%
3. Lot width: 100 feet (shall be measured at road frontage unless a cul-de-sac, then measured from setback).
4. Width to depth ratios: The depth of any lot(s) or parcel(s) shall not be more than three (3) times longer its width.
5. Height limit: 2 stories or 35 feet.

Height measurement: In the case of a principal building, the vertical distance measured from the average finished grade to the highest point of the roof surface where the building line abuts the front yard, except as follows: to the deck line of mansard roofs, and the average height between eaves and the ridge of gable, hip, and gambrel roofs (see Figure 2-2). If the ground is not entirely level, the grade shall be determined by averaging the elevation of the ground for each face of the building (see Figure 2-3).

6. Front Setbacks:

Minimum:

Expressway or Arterial Street: 30 feet

Collector or Major Street: 20 feet
Minor Street: 10 feet

7. Rear setback: 10 feet
8. Setback from the ordinary high-water mark or wetland: 75 feet (principal structures only).
9. Side setbacks:
 - 1-story: 6 feet and 10 feet
 - 2-story: 8 feet and 12 feet

Note, setback measurement: All required setbacks shall be measured from the right-of-way line to the nearest point of the determined drip line of buildings.

10. Zero lot line option: New principal buildings may be erected on the rear lot line and/or one side lot line provided:
 - a. The building has an approved fire rating for zero-lot line development under the building code.
 - b. The building has adequate fire access preserved pursuant to fire code requirements.
 - c. The zero lot line side is not adjacent to a street.
 - d. A maintenance access easement is granted by the adjacent property owner and recorded with the County Register of Deeds and provided to the zoning administrator with the site plan or plot plan.
 - e. It is not adjacent to wetlands, or waterfront.
11. All required side and rear setbacks shall be landscaped, greenbelt buffers, unless zero-lot-line is employed for a structure or fire access. At least fifty percent of all required front setbacks shall be landscaped and adjacent to the road right-of-way. An average minimum greenbelt of 10 feet shall be maintained along each street frontage.



CITY OF MUSKEGON
MUSKEGON COUNTY, MICHIGAN
ORDINANCE NO. _____

An ordinance to amend the zoning map and provide a zone change for 501 E Western.

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 to the following:
501 E Western Ave from Open Space Recreational (OSR) to Waterfront Industrial PUD (WI-PUD).

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 501 E Western Ave to WI-PUD)

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 10th day of November, 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 November 10, 2025, the City Commission of the City of Muskegon adopted an ordinance amending the zoning map to provide for the change of zoning for 501 E Western Ave.

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: November 10, 2025	Title: Harbor 31 Development and Reimbursement Agreement						
Submitted by: Jocelyn Hines, Development Analyst	Department: Economic Development						
Brief Summary: Harbor 31 Hotel is seeking approval of their development and reimbursement agreement for their hotel at 181 and 201 Viridian Dr.							
Detailed Summary & Background: The draft Development and Reimbursement Agreement between the Brownfield Redevelopment Authority (BRA), the City of Muskegon, and the developer extends through 2047 or until all eligible activities have been reimbursed through tax increment financing (TIF) capture, whichever occurs first. Brownfield Plan Amendment #1 was presented to the BRA on November 10, 2025, to incorporate state school tax capture for reimbursement of eligible non-environmental activities. The BRA approved the development and reimbursement agreement at their November 10, 2025 meeting. The Development and Reimbursement Agreement complements the Brownfield Plan Amendment by defining the specific terms, conditions, and timeline for reimbursement.							
Goal/Action Item: 2027 Goal 2: Economic Development Housing and Business - Progress toward new and ongoing economic development projects							
Is this a repeat item?: Explain what change has been made to justify bringing it back to Commission:							
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: I move to approve the Development and Reimbursement Agreement for Harbor 31 Hotel as presented and to authorize the Mayor and City Clerk to sign.							
Approvals:	Name the Policy/Ordinance Followed: Act 381, Public Acts of Michigan, 1996, as						

Immediate Division Head		
Information Technology		
Other Division Heads		
Communication		
Legal Review		

amended

DEVELOPMENT AND REIMBURSEMENT AGREEMENT

This DEVELOPMENT AND REIMBURSEMENT AGREEMENT (the “**Agreement**”) is made on _____, _____, by and among the CITY OF MUSKEGON BROWNFIELD REDEVELOPMENT AUTHORITY, a Michigan public body corporate whose address is 933 Terrace Street, Muskegon, Michigan 49443 (the “**Authority**”), the CITY OF MUSKEGON, a public body corporate whose address is 933 Terrace Street, Muskegon, Michigan 49443 (the “**City**”), and Lakeshore Hotel Partners, LLC, a Michigan limited liability company whose address is 2325 Belmont Center Drive NE, Belmont, Michigan 49306 (the “**Developer**”).

RECITALS

A. Pursuant to P.A. 381 of 1996, as amended (“**Act 381**”), the Authority approved and recommended a Brownfield Plan which was duly approved by the City (the “**Plan**”). The Plan was amended on December 10, 2024 (the “**Amendment**,” and, together with the Plan, the “**Brownfield Plan**” – See Exhibit A) to identify the construction of a five-story hotel with 126 hotel rooms. The Plan Amendment was amended on _____ to allow for the state tax capture of eligible non-environmental activities.

B. The Brownfield Plan and Amendment includes specific eligible activities associated with the Developer’s plan to develop land located at 181 & 201 Viridian Drive in Muskegon, Michigan (collectively, the “**Developer Property**”).

C. The Developer is in the process of acquiring the Developer Property, which is included in the Brownfield Plan as an “eligible property” because it was determined to be a “facility”, as defined by Part 201 of the Natural Resources and Environmental Protection Act (“**Part 201**”), or adjacent and contiguous to an “eligible property.”

D. The Developer intends to conduct eligible activities on the Developer Property including the construction of a five-story hotel with 126 hotel rooms, 146 parking spaces, and two elevators. Amenities include two meeting rooms, an indoor pool, a gym, and a restaurant and bar on the fifth floor along with an outdoor patio and dining (the “**Project**”), including department specific environmental activities, site preparation, a 15% contingency, 5% simple interest and brownfield plan preparation/implementation, as described in the Amendment to the Brownfield Plan, with an estimated cost of **\$2,194,878** (the “**Developer Eligible Activities**”). All of the Developer Eligible Activities are eligible for reimbursement under Act 381. The total cost of the Eligible Activities, including contingencies and interest, are **\$2,194,878** (the “**Total Eligible Brownfield TIF Costs**”).

E. Act 381 permits the Authority to capture and use local and certain school property tax revenues generated from the incremental increase in property value of a redeveloped brownfield site constituting an “eligible property” under Act 381 (the “**Brownfield TIF Revenue**”) to pay or to reimburse the payment of Eligible Activities conducted on the “eligible property.” The Brownfield TIF Revenue will be used to

reimburse the Developer for the Developer Eligible Activities incurred and approved for the Project.

F. In accordance with Act 381, the parties desire to establish the procedure for using the available Brownfield TIF Revenue generated from the Property to reimburse the Developer for completion of Eligible Activities on the Property in an amount not to exceed the Total Eligible Brownfield TIF Costs.

NOW, THEREFORE, the parties agree as follows:

1. Reimbursement Source.

(a) During the Term (as defined below) of this Agreement, and except as set forth in paragraph 2 below, the Authority shall reimburse the Developer for the costs of their Eligible Activities conducted on the Developer Property from the Brownfield TIF Revenue collected from the real and taxable personal property taxes on the Developer Property. The amount reimbursed to the Developer for their Eligible Activities shall not exceed the Total Eligible Brownfield TIF Costs, and reimbursements shall be made on approved costs submitted and approved in connection with the Developer Eligible Activities, as follows:

(i) the Authority shall pay 100% of available Brownfield TIF Revenue (except the TIF Management Administrative Fee outlined in Section 1 (a)(ii)), to Developer to reimburse the cost of the Developer Eligible Activities submitted and approved for reimbursement by the Authority until Developer is fully reimbursed; and

(ii) Notwithstanding any provision in this Agreement to the contrary, the Authority's annual TIF Management Administrative Fee, as described in the Brownfield Plan Amendment, shall be paid to the Authority each year to the extent that Brownfield TIF Revenue has been captured and collected during that year, prior to the payment of any Request for Cost Reimbursement.

(b) The Authority shall capture Brownfield TIF Revenue from the Property and reimburse the Developer for their Eligible Activities until the earlier of the Developer being fully reimbursed or December 31, 2044. Unless otherwise prepaid by the Authority, payments to the Developer shall be made on a semi-annual basis as incremental local taxes are captured and available.

(c) Following reimbursement of all amounts due the Developer and all amounts payable to the Authority as Administrative Costs from applicable Tax Increment Revenues, additional tax increment revenues will be deposited into the local brownfield revolving fund (LBRF) for five full years, which is accordance with Section 13(5) of Act 381, which limits such deposits to be made for no more than 5 years after the time that capture is required to pay the Eligible Costs.

2. Developer Reimbursement Process.

(a) The Developer shall submit to the Authority, not more frequently than on a quarterly basis, a "Request for Cost Reimbursement" for Developer Eligible Activities paid for by the Developer during the prior period. All costs for the Developer Eligible Activities must be consistent with the approved Brownfield Plan. The Developer must include documentation sufficient for the Authority to determine whether the costs incurred were for Developer Eligible Activities, including detailed invoices and proof of payment. Copies of all invoices for Developer Eligible Activities must note what Developer Eligible Activities they support.

(b) Unless the Authority disputes whether such costs are for Developer Eligible Activities within thirty (30) days after receiving a Request for Cost Reimbursement from the Developer, the Authority shall pay the Developer the amounts for which submissions have been made pursuant to paragraph 2(a) of this Agreement in accordance with the priority set forth in paragraph 1, from which the submission may be wholly or partially paid from available Brownfield TIF Revenue from the Developer Property.

(i) The Developer shall cooperate with the Authority's review of its Request for Cost Reimbursement by providing supplemental information and documentation which may be reasonably requested by the Authority.

(ii) If the Authority determines that requested costs are ineligible for reimbursement, the Authority shall notify the Developer in writing of its reasons for such ineligibility within the Authority's thirty (30) day period of review. The Developer shall then have thirty (30) days to provide supplemental information or documents to the Authority demonstrating that the costs are for Developer Eligible Activities and are eligible for reimbursement.

(c) If a partial payment is made to the Developer by the Authority because of insufficient Brownfield TIF Revenue captured in the semi-annual period for which reimbursement is sought, the Authority shall make additional payments toward the remaining amount within thirty (30) days of its receipt of additional Brownfield TIF Revenue from the Developer Property until all of the amounts for which submissions have been made have been fully paid to the Developer, or by the end of the Term (as defined below), whichever occurs first. The Authority is not required to reimburse the Developer from any source other than Brownfield TIF Revenue.

(d) The Authority shall send all payments to the Developer by registered or certified mail, addressed to the Developer at the address shown above, or by electronic funds transfer directly to the Developer's bank account. The Developer may change its address by providing written notice sent by registered or certified mail to the Authority.

4. Term of Agreement.

The Authority's obligation to reimburse the Developer (and the Authority) for the Total Eligible Brownfield TIF Costs incurred by each party under this Agreement shall terminate the earlier of the date when all reimbursements to the Developer required under this Agreement have been made or December 31, 2044 and the five additional years (post developer reimbursement) of TIF capture for reimbursement into the LBRF have been made or December 31, 2048 (the "**Term**"). If the Brownfield TIF Revenue ends before all of the Total Eligible Brownfield TIF Costs have been fully reimbursed to the Developer, the last reimbursement payment by the Authority shall be paid from the summer and winter tax increment revenue collected during the final year of this Agreement.

5. Adjustments.

If, due to an appeal of any tax assessment or reassessment of any portion of the Developer Property, or for any other reason, the Authority is required to reimburse any Brownfield TIF Revenue to any tax levying unit of government, the Authority may deduct the amount of any such reimbursement, including interest and penalties, from any amounts due and owing to the Developer. If all amounts due to the Developer under this Agreement have been fully paid or the Authority is no longer obligated to make any further payments to the Developer, the Authority shall invoice the Developer for the amount of such reimbursement and the Developer shall pay the Authority such invoiced amount within thirty (30) days of the receipt of the invoice. Amounts withheld by or invoiced and paid to the Authority by the Developer pursuant to this paragraph shall be reinstated as Developer Eligible Activities, respectively, for which the Developer shall have the opportunity to be reimbursed in accordance with the terms, conditions, and limitations of this Agreement. Nothing in this Agreement shall limit the right of the Developer to appeal any tax assessment. In the event of a tax appeal, the term of the Plan made be extended to cover the capture of eligible activities, but in all cases cannot extend beyond 30 years from the initial date of capture.

6. Legislative Authorization.

This Agreement is governed by and subject to the restrictions set forth in Act 381. If there is legislation enacted in the future that alters or affects the amount of Brownfield TIF Revenue subject to capture, eligible property, or Eligible Activities, then the Developer's rights and the Authority's obligations under this Agreement shall be modified accordingly as required by law, or by agreement of the parties.

7. Notices.

All notices shall be given by registered or certified mail addressed to the parties at their respective addresses as shown above. Any party may change the address by written notice sent by registered or certified mail to the other party.

8. Assignment.

This Agreement and the rights and obligations under this Agreement shall not be assigned or otherwise transferred by any party without the consent of the other party, which shall not be unreasonably withheld, *provided, however*, the Developer may assign their interest in this Agreement to an affiliate without the prior written consent of the Authority if such affiliate acknowledges its obligations to the Authority under this Agreement upon assignment in writing on or prior to the effective date of such assignment, *provided, further*, that the Developer may each make a collateral assignment of their share of the Brownfield TIF Revenue for project financing purposes. As used in this paragraph, “affiliate” means any corporation, company, partnership, limited liability company, trust, sole proprietorship or other entity or individual which (a) is owned or controlled by the Developer, (b) owns or controls the Developer or (c) is under common ownership or control with the Developer. This Agreement shall be binding upon and inure to the benefit of any successors or permitted assigns of the parties.

9. Entire Agreement.

This Agreement supersedes all agreements previously made between the parties relating to the subject matter. There are no other understandings or agreements between the parties.

10. Non-Waiver.

No delay or failure by either party to exercise any right under this Agreement, and no partial or single exercise of that right, constitutes a waiver of that or any other right, unless otherwise expressly provided herein.

11. Governing Law.

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

12. Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

[Signature page follows]

The parties have executed this Agreement on the date set forth above.

**CITY OF MUSKEGON BROWNFIELD
REDEVELOPMENT AUTHORITY**

By:
Its:

CITY OF MUSKEGON

By:
Its:

By:
Its:

Lakeshore Hotel Partners, LLC

By:
Its:

19886336-2

EXHIBIT A

Copy of Brownfield Plan

Act 381 Work Plan to Conduct MSF Non-Environmental Activities for

**Harbor 31 Hotel
181 and 201 Viridian Drive
Muskegon, Michigan 49440**

**Prepared For:
City of Muskegon Brownfield Redevelopment Authority
Muskegon, Michigan**

**October 6, 2025
Project No. 240340**

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List of Abbreviations/Acronyms

BEA	Baseline Environmental Assessment
Developer	Lakeshore Hotel Partners, LLC
EGLE	Michigan Department of Environment, Great Lakes, and Energy
ESA	Environmental Site Assessment
FTE	full-time equivalent
MEDC	Michigan Economic Development Corporation
MSF	Michigan Strategic Fund
NREPA	Natural Resources and Environmental Protect Act
PA	Public Act
PNA	polynuclear aromatic hydrocarbon
Property	181 & 201 Viridian Drive, Muskegon, Michigan 49440
PUD	Planned Unit Development
QLGU	Qualified Local Governmental Unit
TIF	tax increment financing
UST	underground storage tank
VMS	vapor mitigation system
VOC	volatile organic compound
Work Plan	Act 381 Work Plan

1.0 Introduction

Lakeshore Hotel Partners, LLC (“Developer”) intends to redevelop two currently vacant parcels within the City of Muskegon located at addresses 181 and 201 Viridian Drive, Muskegon, Michigan 49440 (the “Property”).

The City of Muskegon approved a *Brownfield Plan Amendment* for the project on December 10, 2024 and a *First Amendment to the Brownfield Plan Amendment* and Development and Reimbursement Agreement on _____. Refer to Tables 1, 2, and 3 for the Summary of Eligible Activities, the TIF Capture, and TIF Reimbursement Schedules, respectively, from the Brownfield Plan Amendment #1. Copies of Amendment #1 of the Brownfield Plan Amendment, including supporting Resolution are included as Attachment A, and a copy of the Development and Reimbursement Agreement is included as Attachment B.

1.1 Proposed Redevelopment and Future Use for Each Eligible Property

The purpose of this *Act 381 Work Plan* (the “Work Plan”) is to provide for reimbursement of eligible activity expenses incurred and to be incurred by the Developer on the Property and improvements that will directly benefit the Property. The Developer is proposing to redevelop the Harbor 31 Element Hotel.

The proposed redevelopment activities for “Element Muskegon” include the construction of a five-story hotel with 126 hotel rooms, 146 parking spaces, and two elevators. Amenities include two meeting rooms, an indoor pool, a gym, and a restaurant and bar on the fifth floor along with an outdoor patio and dining. The total amount of project investment is estimated to be \$28,800,000 with 30–35 full-time equivalent jobs created as a result of this development. Construction is expected to start in winter 2026 and be completed by fall 2027. The proposed site plan is included in Figure 4.

This project serves a public purpose in the City of Muskegon, a Qualified Local Governmental Unit (QLGU), expanding the tax base, investing significant capital into the community, and creating new jobs. Within walking distance from both Muskegon Lake and Downtown Muskegon’s Social District, the Element Muskegon will be a key part of the 31-acre lakefront Harbor 31 master-planned community, which includes homes, townhomes, apartments, senior living, office space, and a marina for residents and visitors. There is no existing hotel or hotel in development on this level of service within the region, so it will draw both community members and national visitors looking to visit this region and Lake Michigan.

1.2 Eligible Property Information

1.2.1 Property Eligibility – Location/Legal Description

The Property has been historically utilized for industrial purposes dating back to the 1800s. Based on historical environmental investigations conducted over the past 25 years, these past industrial uses have resulted in widespread contamination across the Property.

The Developer is not a liable party and is in the process of completing a Phase I Environmental Site Assessment (ESA) and a Baseline Environmental Assessment (BEA) in accordance with Part 201 of the Natural Resources and Environmental Protect Act, 1995 Public Act (PA) 451, as amended (NREPA), which will be completed when they acquire the property.

Given the known soil contamination, the Property is a “facility” pursuant to Part 201 of NREPA. As such, it is considered an “eligible property” as defined by the Michigan Redevelopment Financing Act, Act 381 of 1996. Historic environmental data tables and associated sample location maps are provided in Attachment C.

The parcels associated with redevelopment are described below.

Parcel ID: 61-24-607-000-0007-00

Address: 181 Viridian Drive, Muskegon, Michigan 49440

Size: Approximately 0.99 acres

Legal Description: CITY OF MUSKEGON MUSKEGON LAKESHORE SMARTZONE UNIT G FIFTH AMEND TO MASTER DEED L/P 4292/128 SUBJ TO ELECTRIC ESMT REC L/P 3591/578 SBJT TO ELECTRIC EASEMENT RECORD'D L/P 3630/646

Parcel ID: 61-24-607-000-0006-00

Address: 201 Viridian Drive, Muskegon, Michigan 49440

Size: Approximately 2.0 acres

Legal Description: CITY OF MUSKEGON MUSKEGON LAKESHORE SMARTZONE UNIT F FIFTH AMEND TO MASTER DEED L/P 4292/128 SUBJ TO ELECTRIC ESMT REC L/P 3591/578 SBJT TO ELECTRIC EASEMENT RECORD'D L/P 3630/646

A Property Location Map is attached to this Work Plan as Figure 1, and an Eligible Property Map is attached as Figure 2.

1.2.2 Current Ownership

The parcels involved with the project are currently owned by Muskegon Lakefront, LLC. The contact for Muskegon Lakefront, LLC is Dan Hendrickson at 415 Leonard Street NW, Suite 201, Grand Rapids, Michigan 49504.

Address	Parcel ID	Owner
181 Viridian Drive	61-24-607-000-0007-00	Muskegon Lakefront, LLC
201 Viridian Drive	61-24-607-000-0006-00	Muskegon Lakefront, LLC

1.2.3 Proposed Future Ownership

The parcels involved with the project will be owned by Lakeshore Hotel Partners, LLC, the Developer for the project. The contact for Lakeshore Hotel Partners, LLC is Mike Houseman, 4045 Barden Drive SE, Grand Rapids, Michigan 49512.

Address	Parcel ID	Owner
181 Viridian Drive	61-24-607-000-0007-00	Lakeshore Hotel Partners, LLC
201 Viridian Drive	61-24-607-000-0006-00	Lakeshore Hotel Partners, LLC

1.2.4 Delinquent Taxes, Interest, and Penalties

There are no delinquent taxes, interest, or penalties associated with these properties.

1.2.5 Existing and Proposed Future Zoning

The existing zoning is planned unit development (PUD) for the Project. The Development is consistent with this zoning; therefore, the future zoning will continue to be PUD.

1.3 Historical Use and Previous Ownership of Each Eligible Property

1.3.1 Historical Use

The property has been used for industrial purposes since 1867, starting with the Ryerson and Hill Lumber Mill. In 1909, the Marine Motor Manufacturing Company (later known as Continental Motors Corp.) began its operations in heavy manufacturing. In 1920, Continental Motors Corp. purchased the property and expanded operations with offices and factories. In 1969, Teledyne Industries acquired Continental Motors Corp. The factories and offices associated with Teledyne Industries were demolished in 1992. The property has been vacant since the 1990s.

1.4 Current Use of Each Eligible Property

The Property is currently vacant with no buildings or structures. Additionally, there are no current tenants or occupants.

1.5 Site Conditions and Known Environmental Contamination Summary

The subject property consists of two legal parcels totaling approximately 2.99 acres. The subject property was historically used for industrial purposes dating back to the 1800s. Based on historical environmental investigations conducted over the past 25 years, these past industrial uses have resulted in widespread contamination across the Subject Property. Known contaminants in the soil with concentrations exceeding EGLE Part 201 Generic Residential Cleanup Criteria include benzo(a)pyrene, fluoranthene, naphthalene, phenanthrene, arsenic, cadmium, chromium (total), copper, lead, selenium, zinc, and nickel.

1.6 Functionally Obsolete, Blighted, and/or Historic Conditions

The Property is not considered functionally obsolete, blighted, or a historic resource.

1.7 Information Required by Section 15(12) of the Statute

1.7.1 *How are the individual activities included in the work plan sufficient to complete the eligible activity?*

Work Plan activities include site assessment, site demolition, and site preparation to prepare the Property for its new use. The itemized costs are included in Section 2.3 below and were determined with assistance by contractors and consultants familiar with the site characteristics. As such, the costs included in this Work Plan are sufficient to complete the proposed eligible activities.

1.7.2 *How is each individual activity included in the work plan required to complete the eligible activity?*

The Property is currently vacant, and numerous activities will be needed to allow the development to occur. Environmental activities will be needed to safely redevelop and occupy the Subject Property and in addition, site preparation costs will be needed to support the redevelopment. The itemized costs for the eligible activities are included in Section 2.3 below. The cost estimates were developed with the assistance of contractors and consultants familiar with the site characteristics. As such, the individual costs detailed below are required in order to complete the proposed eligible activities.

1.7.3 *How were the costs for each individual activity determined to be reasonable?*

Eligible activity costs are based on cost estimates developed by the project consulting and construction team. As such, they were determined to be reasonable based on current market prices.

1.7.4 *What is the overall benefit to the public?*

Through the redevelopment of the currently vacant and contaminated property, the public will benefit from the following:

- New property taxes
- Capital investment in the city
- Year-round job creation
- Increased economic activity in the city and downtown
- Addition of needed hospitality capacity and opportunities in the city

1.7.5 What is the extent of reuse of vacant buildings and redevelopment of blighted property?

Not applicable as there are no structures present on the Property.

1.7.6 How many jobs will be created by the project and the type of jobs; (a) fulltime, (b) part-time, (c) managerial, or (d) professional?

This development is anticipated to create 30-35 new Full-Time Equivalent (FTE) jobs.

1.7.7 Is the eligible property in an area of high unemployment?

The most recently reported unemployment rate for Muskegon-Norton Shores, MI is 7.0% for July 2025, compared to the State of Michigan at 5.3% at that same time, according to the U.S. Bureau of Labor Statistics.

1.7.8 What is the level and extent of contamination alleviated by or in connection with the eligible activities?

A variety of metals, polynuclear aromatic hydrocarbons (PNAs), and volatile organic compounds (VOCs) have been detected in soil and groundwater at concentrations exceeding EGLE Part 201 Generic Non-residential Cleanup Criteria on the Property. Soils that are removed as a part of site preparation activities will be sent to a certified Type 2 Landfill for disposal. Large portions of the Property will also be paved over, creating a barrier between users of the Property and contaminated soils. Additionally, the new hotel building will be equipped with a vapor mitigation system (VMS) to prevent unacceptable exposure to the vapor intrusion exposure pathway.

1.7.9 What is the level of private sector contribution?

The project is expected to represent approximately \$28,800,000 of private investment.

1.7.10 If the developer or projected occupant of the new development is moving from another location in this state, will the move create a brownfield?

The Developer will not be moving their operations from another location.

1.7.11 Is the project financially and economically sound? Describe and demonstrate with a project proforma, financial statements, or other acceptable documentation.

Yes, with the requested assistance the project is financially sound. A financial pro-forma has been provided to the MEDC for the project.

1.7.12 Identify the amount of all other anticipated state or local incentives that directly or indirectly benefit this project.

In addition to the state/local TIF to reimburse eligible activity costs, the developer has requested a Tax Abatement through PA 255, the Commercial Redevelopment Act, for a 12-year time period. The anticipated benefit of the PA 255 Abatement is \$1,817,429. The City is supportive of the PA 255 tax abatement in addition to the Brownfield TIF.

1.7.13 Any other criteria that MEDC may consider?

The project will provide significant investment in the city, revitalize a Property that is vacant, and create hotel to help the tourism industry in the City and continue to bring new sources of revenue into the Muskegon community.

2.0 Scope of Work and Costs

2.1 EGLE Eligible Activities

Eligible costs for reimbursement include Pre-Approved Activities, permitted to occur prior to Plan Amendment adoption. Preparation of Phase I and II ESA(s), BEA, and Documentation of Due Care Compliance (DDCC) are necessary to protect the new Property owner/Developer from liability for environmental contamination. Additional due care assessment and/or planning activities are anticipated including, but not limited to, the preparation of a soil management plan and health and safety plan. The total cost is anticipated to be \$20,000. Pre-approved activities are statutorily eligible for reimbursement with both school and non-school tax increment revenues.

2.2 MSF Eligible Activities

2.2.1 Site Demolition

Site demolition activities include the removal of curb cuts and sidewalks as part of the redevelopment. The anticipated costs are \$10,000.

2.2.2 Site Preparation

Numerous site preparation activities are necessary for the future building plans and elevations associated with the redevelopment. Additionally, due to the size of the buildings, significant geotechnical will be needed to ensure the building is safely constructed.

Site preparation activities will include Clearing and Grubbing (\$5,000), Cut & Fill Operations (\$5,000), Dewatering (\$30,000), Excavation of unstable Material (\$60,000), Fill (\$71,000), Foundation Work to Address Special Soil Concerns (Helical Piers) (\$620,000), Staking (\$30,000), Temporary Construction Access/Road (\$6,000), Temporary Erosion Control (\$8,000), Temporary Site Control (\$12,000), and Soft Costs (architectural, engineering) (\$150,000).

Total costs for Site Preparation is anticipated to be \$997,000.

2.2.3 Contingency

Contingencies are an eligible activity as permitted by Act 381. A 15% contingency on future costs is included to cover unexpected cost overruns encountered during construction. The 15% contingency on MSF Eligible Activities is anticipated to total \$151,050.

2.2.4 Brownfield Plan and/or Work Plan Preparation

Preparation of the Brownfield Plan and Work Plan is anticipated to cost \$25,000, split between MSF (\$15,000) and local only.

2.3 Local Only Eligible Activities

2.3.1 Department Specific Activities

Due care activities will include additional investigative sampling and implementation of vapor concerns. Due care costs will include environmental consultant oversight and management. If needed, engineering barriers, including site concrete and paving, are anticipated to cost \$160,000, a vapor mitigation system is anticipated to cost \$160,000, and contaminated soil removal and disposal is anticipated to cost \$50,000, totaling \$370,000.

2.3.2 Contingency (15%)

Contingencies are an eligible activity as permitted by Act 381, and in an amount not to exceed the total Developer eligible activities. Contingency (15%) on Local-Only Eligible Activities is anticipated to total \$55,500.

2.3.3 Interest

A 5% simple interest calculation is anticipated on the total costs annually. The total cost is anticipated to be incurred on Local Only and MSF eligible activities is \$533,328.

2.3.4 Brownfield Plan and/or Work Plan Preparation

Preparation of the Brownfield Plan and Work Plan is anticipated to cost \$25,000, split between MSF (\$15,000) and local only (\$10,000).

2.3.5 Brownfield Plan and/or Work Plan Implementation

Total costs for the Brownfield Plan and Work Plan Implementation will be incurred by the Developer is anticipated to be \$10,000.

2.4 Eligible Activities Costs and Schedule

EGLE Eligible Activities Costs and Schedule

EGLE Eligible Activities	Cost	Completion Season/Year
Site Assessment and Baseline Environmental Assessment Activities	\$ 20,000	Winter 2025
<i>Phase I ESA, Phase II ESA, BEA, DDCC</i>	\$ 20,000	
EGLE Eligible Activities Subtotal	\$ 20,000	
Contingency (0%)	\$ 0	
EGLE Eligible Activities Total Costs	\$ 20,000	

MEDC Eligible Activities Costs and Schedule

MEDC Eligible Activities	Cost	Completion Season/Year
Site Preparation	\$ 997,000	
<i>Clearing and Grubbing</i>	\$ 5,000	Spring 2026
<i>Cut & Fill Operations</i>	\$ 5,000	Spring 2026
<i>Dewatering</i>	\$ 30,000	Spring 2026
<i>Excavation of Unstable Material</i>	\$ 60,000	Spring 2026
<i>Fill</i>	\$ 71,000	Spring 2026
<i>Foundation Work to Address Special Soil Concerns (Helical Piers)</i>	\$ 620,000	Spring 2026
<i>Staking</i>	\$ 30,000	Spring 2026
<i>Temporary Construction Access/Roads</i>	\$ 6,000	Spring 2026
<i>Temporary Erosion Control</i>	\$ 8,000	Spring 2026
<i>Temporary Site Control</i>	\$ 12,000	Spring 2026
<i>Soft Costs (architectural, engineering)</i>	\$ 150,000	Spring 2026

Demolition	\$ 10,000	
<i>Site Demolition</i>	\$ 10,000	Spring 2026
MEDC Eligible Activities Subtotal	\$ 1,007,000	
Contingency (15%)	\$ 151,050	
Brownfield Plan/Work Plan Preparation	\$ 15,000	
MEDC Eligible Activities Total Costs	\$ 1,173,050	

Local Only Eligible Activities Costs and Schedule

Local Only Eligible Activities	Cost	Completion Season/Year
Due Care Activities	\$ 370,000	Spring/Summer 2026
<i>Engineered Barriers</i>	\$ 160,000	
<i>Vapor Intrusion Mitigation System</i>	\$ 160,000	
<i>Contaminated Soil Removal and Disposal</i>	\$ 50,000	
Local Only Eligible Activities Subtotal	\$ 370,000	
Contingency (15%)	\$ 55,500	
Interest Expense (5%)	\$ 533,328	
Brownfield Plan/Work Plan Preparation	\$ 10,000	
Brownfield Plan/Work Plan Implementation	\$ 10,000	
Local Only Eligible Activities Total Costs	\$ 978,828	

Figures



LEGEND
Approximate Property Boundary

Hard copy is intended to be 8.5"x11" when plotted. Scale(s) indicated and graphic quality may not be accurate for any other size.

201 & 181 Viridian Drive
Muskegon, Michigan
Brownfield Plan

PROJECT NO.
240340

FIGURE NO.
2

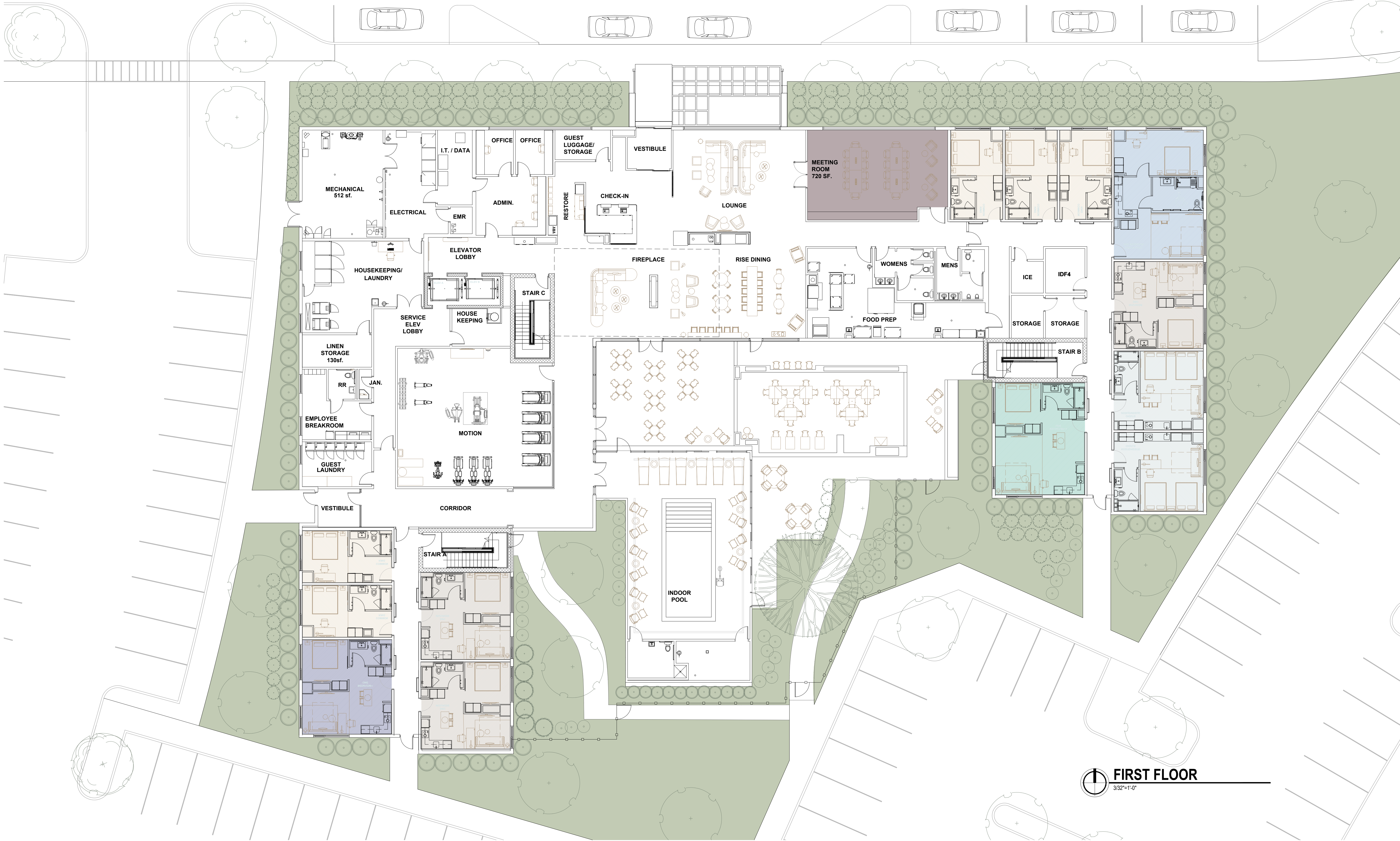
PLOT INFO: Z:\2024\240340\CAD\GIS\ProProj\Brownfield Plan.aprx Layout: FIG02_Site Map Date: 6/11/2024 11:32 AM User: ebuyce

DATA SOURCES: ESRI HYBRID REFERENCE LAYER & MISAIL IMAGERY.



Room Type Summary								
	Standard King	Studio King	Studio Queen/Queen	One Bedroom	One Bedroom ADA	Common King	Conference Suite	Total Rooms
First Floor	0	0	2	5	1	5	0	13
Second floor	6	1	6	9	1	6	1	30
Third Floor	7	1	6	10	1	6	1	32
Fourth Floor	7	1	6	10	1	6	1	32
Fifth Floor	4	0	6	4	1	4	0	19
Total	24	3	26	38	5	30	3	126
Extended Stay	75	58%						
Standard	54	42%						

PARKING SUMMARY		
LODGING	(1 PER ROOM)	129 SPACES
1ST FLOOR OFFICE/RETAIL (1,176 SF.)	(1 PER 500SF.)	3 SPACES
5TH FLOOR OFFICE/RETAIL (6,938 SF.)	(1 PER 500SF.)	13 SPACES
		146 SPACES



FIRST FLOOR
3/32"=1'-0"



 **SECOND FLOOR**
3/32"=1'-0"



 **THIRD FLOOR**
3/32"=1'-0"



FOURTH FLOOR
3/32"=1'-0"



 **FIFTH FLOOR**
3/32"=1'-0"



NORTH ELEVATION

11.22.23



ELEMENT HOTEL

HARBOR 31 MUSKEGON, MICHIGAN



HENRICKSON
ARCHITECTURE + PLANNING



WEST ELEVATION

11.22.23



element
BY WESTIN

ELEMENT HOTEL

HARBOR 31 MUSKEGON, MICHIGAN



HENRICKSON
ARCHITECTURE + PLANNING



EAST ELEVATION



SOUTH ELEVATION

11.22.23



element
BY WESTIN

ELEMENT HOTEL

HARBOR 31 MUSKEGON, MICHIGAN



HENRICKSON
ARCHITECTURE + PLANNING

Tables

Table 1 – Summary of Eligible Costs

Act 381 Brownfield Plan

Harbor 31 Hotel

EGLE Eligible Activities Costs and Schedule

EGLE Eligible Activities	Cost	Completion Season/Year
Site Assessment and Baseline Environmental Assessment Activities	\$ 20,000	
<i>Phase I ESA, Phase II ESA, BEA, DDCC</i>	\$ 20,000	Fall 2025
EGLE Eligible Activities Subtotal	\$ 20,000	
EGLE Eligible Activities Total Costs	\$ 20,000	

MEDC Eligible Activities Costs and Schedule

MEDC Eligible Activities	Cost	Completion Season/Year
Site Preparation	\$ 997,000	
<i>Clearing and Grubbing</i>	\$ 5,000	Spring 2026
<i>Cut & Fill Operations</i>	\$ 5,000	Spring 2026
<i>Dewatering</i>	\$ 30,000	Spring 2026
<i>Excavation of Unstable Material</i>	\$ 60,000	Spring 2026
<i>Fill</i>	\$ 71,000	Spring 2026
<i>Foundation Work to Address Special Soil Concerns (Helical Piers)</i>	\$ 620,000	Spring 2026
<i>Staking</i>	\$ 30,000	Spring 2026
<i>Temporary Construction Access/Roads</i>	\$ 6,000	Spring 2026
<i>Temporary Erosion Control</i>	\$ 8,000	Spring 2026
<i>Temporary Site Control</i>	\$ 12,000	Spring 2026
<i>Soft Costs (architectural, engineering)</i>	\$ 150,000	Spring 2026
Demolition	\$ 10,000	
<i>Site Demolition</i>	\$ 10,000	Spring 2026
MEDC Eligible Activities Subtotal	\$ 1,007,000	
Contingency (15%)	\$ 151,050	
Brownfield Plan/Work Plan Preparation	\$ 15,000	
MEDC Eligible Activities Total Costs	\$ 1,173,050	

Local Only Eligible Activities Costs and Schedule

Local Only Eligible Activities	Cost	Completion Season/Year
Due Care Activities	\$ 370,000	
<i>Engineered Barriers</i>	\$ 160,000	Summer /Fall 2026
<i>Vapor Intrusion Mitigation System</i>	\$ 160,000	Summer /Fall 2026
<i>Contaminated Soil Removal and Disposal</i>	\$ 50,000	Summer /Fall 2026
Local Only Eligible Activities Subtotal	\$ 370,000	
Contingency (15%)	\$ 55,500	
Interest Expense (5%)	\$ 533,328	
Brownfield Plan/Work Plan Preparation	\$ 10,000	
Brownfield Plan/Work Plan Implementation	\$ 10,000	
Local Only Eligible Activities Total Costs	\$ 978,828	

Table 2 – Total Captured Incremental Taxes Schedule

Act 381 Brownfield Plan
Harbor 31 Hotel
181 201 Viridian Drive
Muskegon, MI

Estimated Taxable Value (TV) Increase Rate: 2% increase per year																						
Plan Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	Totals
Calendar Year	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	
* Base Taxable Value	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ 200,800	\$ -
Future Taxable Value	\$ 5,000,000	\$ 5,100,000	\$ 5,202,000	\$ 5,306,040	\$ 5,412,161	\$ 5,520,404	\$ 5,630,812	\$ 5,743,428	\$ 5,858,297	\$ 5,975,463	\$ 6,094,972	\$ 6,216,872	\$ 6,341,209	\$ 6,468,033	\$ 6,597,394	\$ 6,729,342	\$ 6,863,929	\$ 7,001,207	\$ 7,141,231	\$ 7,284,056	\$ 7,429,737	\$ -
Incremental Difference (New TV - Base TV)	\$ 4,799,200	\$ 4,899,200	\$ 5,001,200	\$ 5,105,240	\$ 5,211,361	\$ 5,319,604	\$ 5,430,012	\$ 5,542,628	\$ 5,657,497	\$ 5,774,663	\$ 5,894,172	\$ 6,016,072	\$ 6,140,409	\$ 6,267,233	\$ 6,396,594	\$ 6,528,542	\$ 6,663,129	\$ 6,800,407	\$ 6,940,431	\$ 7,083,256	\$ 7,228,937	\$ -
School Capture																						
Millage Rate																						
School Operating	18.0000	\$ 43,193	\$ 44,093	\$ 45,011	\$ 45,947	\$ 46,902	\$ 47,876	\$ 48,870	\$ 49,884	\$ 50,917	\$ 51,972	\$ 53,048	\$ 54,145	\$ 55,227	\$ 56,310	\$ 57,403	\$ 58,506	\$ 59,619	\$ 60,742	\$ 61,875	\$ 63,018	\$ 1,662,739
State Education Tax (SET)	6.0000	\$ 28,795	\$ 29,395	\$ 30,007	\$ 30,631	\$ 31,268	\$ 31,918	\$ 32,580	\$ 33,256	\$ 33,945	\$ 34,648	\$ 35,365	\$ 36,096	\$ 36,842	\$ 37,603	\$ 38,380	\$ 39,171	\$ 39,979	\$ 40,802	\$ 41,643	\$ 42,500	\$ 748,199
School Total	24.0000	\$ 71,988	\$ 73,488	\$ 75,018	\$ 76,579	\$ 78,170	\$ 79,794	\$ 81,450	\$ 83,139	\$ 84,862	\$ 86,620	\$ 88,413	\$ 90,241	\$ 92,110	\$ 94,023	\$ 95,983	\$ 97,937	\$ 99,898	\$ 101,864	\$ 103,843	\$ 105,838	\$ 2,410,937
Local Capture																						
Millage Rate																						
County Operating	5.5637	\$ 13,351	\$ 13,629	\$ 13,913	\$ 14,202	\$ 14,497	\$ 14,798	\$ 15,105	\$ 15,419	\$ 15,738	\$ 16,064	\$ 16,397	\$ 16,736	\$ 17,080	\$ 17,429	\$ 17,784	\$ 18,144	\$ 18,509	\$ 18,879	\$ 19,253	\$ 19,631	\$ 513,943
County Museum	0.3169	\$ 760	\$ 776	\$ 792	\$ 809	\$ 826	\$ 843	\$ 860	\$ 878	\$ 896	\$ 915	\$ 934	\$ 953	\$ 973	\$ 993	\$ 1,014	\$ 1,035	\$ 1,056	\$ 1,077	\$ 1,099	\$ 1,121	\$ 29,273
County Veterans	0.0739	\$ 177	\$ 181	\$ 185	\$ 189	\$ 193	\$ 197	\$ 201	\$ 205	\$ 209	\$ 213	\$ 218	\$ 222	\$ 227	\$ 231	\$ 236	\$ 240	\$ 245	\$ 249	\$ 254	\$ 258	\$ 6,826
Senior Citizen Services	0.4921	\$ 1,181	\$ 1,205	\$ 1,231	\$ 1,256	\$ 1,282	\$ 1,309	\$ 1,336	\$ 1,364	\$ 1,392	\$ 1,421	\$ 1,450	\$ 1,480	\$ 1,510	\$ 1,540	\$ 1,571	\$ 1,602	\$ 1,633	\$ 1,665	\$ 1,697	\$ 1,729	\$ 45,457
Central Dispatch	0.2952	\$ 708	\$ 723	\$ 738	\$ 754	\$ 769	\$ 785	\$ 801	\$ 818	\$ 835	\$ 852	\$ 870	\$ 888	\$ 906	\$ 924	\$ 942	\$ 961	\$ 980	\$ 999	\$ 1,018	\$ 1,037	\$ 27,269
Community College	2.1693	\$ 5,205	\$ 5,314	\$ 5,425	\$ 5,537	\$ 5,653	\$ 5,770	\$ 5,890	\$ 6,012	\$ 6,136	\$ 6,263	\$ 6,393	\$ 6,525	\$ 6,660	\$ 6,796	\$ 6,935	\$ 7,076	\$ 7,219	\$ 7,364	\$ 7,511	\$ 7,660	\$ 200,388
MAISD	4.6773	\$ 11,224	\$ 11,458	\$ 11,696	\$ 11,939	\$ 12,188	\$ 12,441	\$ 12,699	\$ 12,962	\$ 13,231	\$ 13,505	\$ 13,784	\$ 14,069	\$ 14,358	\$ 14,651	\$ 14,948	\$ 15,250	\$ 15,556	\$ 15,866	\$ 16,180	\$ 16,498	\$ 432,063
City Operating	9.8554	\$ 23,649	\$ 24,142	\$ 24,644	\$ 25,157	\$ 25,680	\$ 26,213	\$ 26,757	\$ 27,312	\$ 27,878	\$ 28,456	\$ 29,045	\$ 29,645	\$ 30,256	\$ 30,878	\$ 31,502	\$ 32,137	\$ 32,783	\$ 33,440	\$ 34,100	\$ 34,764	\$ 910,386
City Sanitation	2.9364	\$ 7,046	\$ 7,193	\$ 7,343	\$ 7,496	\$ 7,651	\$ 7,810	\$ 7,972	\$ 8,138	\$ 8,306	\$ 8,478	\$ 8,654	\$ 8,833	\$ 9,014	\$ 9,198	\$ 9,384	\$ 9,572	\$ 9,763	\$ 9,956	\$ 10,152	\$ 10,351	\$ 271,248
Hackley Library	2.3516	\$ 5,643	\$ 5,760	\$ 5,880	\$ 6,003	\$ 6,128	\$ 6,255	\$ 6,385	\$ 6,517	\$ 6,652	\$ 6,790	\$ 6,930	\$ 7,074	\$ 7,221	\$ 7,371	\$ 7,523	\$ 7,677	\$ 7,833	\$ 7,991	\$ 8,151	\$ 8,313	\$ 217,228
MPS Sinking	0.9712	\$ 2,330	\$ 2,379	\$ 2,429	\$ 2,479	\$ 2,531	\$ 2,583	\$ 2,637	\$ 2,692	\$ 2,747	\$ 2,804	\$ 2,862	\$ 2,921	\$ 2,981	\$ 3,042	\$ 3,104	\$ 3,167	\$ 3,231	\$ 3,296	\$ 3,362	\$ 3,429	\$ 89,714
Local Total	29.7030	\$ 71,275	\$ 72,760	\$ 74,275	\$ 75,820	\$ 77,397	\$ 79,004	\$ 80,644	\$ 82,316	\$ 84,022	\$ 85,762	\$ 87,537	\$ 89,348	\$ 91,194	\$ 93,076	\$ 94,994	\$ 96,948	\$ 98,939	\$ 100,967	\$ 103,032	\$ 105,135	\$ 2,743,796
Non-Capturable Millages																						
Millage Rate																						
Community College Debt	0.2700	\$ 648	\$ 661	\$ 675	\$ 689	\$ 704	\$ 718	\$ 733	\$ 748	\$ 764	\$ 780	\$ 796	\$ 812	\$ 829	\$ 846	\$ 863	\$ 880	\$ 897	\$ 915	\$ 933	\$ 951	\$ 24,941
Hackley Debt	0.4999	\$ 1,200	\$ 1,225	\$ 1,250	\$ 1,276	\$ 1,303	\$ 1,330	\$ 1,357	\$ 1,385	\$ 1,414	\$ 1,443	\$ 1,473	\$ 1,504	\$ 1,535	\$ 1,566	\$ 1,598	\$ 1,630	\$ 1,663	\$ 1,696	\$ 1,730	\$ 1,764	\$ 46,178
MPS Debt (2020 & 2021)	7.7500	\$ 18,597	\$ 18,984	\$ 19,380	\$ 19,783	\$ 20,194	\$ 20,613	\$ 21,041	\$ 21,478	\$ 21,923	\$ 22,377	\$ 22,840	\$ 23,312	\$ 23,793	\$ 24,283	\$ 24,782	\$ 25,290	\$ 25,807	\$ 26,333	\$ 26,868	\$ 27,412	\$ 715,901
Non-Capturable Total	8.5199	\$ 20,444	\$ 20,870	\$ 21,305	\$ 21,748	\$ 22,200	\$ 22,661	\$ 23,132	\$ 23,611	\$ 24,101	\$ 24,600	\$ 25,109	\$ 25,628	\$ 26,156	\$ 26,694	\$ 27,242	\$ 27,799	\$ 28,365	\$ 28,941	\$ 29,526	\$ 30,120	\$ 787,020
Total Tax Increment Revenue (TIR) Available for Capture	\$ 143,263	\$ 146,248	\$ 149,293	\$ 152,399	\$ 155,567	\$ 158,798	\$ 162,094	\$ 165,456	\$ 168,885	\$ 172,382	\$ 175,950	\$ 179,589	\$ 329,758	\$ 336,569	\$ 343,516	\$ 350,602	\$ 357,830	\$ 365,202	\$ 372,722	\$ 380,392	\$ 388,216	\$ 5,154,733
NOTES:																						
PA 255 Commercial Redevelopment Act Tax Abatement - New Facility is anticipated for 12 years.																						
PA 255 is a 50% reduction in ad valorem taxes (excluding only SET) for a period of 12 years.																						

Table 3 – Estimated Reimbursement Schedule

Act 381 Brownfield Plan
Harbor 31 Hotel
181 201 Viridian Drive
Muskegon, MI

Developer Maximum Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	44.7%	\$ 651,305	\$ -	\$ 651,305
Local	55.3%	\$ 806,071	\$ 737,502	\$ 1,543,573
TOTAL				
Pre-Approved	2.6%	\$ 20,000	\$ --	\$ 20,000
MEDC	98.6%	\$ 1,437,376	\$ -	\$ 1,437,376
Local-Only	97.4%	\$ -	\$ 737,502	\$ 737,502

Estimated Total Years of Plan:	21 (including 5 years LBRF Capture)
--------------------------------	-------------------------------------

Estimated Capture	
Administrative Fees	\$ 274,380
State Brownfield Redevelopment Fund	\$ -
Local Brownfield Revolving Fund	\$ 808,860

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	
	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	TOTAL
Total State Incremental Revenue	\$ 71,988	\$ 73,488	\$ 75,018	\$ 76,579	\$ 78,170	\$ 79,794	\$ 81,450	\$ 83,139	\$ 84,862	\$ 86,620	\$ 88,413	\$ 90,241	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 969,763
State Brownfield Redevelopment Fund (50% of SET)	\$ 21,596	\$ 22,046	\$ 22,505	\$ 22,974	\$ 23,451	\$ 23,938	\$ 24,435	\$ 24,942	\$ 25,459	\$ 25,986	\$ 26,524	\$ 27,072	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 290,929
State TIR Available for Reimbursement	\$ 50,392	\$ 51,442	\$ 52,513	\$ 53,605	\$ 54,719	\$ 55,856	\$ 57,015	\$ 58,198	\$ 59,404	\$ 60,634	\$ 61,889	\$ 63,169	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 678,834
Total Local Incremental Revenue	\$ 71,275	\$ 72,760	\$ 74,275	\$ 75,820	\$ 77,397	\$ 79,004	\$ 80,644	\$ 82,316	\$ 84,022	\$ 85,762	\$ 87,537	\$ 89,348	\$ 182,389	\$ 186,156	\$ 189,998	\$ 193,917	\$ 197,915	\$ 201,992	\$ 206,152	\$ 210,394	\$ 214,721	\$ 2,743,796
BRA Administrative Fee (10%)	\$ 7,128	\$ 7,276	\$ 7,428	\$ 7,582	\$ 7,740	\$ 7,900	\$ 8,064	\$ 8,232	\$ 8,402	\$ 8,576	\$ 8,754	\$ 8,935	\$ 18,239	\$ 18,616	\$ 19,000	\$ 19,392	\$ 19,791	\$ 20,199	\$ 20,615	\$ 21,039	\$ 21,472	\$ 274,380
Local TIR Available for Reimbursement	\$ 64,148	\$ 65,484	\$ 66,848	\$ 68,238	\$ 69,657	\$ 71,104	\$ 72,579	\$ 74,085	\$ 75,620	\$ 77,186	\$ 78,784	\$ 80,413	\$ 164,150	\$ 167,540	\$ 170,998	\$ 174,526	\$ 178,123	\$ 181,793	\$ 185,536	\$ 189,355	\$ 193,249	\$ 2,469,416
Total State & Local TIR Available	\$ 114,539	\$ 116,926	\$ 119,360	\$ 121,843	\$ 124,376	\$ 126,960	\$ 129,595	\$ 132,282	\$ 135,024	\$ 137,820	\$ 140,672	\$ 143,582	\$ 164,150	\$ 167,540	\$ 170,998	\$ 174,526	\$ 178,123	\$ 181,793	\$ 185,536	\$ 189,355	\$ 193,249	\$ 3,148,250
DEVELOPER	Beginning Balance																					
Reimbursement Balance	\$ 2,194,878	\$ 2,080,338	\$ 1,963,412	\$ 1,844,052	\$ 1,722,208	\$ 1,597,832	\$ 1,470,873	\$ 1,341,278	\$ 1,208,996	\$ 1,073,972	\$ 964,544	\$ 885,761	\$ 805,348	\$ 641,198	\$ 473,658	\$ 302,660	\$ 128,134	- \$	- \$	- \$	- \$	- \$
EGLE Environmental Costs	\$ 20,000	\$ 20,000	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$
State Tax Reimbursement	\$ 8,938	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 8,938
Local Tax Reimbursement	\$ 11,062	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 11,062
Total EGLE Reimbursement Balance	\$ -	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 20,000
MEDC Non-Environmental Costs	\$ 1,173,050	\$ 1,173,050	\$ 1,078,511	\$ 961,585	\$ 842,224	\$ 720,381	\$ 596,005	\$ 469,045	\$ 339,450	\$ 207,168	\$ 72,144	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$
State Tax Reimbursement	\$ 41,454	\$ 51,442	\$ 52,513	\$ 53,605	\$ 54,719	\$ 55,856	\$ 57,015	\$ 58,198	\$ 59,404	\$ 32,241	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 516,446
Local Tax Reimbursement	\$ 53,086	\$ 65,484	\$ 66,848	\$ 68,238	\$ 69,657	\$ 71,104	\$ 72,579	\$ 74,085	\$ 75,620	\$ 39,903	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 656,604
Total MEDC Reimbursement Balance	\$ 1,078,511	\$ 961,585	\$ 842,224	\$ 720,381	\$ 596,005	\$ 469,045	\$ 339,450	\$ 207,168	\$ 72,144	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 1,173,050
Local-Only Costs	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 431,217	\$ 352,433	\$ 272,020	\$ 107,871	- \$	- \$	- \$	- \$	- \$	- \$	- \$
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,283	\$ 78,784	\$ 80,413	\$ 164,150	\$ 107,871	- \$	- \$	- \$	- \$	- \$	\$ 468,500
Total Local-Only Reimbursement Balance	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 431,217	\$ 352,433	\$ 272,020	\$ 107,871	- \$	- \$	- \$	- \$	- \$	- \$	\$ 468,500
Simple Interest Expense (5%)	\$ 533,328	- \$	\$ 77,351	\$ 148,855	\$ 214,391	\$ 273,835	\$ 327,060	\$ 373,937	\$ 414,335	\$ 448,118	\$ 475,151	\$ 496,711	\$ 514,333	\$ 527,934	\$ 533,328	\$ 473,658	\$ 302,660	\$ 128,134	- \$	- \$	- \$	- \$
Annual Interest Incurred	\$ 77,351	\$ 71,504	\$ 65,536	\$ 59,444	\$ 53,225	\$ 46,877	\$ 40,398	\$ 33,783	\$ 27,032	\$ 21,561	\$ 17,622	\$ 13,601	\$ 5,394	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 533,328
MEDC	\$ 53,926	\$ 48,079	\$ 42,111	\$ 36,019	\$ 29,800	\$ 23,452	\$ 16,973	\$ 10,358	\$ 3,607	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 264,326
Local-Only	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 21,561	\$ 17,622	\$ 13,601	\$ 5,394	- \$	- \$	- \$	- \$	- \$	- \$	\$ 269,002
Local Tax Reimbursement	\$ -	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 59,670	\$ 170,998	\$ 174,526	\$ 128,134	- \$	- \$	- \$	\$ 533,328
Total Interest Reimbursement Balance	\$ 77,351	\$ 148,855	\$ 214,391	\$ 273,835	\$ 327,060	\$ 373,937	\$ 414,335	\$ 448,118	\$ 475,151	\$ 496,711	\$ 514,333	\$ 527,934	\$ 533,328	\$ 473,658	\$ 302,660	\$ 128,134	- \$	- \$	- \$	- \$	- \$	\$ 533,328
Total Annual Developer Reimbursement	\$ 114,539	\$ 116,926	\$ 119,360	\$ 121,843	\$ 124,376	\$ 126,960	\$ 129,595	\$ 132,282	\$ 135,024	\$ 109,428	\$ 78,784	\$ 80,413	\$ 164,150	\$ 167,540	\$ 170,998	\$ 174,526	\$ 128,134	- \$	- \$	- \$	- \$	\$ 2,194,878
LOCAL BROWNFIELD REVOLVING FUND																						
LBRF Deposits *	\$ -	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 808,860
State Tax Capture	\$ 8,938	- \$	- \$	- \$	\$ -	- \$	- \$	- \$	- \$	- \$	- \$	\$ 8,938	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 8,938
Local Tax Capture	\$ 799,922	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 49,989	\$ 181,793	\$ 185,536	\$ 189,355	\$ 799,922
Total LBRF Capture	\$ 808,860	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$

* Up to five years of capture for LBRF Deposits after eligible activities are reimbursed. May be taken from state and local TIR

Attachment A

Amendment #1 to the Act 381 Brownfield Plan Amendment

**Harbor 31 Hotel
181 and 201 Viridian Drive
Muskegon, Michigan 49440**

**Prepared For:
City of Muskegon Brownfield Redevelopment Authority
City of Muskegon, Michigan**

**Act 381 Brownfield Plan Amendment Date: October 30, 2024
Amendment #1 Date: October 6, 2025
Project No. 240340**

**BPA Recommended for Approval by Brownfield Redevelopment Authority on: December 10, 2024
BPA Adopted by the City of Muskegon City Commission on: December 10, 2024**

**Amendment #1 Recommended for Approval by Brownfield Redevelopment Authority on: _____
Amendment #1 Adopted by the City of Muskegon City Commission on: _____**

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List of Abbreviations/Acronyms

Act 381	Brownfield Redevelopment Financing Act, 1996 PA 381, as amended
Authority	City of Muskegon Brownfield Redevelopment Authority
BEA	Baseline Environmental Assessment
BPA	Brownfield Plan Amendment
DDCC	Documentation of Due Care Compliance
Developer	Lakeshore Hotel Partners, LLC
ESA	Environmental Site Assessment
EGLE	Michigan Department of Environment, Great Lakes, and Energy
LBRF	Local Brownfield Revolving Fund
MSF	Michigan Strategic Fund
NREPA	Natural Resources and Environmental Protect Act
PA	Public Act
Plan Amendment	Brownfield Plan Amendment
Property	181 and 201 Viridian Drive
QLGU	Qualified Local Governmental Unit

1.0 Introduction

The City of Muskegon Brownfield Redevelopment Authority (the “Authority”) was established by the City of Muskegon pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act (PA) 381 of 1996, as amended (“Act 381”). The primary purpose of Act 381 is to encourage the redevelopment of an eligible property by providing economic development incentives through tax increment financing for certain eligible properties.

On December 10, 2024, the City of Muskegon (the “City”) approved a Brownfield Plan Amendment (BPA) to incorporate 181 and 201 Viridian Drive, Muskegon, Michigan (the “Property”) into the City’s existing Brownfield Plan. The BPA detailed redevelopment plans for the construction of a hotel on the Property, including eligible activity costs and related reimbursement through local-only tax increment financing.

This first amendment to the BPA has been prepared to add state school tax capture for reimbursement of costs related to Michigan Strategic Fund (MSF) eligible activities. See Attachment A for copies of amended BPA resolutions.

1.1 Proposed Redevelopment and Future Use for Each Eligible Property

The Developer is proposing to redevelop the Harbor 31 Element Hotel located at 181 and 201 Viridian Drive. The proposed redevelopment activities for “Element Muskegon” include the construction of a five-story hotel with 126 hotel rooms, 146 parking spaces, and two elevators. Amenities include two meeting rooms, an indoor pool, a gym, and a restaurant and bar on the fifth floor along with an outdoor patio and dining. The total amount of project investment is estimated to be \$28,800,000 with 30–35 full-time equivalent jobs created as a result of this development. Construction is expected to start in winter 2026 and be completed by fall 2027. The proposed site plan is included in Figure 2.

This project serves a public purpose in the City of Muskegon, a Qualified Local Governmental Unit (QLGU), expanding the tax base, investing significant capital into the community, and creating new jobs. Within walking distance from both Muskegon Lake and Downtown Muskegon’s Social District, the Element Muskegon will be a key part of the 31-acre lakefront Harbor 31 master-planned community, which includes homes, townhomes, apartments, senior living, office space, and a marina for residents and visitors. There is no existing hotel or hotel in development on this level of service within the region, so it will draw both community members and national visitors looking to visit this region and Lake Michigan.

1.2 Eligible Property Information

Parcel ID: 61-24-607-000-0007-00
181 Viridian Drive, Muskegon, Michigan 49440
Approximately 0.99 acres

Parcel ID: 61-24-607-000-0006-00
201 Viridian Drive, Muskegon, Michigan 49440
Approximately 2.0 acres

The property is located in the City of Muskegon, a QLGU pursuant to Act 381.

The Property has been historically utilized for industrial purposes dating back to the 1800s. Based on historical environmental investigations conducted over the past 25 years, these past industrial uses have resulted in widespread contamination across the Property. Known contaminants in the soil with concentrations exceeding Michigan Department of Environment, Great Lakes, and Energy (EGLE) Part 201 Generic Residential Cleanup Criteria include benzo(a)pyrene, fluoranthene, naphthalene, phenanthrene, arsenic, cadmium, chromium (total), copper, lead, selenium, zinc, and nickel.

The Developer is not a liable party and is in the process of completing a Phase I Environmental Site Assessment (ESA) and a Baseline Environmental Assessment (BEA) in accordance with Part 201 of the Natural Resources and Environmental Protection Act, 1995 PA 451, as amended (NREPA), which will be completed when they acquire the property.

Given the known soil contamination, the Property is a “facility” pursuant to Part 201 of NREPA. As such, it is considered an “eligible property” as defined by the Michigan Redevelopment Financing Act, Act 381 of 1996.

Maps depicting the location and layout of the Property are attached as Figures 1 and 2. Historic environmental data tables and associated sample location maps are provided in Appendix 5.

2.0 Information Required by Section 13(2) of the Statute

2.1 Description of Costs to be Paid for with Tax Increment Revenues

This Brownfield Plan has been developed to reimburse existing and anticipated costs to be incurred by the Developer. Tax increment revenues will be captured for reimbursement from local-only tax increment revenues.

The total cost of eligible activities anticipated to be reimbursed to the Developer, inclusive of contingencies, is anticipated to be \$2,171,878. Authority administrative costs are anticipated to be up to \$274,380. While all activities are eligible, as defined in Act 381, the estimated eligible activities and costs under this plan are summarized in Table 1. The capture of tax increment revenue for the Local Brownfield Revolving Fund (LBRF) is estimated to be up to \$926,988.

2.1.1 Pre-Approved Activities

Eligible costs for reimbursement include Pre-Approved Activities, permitted to occur prior to Plan Amendment adoption. Preparation of Phase I and II ESA(s), BEA, and Documentation of Due Care Compliance (DDCC) are necessary to protect the new Property owner/Developer from liability for environmental contamination. Additional due care assessment and/or planning activities are anticipated including, but not limited to, the preparation of a soil management plan and health and safety plan. The total cost is anticipated to be \$20,000.

The total Pre-Approved Activities cost is \$20,000.

2.1.2 Department Specific Activities

Due care activities will include additional investigative sampling and implementation of vapor concerns. Due care costs will include environmental consultant oversight and management. If needed, engineering barriers, including site concrete and paving, are anticipated to cost \$160,000, a vapor mitigation system is anticipated to cost \$160,000, and contaminated soil removal and disposal is anticipated to cost \$50,000, totaling \$370,000.

2.1.3 Site Demolition

Limited site demolition activities will be conducted including but not limited to removal of curb cuts, and sidewalks. Total site demolition is anticipated at \$10,000.

2.1.4 Site Preparation

Site preparation activities are anticipated to include clearing and grubbing (\$5,000), cut and fill operations (\$5,000), dewatering (\$30,000), excavation of unstable material (\$60,000), fill (\$71,000), foundation work/helical piers to address special soil concerns (\$620,000), staking (\$30,000), temporary construction access/roads (\$6,000), temporary erosion control (\$8,000), temporary site control (\$12,000), and associated soft costs (\$150,000). The total cost of site preparation activities is anticipated to be \$997,000.

2.1.5 Brownfield Plan/Work Plan Preparation

Preparation of the Brownfield Plan is estimated to cost \$25,000.

2.1.6 Brownfield Plan/Work Plan Implementation

Implementation of the Brownfield Plan is estimated to cost \$10,000.

2.1.7 Interest

A 5% simple interest calculation is anticipated on the total costs annually. The total cost is anticipated to be \$533,328.

2.1.8 Contingency

A 15% contingency on future costs is included to cover unexpected cost overruns encountered during construction.

The total non-environmental contingency cost is anticipated at \$151,050.

The total Local-Only contingency cost is anticipated at \$55,500.

2.1.9 Authority Administration Cost

Eligible costs incurred by the Authority are included in this plan as an eligible expense at 10% of annual local tax increment capture per year. These expenses will be reimbursed with local tax increment revenues only and are estimated to total as much as \$274,380.

2.1.10 Local Brownfield Revolving Fund

The Authority intends to capture tax increments for deposits in the LBRF for an estimated five years, or as allowed by the statute. This capture is estimated to be up to \$926,988.

2.2 Summary of Eligible Activities

Environmental Activities

Pre-approved environmental costs, department specific activities and interest are anticipated to be reimbursed through a Brownfield Plan State and Local tax increment revenues.

Non-Environmental Activities

Because the City of Muskegon is a QLGU, additional non-environmental costs defined in Section 2(o)(ii) of Act 381 can be reimbursed through a Brownfield Plan. While all eligible activities as defined by Act 381 are eligible, this plan is estimated to provide reimbursement of eligible site demolition, site preparation, development of the Brownfield Plan costs and interest. These costs will be reimbursed with state and local-only (interest) tax increment revenues.

Authority Expenses

Eligible administrative costs incurred by the Authority are included as a flat fee of 10% of local tax capture. Administration expenses will be reimbursed with local tax increment revenues only.

Contingencies

A 15% contingency on future costs is included to cover unexpected cost overruns encountered during construction. The plan does not include a contingency on pre-approved activities or the preparation of the Brownfield Plan.

2.3 Estimate of Captured Taxable Value and Tax Increment Revenues

The initial taxable value will be the 2024 combined taxable value, \$200,800. An estimate of the captured taxable value for this redevelopment by year is depicted in Table 2. This plan captures all available tax increment revenues, including real and personal property tax increment revenues.

The project is intended to start construction in Winter/Spring 2026 and be completed by Fall 2027. Tax increment revenue collection will start within five years of the adoption of this plan and is anticipated to begin as early as 2027.

Future taxable value estimates have been derived using the redevelopment information provided by the Developer and reviewing market comparables. After the completion of the project, the projected taxable value is estimated at \$5,000,000. In addition to tax increment financing, a Public Act 255 Commercial Redevelopment Act Tax Abatement is being pursued for this development for an estimated 12 years. Reimbursements will be made on the actual tax increment that is realized. The estimated captured taxable value for this redevelopment by year and in aggregate for each taxing jurisdiction is depicted in tabular form (Table 2). Once eligible expenses are reimbursed, the Authority may capture up to five full years of the tax increment and deposit the revenues into an LBRF or an amount not to exceed the total cost of eligible activities. The Authority intends to capture tax increments for deposits in the LBRF for an estimated five years. The plan also includes a flat fee of 10% of the local tax increment for administrative and operating expenses of the Authority. A summary of the estimated reimbursement schedule and the amount of capture into the LBRF by year and in aggregate is presented in Table 3.

2.4 Method of Financing and Description of Advances Made by the Municipality

The eligible activities contemplated under this plan will be financed by the Developer, as outlined in this plan and the accompanying development and reimbursement agreement (Appendix 2). No advances from the City are anticipated at this time.

2.5 Maximum Amount of Note or Bonded Indebtedness

At this time, there are no plans by the Authority to incur indebtedness to support the development of this property, but such plans could be made in the future to assist in the development if the Authority so chooses.

2.6 Duration of Brownfield Plan

The Authority intends to begin the capture of tax increment as early as 2028. This plan will then remain in place for 21 years, or until the eligible activities have been fully reimbursed and up to five full years of capture into the LBRF (not to exceed the cost of eligible activities or 30 years), whichever occurs sooner. An analysis showing the reimbursement schedule is attached in Table 3.

2.7 Estimated Impact of Tax Increment Financing on Revenues of Taxing Jurisdictions

An estimate of the impact of tax increment financing on the revenues of all taxing jurisdictions is illustrated in detail in Table 2.

2.8 Legal Description, Property Map, Statement of Qualifying Characteristics, and Personal Property

A map showing the eligible property dimensions is attached in Figure 1.

The legal descriptions for the parcels are as follows:

Parcel ID No.: 61-24-607-000-0007-00

*CITY OF MUSKEGON MUSKEGON LAKESHORE SMARTZONE UNIT G FIFTH AMEND TO MASTER DEED L/P
4292/128 SUBJ TO ELECTRIC ESMT REC L/P 3591/578 SBJT TO ELECTRIC EASEMENT RECORD'D L/P
3630/646*

Parcel ID No.: 61-24-607-000-0006-00

*CITY OF MUSKEGON MUSKEGON LAKESHORE SMARTZONE UNIT F FIFTH AMEND TO MASTER DEED L/P
4292/128 SUBJ TO ELECTRIC ESMT REC L/P 3591/578 SBJT TO ELECTRIC EASEMENT RECORD'D L/P
3630/646*

The property is located in the City of Muskegon, a QLGU pursuant to Act 381. The property qualifies as “eligible property” under Act 381 on the basis of meeting the definition of “facility.” This Brownfield Plan does intend to capture tax increment revenues associated with personal property tax, if available.

2.9 Estimates of Residents and Displacement of Individuals/Families

There are no residents or families residing at this property, and thus no residents, families, or individuals will be displaced by the project.

2.10 Plan for Relocation of Displaced Persons

No persons reside on the property. Therefore, this section is not applicable.

2.11 Provisions for Relocation Costs

No persons reside on the property. Therefore, this section is not applicable.

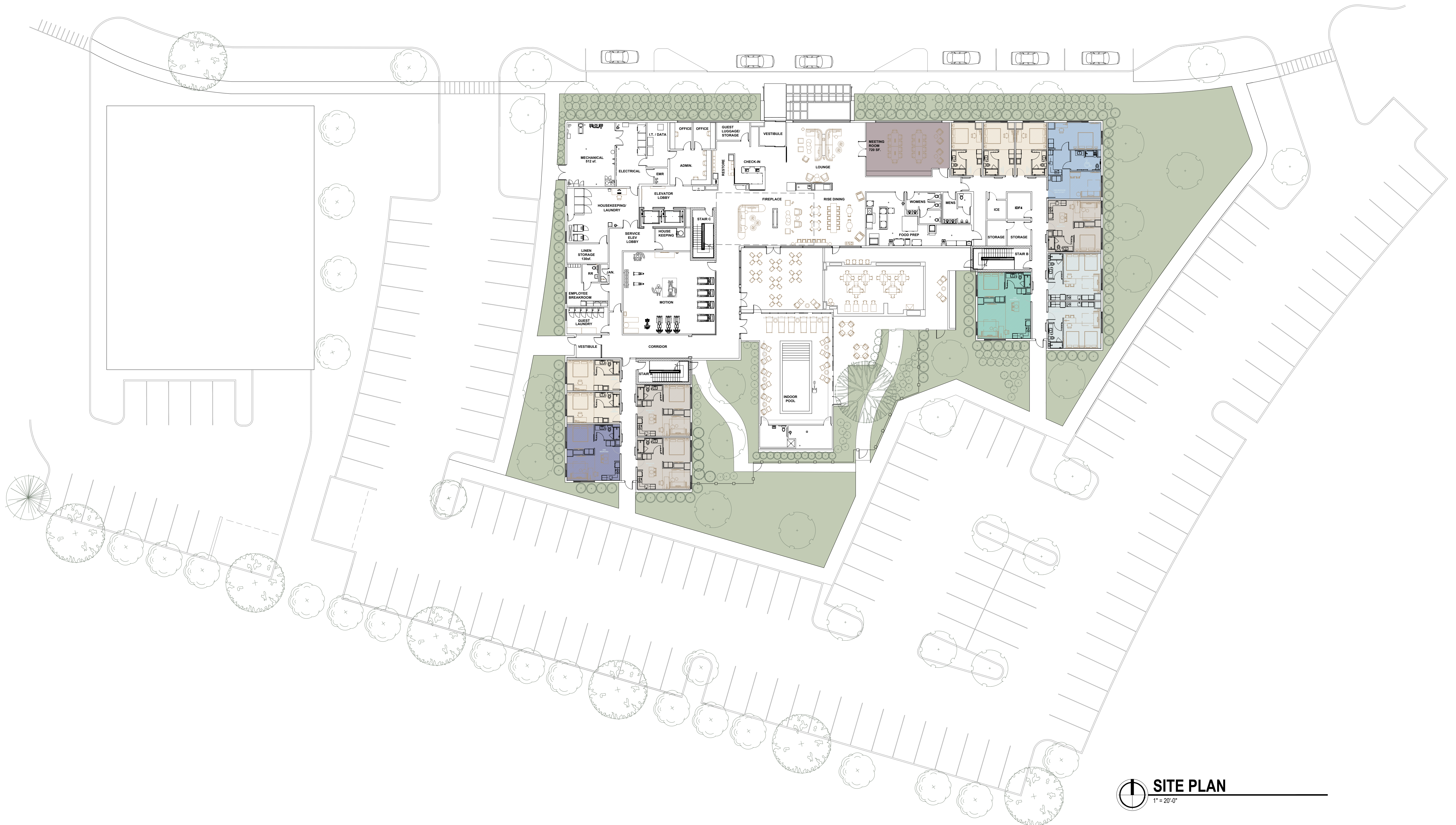
2.12 Strategy for Compliance with Michigan’s Relocation Assistance Law

No persons reside on the property. Therefore, this section is not applicable.

2.13 Other Material that the Authority or Governing Body Considers Pertinent

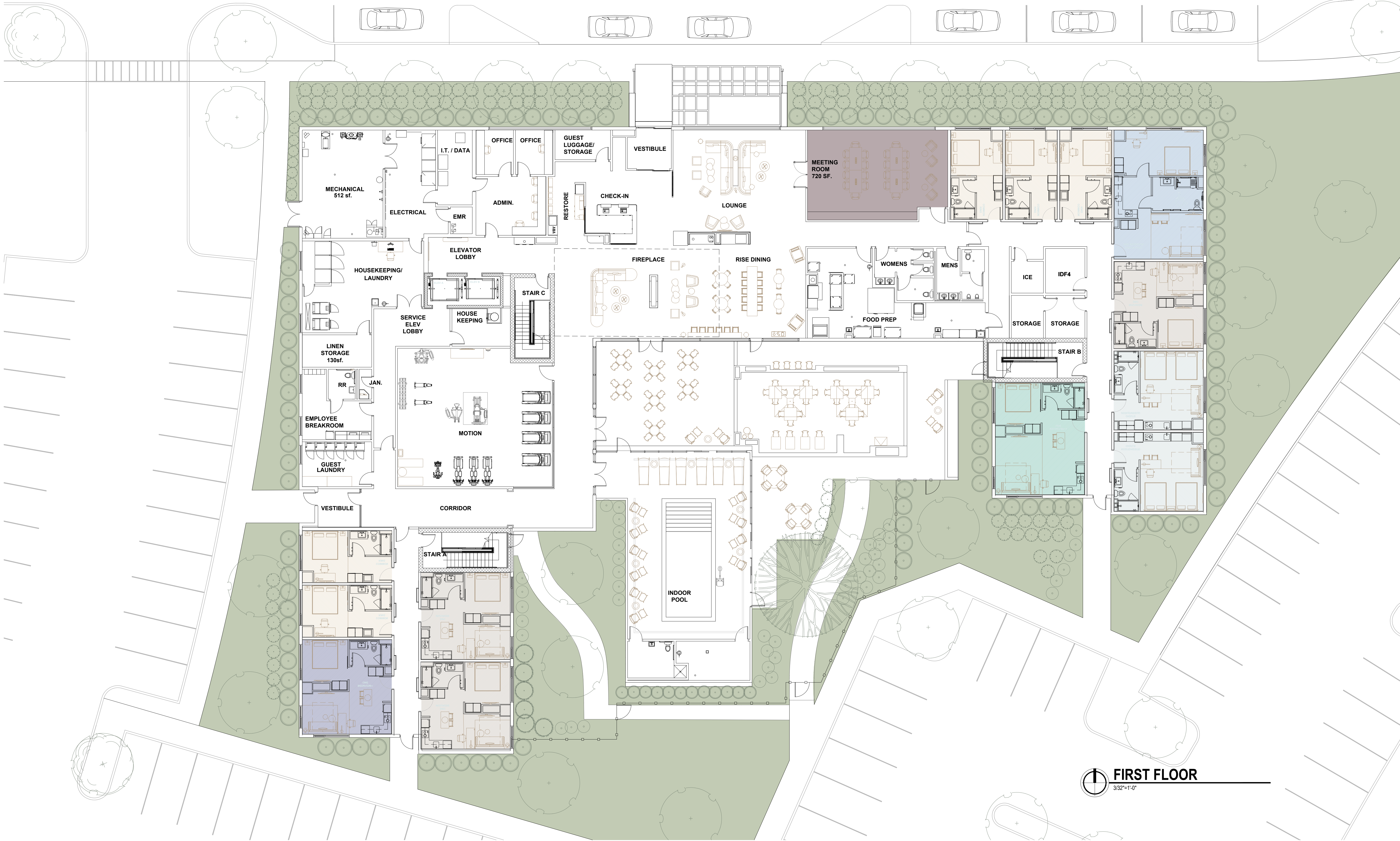
None.

Figures



Room Type Summary								
	Standard King	Studio King	Studio Queen/Queen	One Bedroom	One Bedroom ADA	Common King	Conference Suite	Total Rooms
First Floor	0	0	2	5	1	5	0	13
Second floor	6	1	6	9	1	6	1	30
Third Floor	7	1	6	10	1	6	1	32
Fourth Floor	7	1	6	10	1	6	1	32
Fifth Floor	4	0	6	4	1	4	0	19
Total	24	3	26	38	5	30	3	126
Extended Stay	75	58%						
Standard	54	42%						

PARKING SUMMARY		
LODGING	(1 PER ROOM)	129 SPACES
1ST FLOOR OFFICE/RETAIL (1,176 SF.)	(1 PER 500SF.)	3 SPACES
5TH FLOOR OFFICE/RETAIL (6,938 SF.)	(1 PER 500SF.)	13 SPACES
		146 SPACES



FIRST FLOOR
3/32"=1'-0"



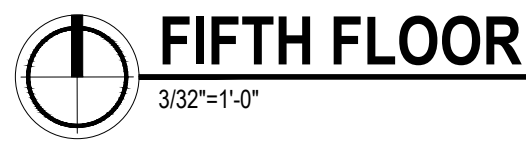
 **SECOND FLOOR**
3/32"=1'-0"



 **THIRD FLOOR**
3/32"=1'-0"



 **FOURTH FLOOR**
3/32"=1'-0"



PROJECT No. • 230402



NORTH ELEVATION

11.22.23



ELEMENT HOTEL

HARBOR 31 MUSKEGON, MICHIGAN



HENRICKSON
ARCHITECTURE + PLANNING



WEST ELEVATION

11.22.23



element
BY WESTIN

ELEMENT HOTEL

HARBOR 31 MUSKEGON, MICHIGAN



HENRICKSON
ARCHITECTURE + PLANNING



EAST ELEVATION



SOUTH ELEVATION

11.22.23



ELEMENT HOTEL

HARBOR 31 MUSKEGON, MICHIGAN



HENRICKSON
ARCHITECTURE + PLANNING

Tables

Table 1 – Summary of Eligible Costs

Act 381 Brownfield Plan

Harbor 31 Hotel

EGLE Eligible Activities Costs and Schedule

EGLE Eligible Activities	Cost	Completion Season/Year
Site Assessment and Baseline Environmental Assessment Activities	\$ 20,000	
<i>Phase I ESA, Phase II ESA, BEA, DDCC</i>	\$ 20,000	Fall 2025
EGLE Eligible Activities Subtotal	\$ 20,000	
EGLE Eligible Activities Total Costs	\$ 20,000	

MEDC Eligible Activities Costs and Schedule

MEDC Eligible Activities	Cost	Completion Season/Year
Site Preparation	\$ 997,000	
<i>Clearing and Grubbing</i>	\$ 5,000	Spring 2026
<i>Cut & Fill Operations</i>	\$ 5,000	Spring 2026
<i>Dewatering</i>	\$ 30,000	Spring 2026
<i>Excavation of Unstable Material</i>	\$ 60,000	Spring 2026
<i>Fill</i>	\$ 71,000	Spring 2026
<i>Foundation Work to Address Special Soil Concerns (Helical Piers)</i>	\$ 620,000	Spring 2026
<i>Staking</i>	\$ 30,000	Spring 2026
<i>Temporary Construction Access/Roads</i>	\$ 6,000	Spring 2026
<i>Temporary Erosion Control</i>	\$ 8,000	Spring 2026
<i>Temporary Site Control</i>	\$ 12,000	Spring 2026
<i>Soft Costs (architectural, engineering)</i>	\$ 150,000	Spring 2026
Demolition	\$ 10,000	
<i>Site Demolition</i>	\$ 10,000	Spring 2026
MEDC Eligible Activities Subtotal	\$ 1,007,000	
Contingency (15%)	\$ 151,050	
Brownfield Plan/Work Plan Preparation	\$ 15,000	
MEDC Eligible Activities Total Costs	\$ 1,173,050	

Local Only Eligible Activities Costs and Schedule

Local Only Eligible Activities	Cost	Completion Season/Year
Due Care Activities	\$ 370,000	
<i>Engineered Barriers</i>	\$ 160,000	Summer /Fall 2026
<i>Vapor Intrusion Mitigation System</i>	\$ 160,000	Summer /Fall 2026
<i>Contaminated Soil Removal and Disposal</i>	\$ 50,000	Summer /Fall 2026
Local Only Eligible Activities Subtotal	\$ 370,000	
Contingency (15%)	\$ 55,500	
Interest Expense (5%)	\$ 533,328	
Brownfield Plan/Work Plan Preparation	\$ 10,000	
Brownfield Plan/Work Plan Implementation	\$ 10,000	
Local Only Eligible Activities Total Costs	\$ 978,828	

Table 2 – Total Captured Incremental Taxes Schedule

Act 381 Brownfield Plan
Harbor 31 Hotel
181 201 Viridian Drive
Muskegon, MI

Estimated Taxable Value (TV) Increase Rate: 2% increase per year																								
	Plan Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	Totals	
	Calendar Year	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048		
* Base Taxable Value	\$	200,800	200,800	200,800	200,800	200,800	200,800	200,800	200,800	200,800	200,800	200,800	200,800	200,800	200,800	200,800	200,800	200,800	200,800	200,800	200,800	200,800	\$ -	
Future Taxable Value	\$	5,000,000	5,100,000	5,202,000	5,306,040	5,412,161	5,520,404	5,630,812	5,743,428	5,858,297	5,975,463	6,094,972	6,216,872	6,341,209	6,468,033	6,597,394	6,729,342	6,863,929	7,001,207	7,141,231	7,284,056	7,429,737	\$ -	
Incremental Difference (New TV - Base TV)	\$	4,799,200	4,899,200	5,001,200	5,105,240	5,211,361	5,319,604	5,430,012	5,542,628	5,657,497	5,774,663	5,894,172	6,016,072	6,140,409	6,267,233	6,396,594	6,528,542	6,663,129	6,800,407	6,940,431	7,083,256	7,228,937	\$ -	
School Capture		Millage Rate																						
School Operating	18.0000	\$	43,193	44,093	45,011	45,947	46,902	47,876	48,870	49,884	50,917	51,972	53,048	54,145	110,527	112,810	115,139	117,514	119,936	122,407	124,928	127,499	130,121	1,662,739
State Education Tax (SET)	6.0000	\$	28,795	29,395	30,007	30,631	31,268	31,918	32,580	33,256	33,945	34,648	35,365	36,096	36,842	37,603	38,380	39,171	39,979	40,802	41,643	42,500	43,374	748,199
School Total	24.0000	\$	71,988	73,488	75,018	76,579	78,170	79,794	81,450	83,139	84,862	86,620	88,413	90,241	147,370	150,414	153,518	156,685	159,915	163,210	166,570	169,998	173,494	2,410,937
Local Capture		Millage Rate																						
County Operating	5.5637	\$	13,351	13,629	13,913	14,202	14,497	14,798	15,105	15,419	15,738	16,064	16,397	16,736	34,163	34,869	35,589	36,323	37,072	37,835	38,614	39,409	40,220	513,943
County Museum	0.3169	\$	760	776	792	809	826	843	860	878	896	915	934	953	1,946	1,986	2,027	2,069	2,112	2,155	2,199	2,245	2,291	29,273
County Veterans	0.0739	\$	177	181	185	189	193	197	201	205	209	213	218	222	454	463	473	482	492	503	513	523	534	6,826
Senior Citizen Services	0.4921	\$	1,181	1,205	1,231	1,256	1,282	1,309	1,336	1,364	1,392	1,421	1,450	1,480	3,022	3,084	3,148	3,213	3,279	3,346	3,415	3,486	3,557	45,457
Central Dispatch	0.2952	\$	708	723	738	754	769	785	801	818	835	852	870	888	1,813	1,850	1,888	1,927	1,967	2,007	2,049	2,091	2,134	27,269
Community College	2.1693	\$	5,205	5,314	5,425	5,537	5,653	5,770	5,890	6,012	6,136	6,263	6,393	6,525	13,320	13,596	13,876	14,162	14,454	14,752	15,056	15,366	15,682	200,388
MAISD	4.6773	\$	11,224	11,458	11,696	11,939	12,188	12,441	12,699	12,962	13,231	13,505	13,784	14,069	28,721	29,314	29,919	30,536	31,165	31,808	32,462	33,131	33,812	432,063
City Operating	9.8554	\$	23,649	24,142	24,644	25,157	25,680	26,213	26,757	27,312	27,878	28,456	29,045	29,645	60,516	61,766	63,041	64,341	65,668	67,021	68,401	69,808	71,244	910,386
City Sanitation	2.9364	\$	7,046	7,193	7,343	7,496	7,651	7,810	7,972	8,138	8,306	8,478	8,654	8,833	18,031	18,403	18,783	19,170	19,566	19,969	20,380	20,799	21,227	271,248
Hackley Library	2.3516	\$	5,643	5,760	5,880	6,003	6,128	6,255	6,385	6,517	6,652	6,790	6,930	7,074	14,440	14,738	15,042	15,353	15,669	15,992	16,321	16,657	17,000	217,228
MPS Sinking	0.9712	\$	2,330	2,379	2,429	2,479	2,531	2,583	2,637	2,692	2,747	2,804	2,862	2,921	5,964	6,087	6,212	6,341	6,471	6,605	6,741	6,879	7,021	89,714
Local Total	29.7030	\$	71,275	72,760	74,275	75,820	77,397	79,004	80,644	82,316	84,022	85,762	87,537	89,348	182,389	186,156	189,998	193,917	197,915	201,992	206,152	210,394	214,721	2,743,796
Non-Capturable Millages		Millage Rate																						
Community College Debt	0.2700	\$	648	661	675	689	704	718	733	748	764	780	796	812	1,658	1,692	1,727	1,763	1,799	1,836	1,874	1,912	1,952	24,941
Hackley Debt	0.4999	\$	1,200	1,225	1,250	1,276	1,303	1,330	1,357	1,385	1,414	1,443	1,473	1,504	3,070	3,133	3,198	3,264	3,331	3,400	3,470	3,541	3,614	46,178
MPS Debt (2020 & 2021)	7.7500	\$	18,597	18,984	19,380	19,783	20,194	20,613	21,041	21,478	21,923	22,377	22,840	23,312	47,588	48,571	49,574	50,596	51,639	52,703	53,788	54,895	56,024	715,901
Non-Capturable Total	8.5199	\$	20,444	20,870	21,305	21,748	22,200	22,661	23,132	23,611	24,101	24,600	25,109	25,628	52,316	53,396	54,498	55,623	56,769	57,939	59,132	60,349	61,590	787,020
Total Tax Increment Revenue (TIR) Available for Capture		\$	143,263	146,248	149,293	152,399	155,567	158,798	162,094	165,456	168,885	172,382	175,950	179,589	329,758	336,569	343,516	350,602	357,830	365,202	372,722	380,392	388,216	5,154,733
NOTES: PA 255 Commercial Redevelopment Act Tax Abatement - New Facility is anticipated for 12 years. PA 255 is a 50% reduction in ad valorem taxes (excluding only SET) for a period of 12 years.																								

Table 3 – Estimated Reimbursement Schedule

Act 381 Brownfield Plan
Harbor 31 Hotel
181 201 Viridian Drive
Muskegon, MI

Developer Maximum Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	44.7%	\$ 651,305	\$ -	\$ 651,305
Local	55.3%	\$ 806,071	\$ 737,502	\$ 1,543,573
TOTAL				
Pre-Approved	2.6%	\$ 20,000	\$ --	\$ 20,000
MEDC	98.6%	\$ 1,437,376	\$ -	\$ 1,437,376
Local-Only	97.4%	\$ -	\$ 737,502	\$ 737,502

Estimated Total Years of Plan:	21 (including 5 years LBRF Capture)
--------------------------------	-------------------------------------

Estimated Capture	
Administrative Fees	\$ 274,380
State Brownfield Redevelopment Fund	\$ -
Local Brownfield Revolving Fund	\$ 808,860

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	
	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	TOTAL
Total State Incremental Revenue	\$ 71,988	\$ 73,488	\$ 75,018	\$ 76,579	\$ 78,170	\$ 79,794	\$ 81,450	\$ 83,139	\$ 84,862	\$ 86,620	\$ 88,413	\$ 90,241	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 969,763
State Brownfield Redevelopment Fund (50% of SET)	\$ 21,596	\$ 22,046	\$ 22,505	\$ 22,974	\$ 23,451	\$ 23,938	\$ 24,435	\$ 24,942	\$ 25,459	\$ 25,986	\$ 26,524	\$ 27,072	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 290,929
State TIR Available for Reimbursement	\$ 50,392	\$ 51,442	\$ 52,513	\$ 53,605	\$ 54,719	\$ 55,856	\$ 57,015	\$ 58,198	\$ 59,404	\$ 60,634	\$ 61,889	\$ 63,169	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 678,834
Total Local Incremental Revenue	\$ 71,275	\$ 72,760	\$ 74,275	\$ 75,820	\$ 77,397	\$ 79,004	\$ 80,644	\$ 82,316	\$ 84,022	\$ 85,762	\$ 87,537	\$ 89,348	\$ 182,389	\$ 186,156	\$ 189,998	\$ 193,917	\$ 197,915	\$ 201,992	\$ 206,152	\$ 210,394	\$ 214,721	\$ 2,743,796
BRA Administrative Fee (10%)	\$ 7,128	\$ 7,276	\$ 7,428	\$ 7,582	\$ 7,740	\$ 7,900	\$ 8,064	\$ 8,232	\$ 8,402	\$ 8,576	\$ 8,754	\$ 8,935	\$ 18,239	\$ 18,616	\$ 19,000	\$ 19,392	\$ 19,791	\$ 20,199	\$ 20,615	\$ 21,039	\$ 21,472	\$ 274,380
Local TIR Available for Reimbursement	\$ 64,148	\$ 65,484	\$ 66,848	\$ 68,238	\$ 69,657	\$ 71,104	\$ 72,579	\$ 74,085	\$ 75,620	\$ 77,186	\$ 78,784	\$ 80,413	\$ 164,150	\$ 167,540	\$ 170,998	\$ 174,526	\$ 178,123	\$ 181,793	\$ 185,536	\$ 189,355	\$ 193,249	\$ 2,469,416
Total State & Local TIR Available	\$ 114,539	\$ 116,926	\$ 119,360	\$ 121,843	\$ 124,376	\$ 126,960	\$ 129,595	\$ 132,282	\$ 135,024	\$ 137,820	\$ 140,672	\$ 143,582	\$ 164,150	\$ 167,540	\$ 170,998	\$ 174,526	\$ 178,123	\$ 181,793	\$ 185,536	\$ 189,355	\$ 193,249	\$ 3,148,250
DEVELOPER	Beginning Balance																					
Reimbursement Balance	\$ 2,194,878	\$ 2,080,338	\$ 1,963,412	\$ 1,844,052	\$ 1,722,208	\$ 1,597,832	\$ 1,470,873	\$ 1,341,278	\$ 1,208,996	\$ 1,073,972	\$ 964,544	\$ 885,761	\$ 805,348	\$ 641,198	\$ 473,658	\$ 302,660	\$ 128,134	- \$	- \$	- \$	- \$	- \$
EGLE Environmental Costs	\$ 20,000	\$ 20,000	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$
State Tax Reimbursement	\$ 8,938	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 8,938
Local Tax Reimbursement	\$ 11,062	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 11,062
Total EGLE Reimbursement Balance	\$ -	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 20,000
MEDC Non-Environmental Costs	\$ 1,173,050	\$ 1,173,050	\$ 1,078,511	\$ 961,585	\$ 842,224	\$ 720,381	\$ 596,005	\$ 469,045	\$ 339,450	\$ 207,168	\$ 72,144	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$
State Tax Reimbursement	\$ 41,454	\$ 51,442	\$ 52,513	\$ 53,605	\$ 54,719	\$ 55,856	\$ 57,015	\$ 58,198	\$ 59,404	\$ 32,241	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 516,446
Local Tax Reimbursement	\$ 53,086	\$ 65,484	\$ 66,848	\$ 68,238	\$ 69,657	\$ 71,104	\$ 72,579	\$ 74,085	\$ 75,620	\$ 39,903	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 656,604
Total MEDC Reimbursement Balance	\$ 1,078,511	\$ 961,585	\$ 842,224	\$ 720,381	\$ 596,005	\$ 469,045	\$ 339,450	\$ 207,168	\$ 72,144	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 1,173,050
Local-Only Costs	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 431,217	\$ 352,433	\$ 272,020	\$ 107,871	- \$	- \$	- \$	- \$	- \$	- \$	- \$
Local Tax Reimbursement	\$ -	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 37,283	\$ 78,784	\$ 80,413	\$ 164,150	\$ 107,871	- \$	- \$	- \$	- \$	- \$	\$ 468,500
Total Local-Only Reimbursement Balance	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 468,500	\$ 431,217	\$ 352,433	\$ 272,020	\$ 107,871	- \$	- \$	- \$	- \$	- \$	- \$	\$ 468,500
Simple Interest Expense (5%)	\$ 533,328	- \$	\$ 77,351	\$ 148,855	\$ 214,391	\$ 273,835	\$ 327,060	\$ 373,937	\$ 414,335	\$ 448,118	\$ 475,151	\$ 496,711	\$ 514,333	\$ 527,934	\$ 533,328	\$ 473,658	\$ 302,660	\$ 128,134	- \$	- \$	- \$	- \$
Annual Interest Incurred	\$ 77,351	\$ 71,504	\$ 65,536	\$ 59,444	\$ 53,225	\$ 46,877	\$ 40,398	\$ 33,783	\$ 27,032	\$ 21,561	\$ 17,622	\$ 13,601	\$ 5,394	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 533,328
MEDC	\$ 53,926	\$ 48,079	\$ 42,111	\$ 36,019	\$ 29,800	\$ 23,452	\$ 16,973	\$ 10,358	\$ 3,607	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 264,326
Local-Only	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 23,425	\$ 21,561	\$ 17,622	\$ 13,601	\$ 5,394	- \$	- \$	- \$	- \$	- \$	- \$	\$ 269,002
Local Tax Reimbursement	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 59,670	\$ 170,998	\$ 174,526	\$ 128,134	- \$	- \$	- \$	\$ 533,328
Total Interest Reimbursement Balance	\$ 77,351	\$ 148,855	\$ 214,391	\$ 273,835	\$ 327,060	\$ 373,937	\$ 414,335	\$ 448,118	\$ 475,151	\$ 496,711	\$ 514,333	\$ 527,934	\$ 533,328	\$ 473,658	\$ 302,660	\$ 128,134	- \$	- \$	- \$	- \$	- \$	\$ 533,328
Total Annual Developer Reimbursement	\$ 114,539	\$ 116,926	\$ 119,360	\$ 121,843	\$ 124,376	\$ 126,960	\$ 129,595	\$ 132,282	\$ 135,024	\$ 109,428	\$ 78,784	\$ 80,413	\$ 164,150	\$ 167,540	\$ 170,998	\$ 174,526	\$ 128,134	- \$	- \$	- \$	- \$	\$ 2,194,878
LOCAL BROWNFIELD REVOLVING FUND																						
LBRF Deposits *	\$ -	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 808,860
State Tax Capture	\$ 8,938	- \$	- \$	- \$	\$ -	- \$	- \$	- \$	- \$	- \$	- \$	\$ 8,938	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 8,938
Local Tax Capture	\$ 799,922	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	\$ 49,989	\$ 181,793	\$ 185,536	\$ 189,355	\$ 799,922
Total LBRF Capture	\$ 808,860	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$

* Up to five years of capture for LBRF Deposits after eligible activities are reimbursed. May be taken from state and local TIR

Appendix 1

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Resolutions Pending

Appendix 2

DEVELOPMENT AND REIMBURSEMENT AGREEMENT

This DEVELOPMENT AND REIMBURSEMENT AGREEMENT (the “**Agreement**”) is made on _____, _____, by and among the CITY OF MUSKEGON BROWNFIELD REDEVELOPMENT AUTHORITY, a Michigan public body corporate whose address is 933 Terrace Street, Muskegon, Michigan 49443 (the “**Authority**”), the CITY OF MUSKEGON, a public body corporate whose address is 933 Terrace Street, Muskegon, Michigan 49443 (the “**City**”), and Lakeshore Hotel Partners, LLC, a Michigan limited liability company whose address is 2325 Belmont Center Drive NE, Belmont, Michigan 49306 (the “**Developer**”).

RECITALS

A. Pursuant to P.A. 381 of 1996, as amended (“**Act 381**”), the Authority approved and recommended a Brownfield Plan which was duly approved by the City (the “**Plan**”). The Plan was amended on December 10, 2024 (the “**Amendment**,” and, together with the Plan, the “**Brownfield Plan**” – See Exhibit A) to identify the construction of a five-story hotel with 126 hotel rooms. The Plan Amendment was amended on _____ to allow for the state tax capture of eligible non-environmental activities.

B. The Brownfield Plan and Amendment includes specific eligible activities associated with the Developer’s plan to develop land located at 181 & 201 Viridian Drive in Muskegon, Michigan (collectively, the “**Developer Property**”).

C. The Developer is in the process of acquiring the Developer Property, which is included in the Brownfield Plan as an “eligible property” because it was determined to be a “facility”, as defined by Part 201 of the Natural Resources and Environmental Protection Act (“**Part 201**”), or adjacent and contiguous to an “eligible property.”

D. The Developer intends to conduct eligible activities on the Developer Property including the construction of a five-story hotel with 126 hotel rooms, 146 parking spaces, and two elevators. Amenities include two meeting rooms, an indoor pool, a gym, and a restaurant and bar on the fifth floor along with an outdoor patio and dining (the “**Project**”), including department specific environmental activities, site preparation, a 15% contingency, 5% simple interest and brownfield plan preparation/implementation, as described in the Amendment to the Brownfield Plan, with an estimated cost of **\$2,194,878** (the “**Developer Eligible Activities**”). All of the Developer Eligible Activities are eligible for reimbursement under Act 381. The total cost of the Eligible Activities, including contingencies and interest, are **\$2,194,878** (the “**Total Eligible Brownfield TIF Costs**”).

E. Act 381 permits the Authority to capture and use local and certain school property tax revenues generated from the incremental increase in property value of a redeveloped brownfield site constituting an “eligible property” under Act 381 (the “**Brownfield TIF Revenue**”) to pay or to reimburse the payment of Eligible Activities conducted on the “eligible property.” The Brownfield TIF Revenue will be used to

reimburse the Developer for the Developer Eligible Activities incurred and approved for the Project.

F. In accordance with Act 381, the parties desire to establish the procedure for using the available Brownfield TIF Revenue generated from the Property to reimburse the Developer for completion of Eligible Activities on the Property in an amount not to exceed the Total Eligible Brownfield TIF Costs.

NOW, THEREFORE, the parties agree as follows:

1. Reimbursement Source.

(a) During the Term (as defined below) of this Agreement, and except as set forth in paragraph 2 below, the Authority shall reimburse the Developer for the costs of their Eligible Activities conducted on the Developer Property from the Brownfield TIF Revenue collected from the real and taxable personal property taxes on the Developer Property. The amount reimbursed to the Developer for their Eligible Activities shall not exceed the Total Eligible Brownfield TIF Costs, and reimbursements shall be made on approved costs submitted and approved in connection with the Developer Eligible Activities, as follows:

(i) the Authority shall pay 100% of available Brownfield TIF Revenue (except the TIF Management Administrative Fee outlined in Section 1 (a)(ii)), to Developer to reimburse the cost of the Developer Eligible Activities submitted and approved for reimbursement by the Authority until Developer is fully reimbursed; and

(ii) Notwithstanding any provision in this Agreement to the contrary, the Authority's annual TIF Management Administrative Fee, as described in the Brownfield Plan Amendment, shall be paid to the Authority each year to the extent that Brownfield TIF Revenue has been captured and collected during that year, prior to the payment of any Request for Cost Reimbursement.

(b) The Authority shall capture Brownfield TIF Revenue from the Property and reimburse the Developer for their Eligible Activities until the earlier of the Developer being fully reimbursed or December 31, 2044. Unless otherwise prepaid by the Authority, payments to the Developer shall be made on a semi-annual basis as incremental local taxes are captured and available.

(c) Following reimbursement of all amounts due the Developer and all amounts payable to the Authority as Administrative Costs from applicable Tax Increment Revenues, additional tax increment revenues will be deposited into the local brownfield revolving fund (LBRF) for five full years, which is accordance with Section 13(5) of Act 381, which limits such deposits to be made for no more than 5 years after the time that capture is required to pay the Eligible Costs.

2. Developer Reimbursement Process.

(a) The Developer shall submit to the Authority, not more frequently than on a quarterly basis, a "Request for Cost Reimbursement" for Developer Eligible Activities paid for by the Developer during the prior period. All costs for the Developer Eligible Activities must be consistent with the approved Brownfield Plan. The Developer must include documentation sufficient for the Authority to determine whether the costs incurred were for Developer Eligible Activities, including detailed invoices and proof of payment. Copies of all invoices for Developer Eligible Activities must note what Developer Eligible Activities they support.

(b) Unless the Authority disputes whether such costs are for Developer Eligible Activities within thirty (30) days after receiving a Request for Cost Reimbursement from the Developer, the Authority shall pay the Developer the amounts for which submissions have been made pursuant to paragraph 2(a) of this Agreement in accordance with the priority set forth in paragraph 1, from which the submission may be wholly or partially paid from available Brownfield TIF Revenue from the Developer Property.

(i) The Developer shall cooperate with the Authority's review of its Request for Cost Reimbursement by providing supplemental information and documentation which may be reasonably requested by the Authority.

(ii) If the Authority determines that requested costs are ineligible for reimbursement, the Authority shall notify the Developer in writing of its reasons for such ineligibility within the Authority's thirty (30) day period of review. The Developer shall then have thirty (30) days to provide supplemental information or documents to the Authority demonstrating that the costs are for Developer Eligible Activities and are eligible for reimbursement.

(c) If a partial payment is made to the Developer by the Authority because of insufficient Brownfield TIF Revenue captured in the semi-annual period for which reimbursement is sought, the Authority shall make additional payments toward the remaining amount within thirty (30) days of its receipt of additional Brownfield TIF Revenue from the Developer Property until all of the amounts for which submissions have been made have been fully paid to the Developer, or by the end of the Term (as defined below), whichever occurs first. The Authority is not required to reimburse the Developer from any source other than Brownfield TIF Revenue.

(d) The Authority shall send all payments to the Developer by registered or certified mail, addressed to the Developer at the address shown above, or by electronic funds transfer directly to the Developer's bank account. The Developer may change its address by providing written notice sent by registered or certified mail to the Authority.

4. Term of Agreement.

The Authority's obligation to reimburse the Developer (and the Authority) for the Total Eligible Brownfield TIF Costs incurred by each party under this Agreement shall terminate the earlier of the date when all reimbursements to the Developer required under this Agreement have been made or December 31, 2044 and the five additional years (post developer reimbursement) of TIF capture for reimbursement into the LBRF have been made or December 31, 2048 (the "**Term**"). If the Brownfield TIF Revenue ends before all of the Total Eligible Brownfield TIF Costs have been fully reimbursed to the Developer, the last reimbursement payment by the Authority shall be paid from the summer and winter tax increment revenue collected during the final year of this Agreement.

5. Adjustments.

If, due to an appeal of any tax assessment or reassessment of any portion of the Developer Property, or for any other reason, the Authority is required to reimburse any Brownfield TIF Revenue to any tax levying unit of government, the Authority may deduct the amount of any such reimbursement, including interest and penalties, from any amounts due and owing to the Developer. If all amounts due to the Developer under this Agreement have been fully paid or the Authority is no longer obligated to make any further payments to the Developer, the Authority shall invoice the Developer for the amount of such reimbursement and the Developer shall pay the Authority such invoiced amount within thirty (30) days of the receipt of the invoice. Amounts withheld by or invoiced and paid to the Authority by the Developer pursuant to this paragraph shall be reinstated as Developer Eligible Activities, respectively, for which the Developer shall have the opportunity to be reimbursed in accordance with the terms, conditions, and limitations of this Agreement. Nothing in this Agreement shall limit the right of the Developer to appeal any tax assessment. In the event of a tax appeal, the term of the Plan made be extended to cover the capture of eligible activities, but in all cases cannot extend beyond 30 years from the initial date of capture.

6. Legislative Authorization.

This Agreement is governed by and subject to the restrictions set forth in Act 381. If there is legislation enacted in the future that alters or affects the amount of Brownfield TIF Revenue subject to capture, eligible property, or Eligible Activities, then the Developer's rights and the Authority's obligations under this Agreement shall be modified accordingly as required by law, or by agreement of the parties.

7. Notices.

All notices shall be given by registered or certified mail addressed to the parties at their respective addresses as shown above. Any party may change the address by written notice sent by registered or certified mail to the other party.

8. Assignment.

This Agreement and the rights and obligations under this Agreement shall not be assigned or otherwise transferred by any party without the consent of the other party, which shall not be unreasonably withheld, *provided, however*, the Developer may assign their interest in this Agreement to an affiliate without the prior written consent of the Authority if such affiliate acknowledges its obligations to the Authority under this Agreement upon assignment in writing on or prior to the effective date of such assignment, *provided, further*, that the Developer may each make a collateral assignment of their share of the Brownfield TIF Revenue for project financing purposes. As used in this paragraph, “affiliate” means any corporation, company, partnership, limited liability company, trust, sole proprietorship or other entity or individual which (a) is owned or controlled by the Developer, (b) owns or controls the Developer or (c) is under common ownership or control with the Developer. This Agreement shall be binding upon and inure to the benefit of any successors or permitted assigns of the parties.

9. Entire Agreement.

This Agreement supersedes all agreements previously made between the parties relating to the subject matter. There are no other understandings or agreements between the parties.

10. Non-Waiver.

No delay or failure by either party to exercise any right under this Agreement, and no partial or single exercise of that right, constitutes a waiver of that or any other right, unless otherwise expressly provided herein.

11. Governing Law.

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

12. Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

[Signature page follows]

The parties have executed this Agreement on the date set forth above.

**CITY OF MUSKEGON BROWNFIELD
REDEVELOPMENT AUTHORITY**

By:
Its:

CITY OF MUSKEGON

By:
Its:

By:
Its:

Lakeshore Hotel Partners, LLC

By:
Its:

19886336-2

EXHIBIT A

Copy of Brownfield Plan

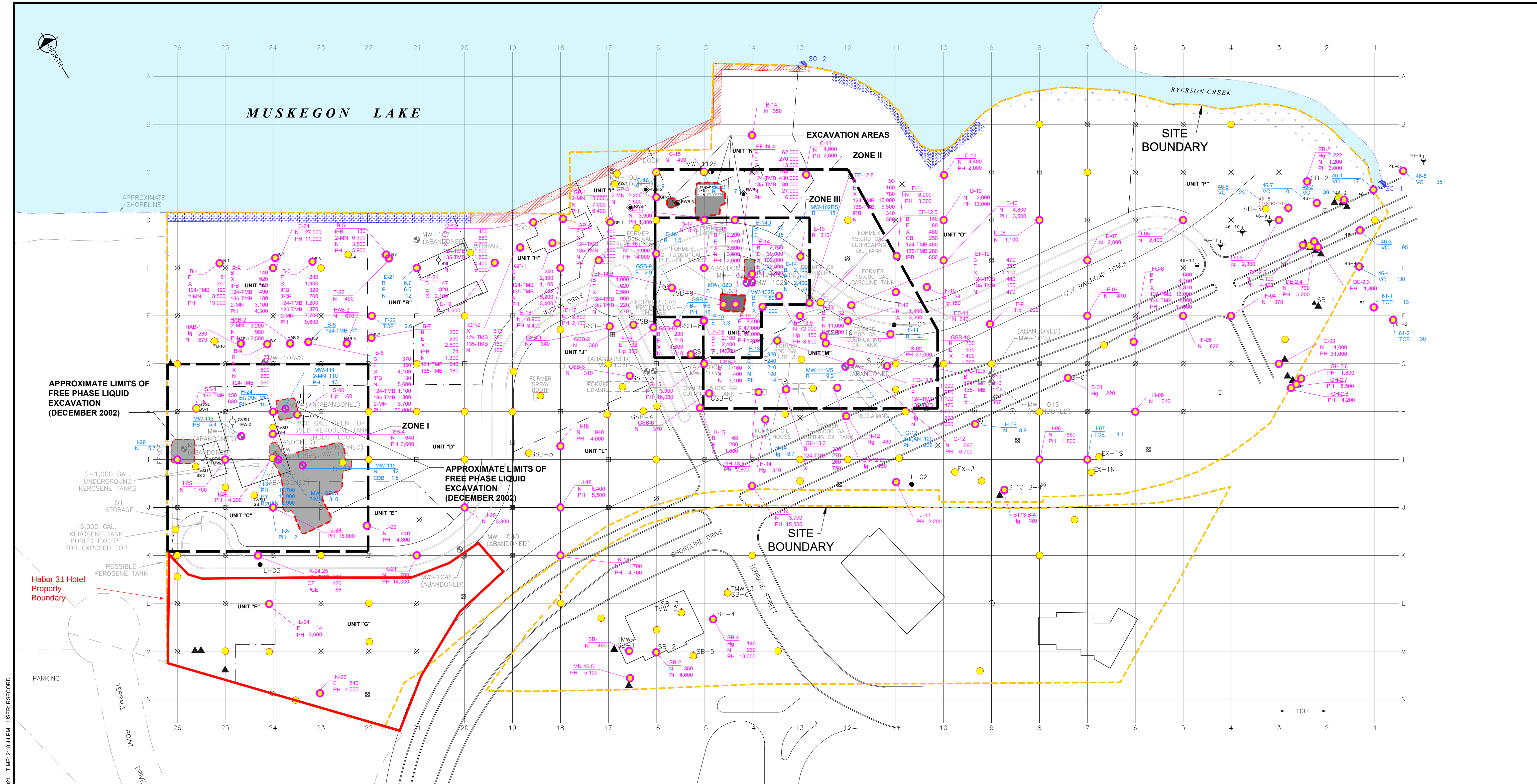
Appendix 3

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Notices Pending

Appendix 4

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Notices Pending

Appendix 5



LEGEND

- MAY 1993 SAMPLING LOCATION
- ⊠ JUNE 1994 SAMPLING LOCATION
- ⊡ MAY 1995 SAMPLING LOCATION
- ⊞ DECEMBER 1998 SAMPLING LOCATION
- ⊞ DELL SOIL BORING LOCATION
- ▲ SUPERIOR ENVIRONMENTAL SOIL BORING LOCATION
- ⊙ MONITORING WELL LOCATION
- ▲ ELEVATED DETECTION LIMITS
- ERM SOIL BORING DECEMBER 2001
- ⊙ ERM (GVSU) TEMPORARY MONITORING WELL (2003)
- ⊙ ERM (GVSU) SOIL SAMPLE (2003)
- ⊙ ERM SOIL BORING (2003)
- ⊙ ERM GEOPROBE BORING (2004)
- ⊙ ERM GEOPROBE BORING (2005)
- ⊙ ERM SOIL BORING (2006)
- ⊙ RWB SOIL BORING (2011)
- ⊙ TEMPORARY WELL FOR DE-WATERING
- SOIL SAMPLE COLLECTED
- RESULTS EXCEED RESIDENTIAL VISL IN SOIL
- RESULTS EXCEED RESIDENTIAL VISL IN GROUNDWATER
- B BENZENE
- T TOLUENE
- E ETHYLBENZENE
- X XYLENES
- TMB TRIMETHYLBENZENE
- 2-MN 2-METHALNAPHTHALENE
- N NAPHTHALENE
- CB CHLOROBENZENE
- CF CHLOROFORM
- IPB ISOPROPYLBENZENE
- PCE TETRACHLOROETHENE
- TCE TRICHLOROETHENE
- cisDCE cis-1,2-DICHLOROETHENE
- PY PYRENE
- PH PHENANTHRENE
- VIAC VOLATILIZATION TO INDOOR AIR CRITERIA
- VC VINYL CHLORIDE
- EBD ETHYLENE DIBROMIDE
- Hg MERCURY, TOTAL
- B(a)AN BENZO(a)ANTHRACENE
- RIPRAP AREA BEHIND WOOD BARRIER REMNANTS
- RIPRAP AREA WITH NO BARRIER
- SANDY AREA WITH SOME RIPRAP
- NEW SEAWALL (BASED ON DESIGN DRAWINGS PROVIDED BY: DRIESNGA & ASSOCIATES, INC.)
- MARSHY/BOGGY FLAT AREA
- ND NOT DETECTED (CONCENTRATION < REPORTING LIMIT)
- μg/Kg MICROGRAMS PER KILOGRAM
- μg/L MICROGRAMS PER LITER
- SDBL STATEWIDE DEFAULT BACKGROUND LEVEL

VAPOR INTRUSION CLEANUP CRITERIA – SOIL (Site-Specific Volatilization to Indoor Air Criteria, EGLE, February 2021)	
Compound	Residential VIAC in Soil (μg/Kg)
Benzene	1.7
Toluene	3,700
Ethylbenzene	12
Xylenes	280
Chlorobenzene	82
Chloroform	0.26
1,2,4 Trimethylbenzene	150
1,3,5 Trimethylbenzene	100
2-Methylnaphthalene	1,700
Naphthalene	67
Isopropylbenzene	3.8
Phenanthrene	1,700
Trichloroethene	0.33
Tetrachloroethene	6.2
Mercury, Total	22 (SDBL 130)

VAPOR INTRUSION CLEANUP CRITERIA – GROUNDWATER (Site-Specific Volatilization to Indoor Air Criteria, EGLE, February 2021)	
Compound	Residential VIAC in Groundwater (μg/L)
Benzene	1.0
Toluene	300
Ethylbenzene	2.8
Xylenes	75
2-Methylnaphthalene	66
Naphthalene	4.2
Trichloroethene	0.073
Isopropylbenzene	0.6
Phenanthrene	9.5
Pyrene	140
cis- 1,2-Dichloroethene	3.4
Vinyl Chloride	0.12
Ethylene Dibromide	0.13
Benzo(a)Anthracene	9.4
Mercury, Total	0.088

SOIL (μg/Kg) AND GROUNDWATER (μg/L)
ANALYTICAL RESULTS
EXCEEDING SITE-SPECIFIC RESIDENTIAL VIAC

Attachment B

DEVELOPMENT AND REIMBURSEMENT AGREEMENT

This DEVELOPMENT AND REIMBURSEMENT AGREEMENT (the “**Agreement**”) is made on _____, _____, by and among the CITY OF MUSKEGON BROWNFIELD REDEVELOPMENT AUTHORITY, a Michigan public body corporate whose address is 933 Terrace Street, Muskegon, Michigan 49443 (the “**Authority**”), the CITY OF MUSKEGON, a public body corporate whose address is 933 Terrace Street, Muskegon, Michigan 49443 (the “**City**”), and Lakeshore Hotel Partners, LLC, a Michigan limited liability company whose address is 2325 Belmont Center Drive NE, Belmont, Michigan 49306 (the “**Developer**”).

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B. The Brownfield Plan and Amendment includes specific eligible activities associated with the Developer’s plan to develop land located at 181 & 201 Viridian Drive in Muskegon, Michigan (collectively, the “**Developer Property**”).

C. The Developer is in the process of acquiring the Developer Property, which is included in the Brownfield Plan as an “eligible property” because it was determined to be a “facility”, as defined by Part 201 of the Natural Resources and Environmental Protection Act (“**Part 201**”), or adjacent and contiguous to an “eligible property.”

D. The Developer intends to conduct eligible activities on the Developer Property including the construction of a five-story hotel with 126 hotel rooms, 146 parking spaces, and two elevators. Amenities include two meeting rooms, an indoor pool, a gym, and a restaurant and bar on the fifth floor along with an outdoor patio and dining (the “**Project**”), including department specific environmental activities, site preparation, a 15% contingency, 5% simple interest and brownfield plan preparation/implementation, as described in the Amendment to the Brownfield Plan, with an estimated cost of **\$2,194,878** (the “**Developer Eligible Activities**”). All of the Developer Eligible Activities are eligible for reimbursement under Act 381. The total cost of the Eligible Activities, including contingencies and interest, are **\$2,194,878** (the “**Total Eligible Brownfield TIF Costs**”).

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reimburse the Developer for the Developer Eligible Activities incurred and approved for the Project.

F. In accordance with Act 381, the parties desire to establish the procedure for using the available Brownfield TIF Revenue generated from the Property to reimburse the Developer for completion of Eligible Activities on the Property in an amount not to exceed the Total Eligible Brownfield TIF Costs.

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(i) the Authority shall pay 100% of available Brownfield TIF Revenue (except the TIF Management Administrative Fee outlined in Section 1 (a)(ii)), to Developer to reimburse the cost of the Developer Eligible Activities submitted and approved for reimbursement by the Authority until Developer is fully reimbursed; and

(ii) Notwithstanding any provision in this Agreement to the contrary, the Authority's annual TIF Management Administrative Fee, as described in the Brownfield Plan Amendment, shall be paid to the Authority each year to the extent that Brownfield TIF Revenue has been captured and collected during that year, prior to the payment of any Request for Cost Reimbursement.

(b) The Authority shall capture Brownfield TIF Revenue from the Property and reimburse the Developer for their Eligible Activities until the earlier of the Developer being fully reimbursed or December 31, 2047. Unless otherwise prepaid by the Authority, payments to the Developer shall be made on a semi-annual basis as incremental local taxes are captured and available.

2. Developer Reimbursement Process.

(a) The Developer shall submit to the Authority, not more frequently than on a quarterly basis, a "Request for Cost Reimbursement" for Developer Eligible Activities paid for by the Developer during the prior period. All costs for the Developer Eligible Activities must be consistent with the approved Brownfield Plan. The Developer must include documentation sufficient for the Authority to determine whether the costs incurred were for Developer Eligible Activities, including detailed invoices and proof of payment. Copies of all invoices for Developer Eligible Activities must note what Developer Eligible Activities they support.

(b) Unless the Authority disputes whether such costs are for Developer Eligible Activities within thirty (30) days after receiving a Request for Cost Reimbursement from the Developer, the Authority shall pay the Developer the amounts for which submissions have been made pursuant to paragraph 2(a) of this Agreement in accordance with the priority set forth in paragraph 1, from which the submission may be wholly or partially paid from available Brownfield TIF Revenue from the Developer Property.

(i) The Developer shall cooperate with the Authority's review of its Request for Cost Reimbursement by providing supplemental information and documentation which may be reasonably requested by the Authority.

(ii) If the Authority determines that requested costs are ineligible for reimbursement, the Authority shall notify the Developer in writing of its reasons for such ineligibility within the Authority's thirty (30) day period of review. The Developer shall then have thirty (30) days to provide supplemental information or documents to the Authority demonstrating that the costs are for Developer Eligible Activities and are eligible for reimbursement.

(c) If a partial payment is made to the Developer by the Authority because of insufficient Brownfield TIF Revenue captured in the semi-annual period for which reimbursement is sought, the Authority shall make additional payments toward the remaining amount within thirty (30) days of its receipt of additional Brownfield TIF Revenue from the Developer Property until all of the amounts for which submissions have been made have been fully paid to the Developer, or by the end of the Term (as defined below), whichever occurs first. The Authority is not required to reimburse the Developer from any source other than Brownfield TIF Revenue.

(d) The Authority shall send all payments to the Developer by registered or certified mail, addressed to the Developer at the address shown above, or by electronic funds transfer directly to the Developer's bank account. The Developer may change its address by providing written notice sent by registered or certified mail to the Authority.

4. Term of Agreement.

The Authority's obligation to reimburse the Developer for the Total Eligible Brownfield TIF Costs incurred by each party under this Agreement shall terminate the earlier of the date when all reimbursements to the Developer required under this Agreement have been made or December 31, 2048 (the "**Term**"). If the Brownfield TIF Revenue ends before all of the Total Eligible Brownfield TIF Costs have been fully reimbursed to the Developer, the last reimbursement payment by the Authority shall be paid from the summer and winter tax increment revenue collected during the final year of this Agreement.

5. Adjustments.

If, due to an appeal of any tax assessment or reassessment of any portion of the Developer Property, or for any other reason, the Authority is required to reimburse any Brownfield TIF Revenue to any tax levying unit of government, the Authority may deduct the amount of any such reimbursement, including interest and penalties, from any amounts due and owing to the Developer. If all amounts due to the Developer under this Agreement have been fully paid or the Authority is no longer obligated to make any further payments to the Developer, the Authority shall invoice the Developer for the amount of such reimbursement and the Developer shall pay the Authority such invoiced amount within thirty (30) days of the receipt of the invoice. Amounts withheld by or invoiced and paid to the Authority by the Developer pursuant to this paragraph shall be reinstated as Developer Eligible Activities, respectively, for which the Developer shall have the opportunity to be reimbursed in accordance with the terms, conditions, and limitations of this Agreement. Nothing in this Agreement shall limit the right of the Developer to appeal any tax assessment.

6. Legislative Authorization.

This Agreement is governed by and subject to the restrictions set forth in Act 381. If there is legislation enacted in the future that alters or affects the amount of Brownfield TIF Revenue subject to capture, eligible property, or Eligible Activities, then the Developer's rights and the Authority's obligations under this Agreement shall be modified accordingly as required by law, or by agreement of the parties.

7. Notices.

All notices shall be given by registered or certified mail addressed to the parties at their respective addresses as shown above. Any party may change the address by written notice sent by registered or certified mail to the other party.

8. Assignment.

This Agreement and the rights and obligations under this Agreement shall not be assigned or otherwise transferred by any party without the consent of the other party, which shall not be unreasonably withheld, *provided, however*, the Developer may assign their interest in this Agreement to an affiliate without the prior written consent of the Authority if such affiliate acknowledges its obligations to the Authority under this Agreement upon assignment in writing on or prior to the effective date of such assignment, *provided, further*, that the Developer may each make a collateral assignment of their share of the Brownfield TIF Revenue for project financing purposes. As used in this paragraph, "affiliate" means any corporation, company, partnership, limited liability company, trust, sole proprietorship or other entity or individual which (a) is owned or controlled by the Developer, (b) owns or controls the Developer or (c) is under common ownership or control with the Developer. This Agreement shall be binding upon and inure to the benefit of any successors or permitted assigns of the parties.

9. Entire Agreement.

This Agreement supersedes all agreements previously made between the parties relating to the subject matter. There are no other understandings or agreements between the parties.

10. Non-Waiver.

No delay or failure by either party to exercise any right under this Agreement, and no partial or single exercise of that right, constitutes a waiver of that or any other right, unless otherwise expressly provided herein.

11. Governing Law.

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

12. Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

[Signature page follows]

The parties have executed this Agreement on the date set forth above.

**CITY OF MUSKEGON BROWNFIELD
REDEVELOPMENT AUTHORITY**

By:
Its:

CITY OF MUSKEGON

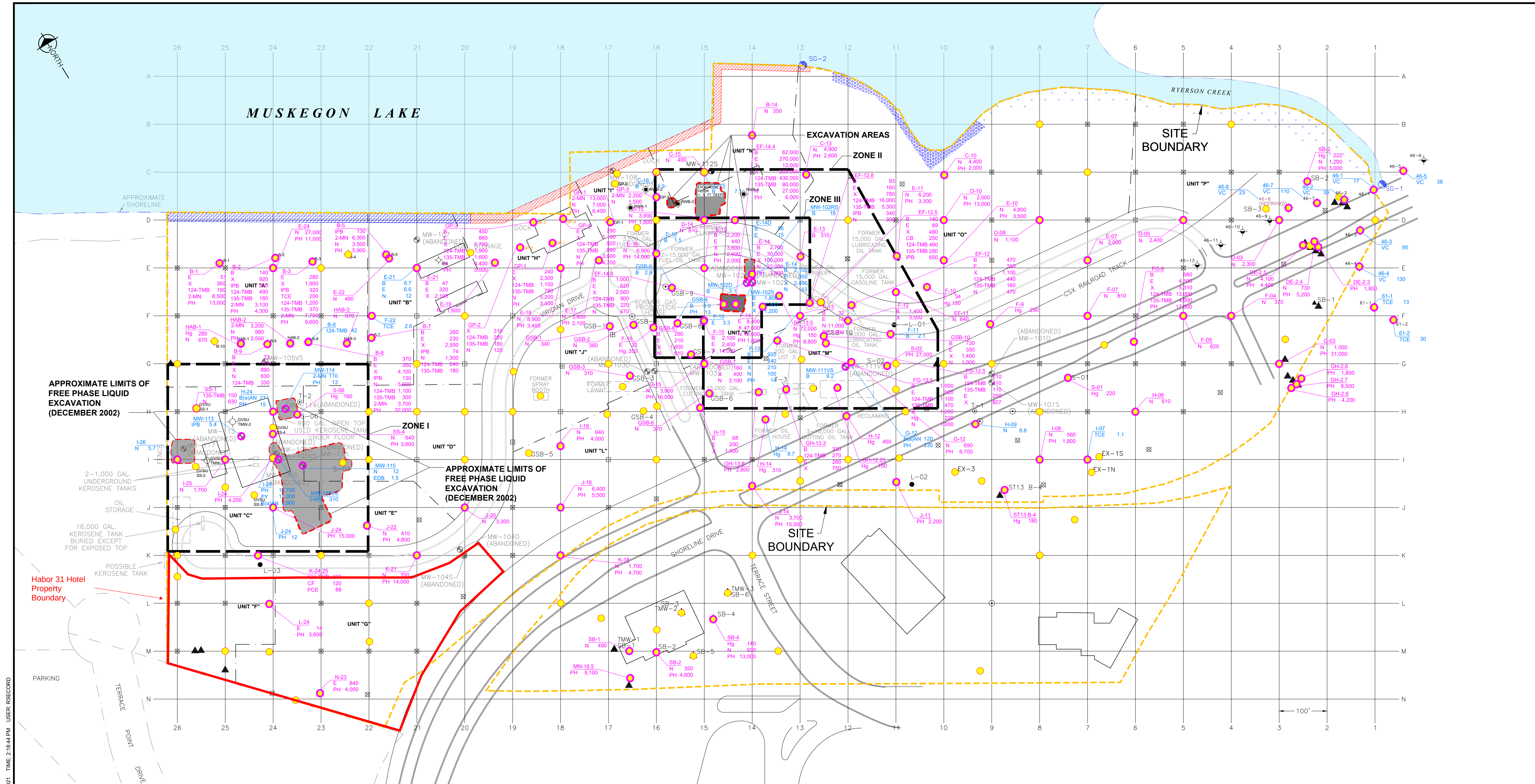
By:
Its:

Lakeshore Hotel Partners, LLC

By:
Its:

19886336-2

Attachment C



LEGEND

- MAY 1993 SAMPLING LOCATION
 - ⊠ JUNE 1994 SAMPLING LOCATION
 - ⊡ MAY 1995 SAMPLING LOCATION
 - ⊞ DECEMBER 1998 SAMPLING LOCATION
 - ⊞ DELL SOIL BORING LOCATION
 - ▲ SUPERIOR ENVIRONMENTAL SOIL BORING LOCATION
 - ⊙ MONITORING WELL LOCATION
 - ▲ ELEVATED DETECTION LIMITS
 - ERM SOIL BORING DECEMBER 2001
 - ⊙ ERM (GVSU) TEMPORARY MONITORING WELL (2003)
 - ⊙ ERM (GVSU) SOIL SAMPLE (2003)
 - ⊙ ERM SOIL BORING (2003)
 - ⊙ ERM GEOPROBE BORING (2004)
 - ⊙ ERM GEOPROBE BORING (2005)
 - ⊙ ERM SOIL BORING (2006)
 - ⊙ RWB SOIL BORING (2011)
 - ⊙ TEMPORARY WELL FOR DE-WATERING
 - SOIL SAMPLE COLLECTED
 - RESULTS EXCEED RESIDENTIAL VISL IN SOIL
 - RESULTS EXCEED RESIDENTIAL VISL IN GROUNDWATER
- B BENZENE
T TOLUENE
E ETHYLBENZENE
X XYLENES
TMB TRIMETHYLBENZENE
2-MN 2-METHYLNAPHTHALENE
N NAPHTHALENE
CB CHLOROBENZENE
CF CHLOROFORM
IPB ISOPROPYLBENZENE
PCE TETRACHLOROETHENE
TCE TRICHLOROETHENE
cisDCE cis-1,2-DICHLOROETHENE
PY PYRENE
PH PHENANTHRENE
VIAC VOLATILIZATION TO INDOOR AIR CRITERIA
VC VINYL CHLORIDE
EBD ETHYLENE DIBROMIDE
Hg MERCURY, TOTAL
B(a)AN BENZO(a)ANTHRACENE
- RIPRAP AREA BEHIND WOOD BARRIER REMNANTS
RIPRAP AREA WITH NO BARRIER
SANDY AREA WITH SOME RIPRAP
NEW SEAWALL (BASED ON DESIGN DRAWINGS PROVIDED BY: DRIESNGA & ASSOCIATES, INC.)
MARSHY/BOGGY FLAT AREA
- ND NOT DETECTED (CONCENTRATION < REPORTING LIMIT)
μg/Kg MICROGRAMS PER KILOGRAM
μg/L MICROGRAMS PER LITER
SDBL STATEWIDE DEFAULT BACKGROUND LEVEL

VAPOR INTRUSION CLEANUP CRITERIA – SOIL (Site-Specific Volatilization to Indoor Air Criteria, EGLE, February 2021)	
Compound	Residential VIAC in Soil (μg/Kg)
Benzene	1.7
Toluene	3,700
Ethylbenzene	12
Xylenes	280
Chlorobenzene	82
Chloroform	0.26
1,2,4 Trimethylbenzene	150
1,3,5 Trimethylbenzene	100
2-Methylnaphthalene	1,700
Naphthalene	67
Isopropylbenzene	3.8
Phenanthrene	1,700
Trichloroethene	0.33
Tetrachloroethene	6.2
Mercury, Total	22 (SDBL 130)

VAPOR INTRUSION CLEANUP CRITERIA – GROUNDWATER (Site-Specific Volatilization to Indoor Air Criteria, EGLE, February 2021)	
Compound	Residential VIAC in Groundwater (μg/L)
Benzene	1.0
Toluene	300
Ethylbenzene	2.8
Xylenes	75
2-Methylnaphthalene	66
Naphthalene	4.2
Trichloroethene	0.073
Isopropylbenzene	0.6
Phenanthrene	9.5
Pyrene	140
cis- 1,2-Dichloroethene	3.4
Vinyl Chloride	0.12
Ethylene Dibromide	0.13
Benzo(a)Anthracene	9.4
Mercury, Total	0.088

SOIL (μg/Kg) AND GROUNDWATER (μg/L)
ANALYTICAL RESULTS
EXCEEDING SITE-SPECIFIC RESIDENTIAL VIAC



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: November 10, 2025	Title: Bid Award - Park Building Renovations							
Submitted by: Kyle Karczewski, Parks and Recreation Director	Department: DPW- Parks							
Brief Summary: Staff requests authorization to enter into a contract with JWK in the amount of \$390,295 for park building renovations to Sheldon Park and Hartshorn Marina & Park.								
Detailed Summary & Background: The parks department published a Request for Proposals in September for renovations to 3 park buildings in need of renovation and repairs. The improvements include restoring Sheldon Park bathroom and making ADA improvements. Hartshorn Marina harbormaster building will be renovated to improve work operations and properly seal the building. Hartshorn Boat Ramp & Park restroom will be renovated as well with all new fixtures and a new roof. Short Elliot Hendricks is the architect and project manager for these projects and will assist with project oversight. These projects are scheduled to be completed no later than fall of 2026. These improvements have been planned and budgeted since the Parks Master Plan update in 2024 due to high community desire for these bathrooms to reopen.								
Bid Tab: JWK Construction Inc - \$390,295 Clifford Buck Construction Company - \$409,481 (\$401,291 with 2% city preference) Midwest Construction Group - \$424,312 Tridonn Construction Company - \$513,913 (\$508,774 with 1% county preference) JWK Construction is the recommended contractor for this project. The Purchasing Policy does offer a 2% local contractor preference, and JWK is the lowest bidder with the 2% preference factored in.								
Goal/Action Item: 2027 Goal 1: Destination Community & Quality of Life								
Is this a repeat item?: Explain what change has been made to justify bringing it back to Commission:								
Amount Requested: \$390,295	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): 482 (ARPA)	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:

Move to authorize staff to enter into a contract with JWK in the amount of \$390,295 for park building renovations to Sheldon Park and Hartshorn Marina & Park.

Approvals:

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

Name the Policy/Ordinance Followed:

Purchasing Policy

The Bid is to be submitted on photocopies of this Bid Form and the attachments provided.

DOCUMENT 00 41 00

BID FORM

Contractors Name JWK Construction, Inc.
Telephone (616) 538-9102

PROJECT IDENTIFICATION: Project: Sheldon Park Restrooms: Madison Avenue, Muskegon, MI 49442
Hartshorn Harbormaster Bldg.: W. Western Avenue, Muskegon, MI 49441
Hartshorn West Restroom Bldg: W Western Avenue Muskegon MI 49441
SEH No. 182439

BIDS TO BE OPENED: Thursday October 9, 2025 @ 2 p.m.

LOCATION: City of Muskegon Clerk's Office 933 Terrace St. Muskegon MI 49440

THIS BID IS SUBMITTED TO: Dan VanderHeide, Director of Public Works C/O: City of Muskegon Clerk

1. The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an agreement with Owner in the form included in the Contract Documents to perform and furnish all Work as specified or indicated in the Contract Documents for the Contract Price and within the Contract Time indicated in this Bid and in accordance with the other terms and conditions of the Contract Documents.
2. Bidder accepts all of the terms and conditions of the Advertisement or Invitation to Bid and Instructions to Bidders, including without limitation those dealing with the disposition of Bid security. This Bid will remain subject to acceptance for 30 days after the day of Bid opening. Bidder will sign and submit the Agreement with the Bonds and other documents required by the Bidding Requirements within 15 days after the date of Owner's Notice of Award.
3. In submitting this Bid, Bidder represents, as more fully set forth in the Agreement, that:
 - (a) Bidder has examined copies of all the Bidding Documents and of the following Addenda (receipt of all which is hereby acknowledged):

Addendum No.	Addendum Date
<u>#1</u>	<u>9/22/25</u>
<u>#2</u>	<u>9/29/25</u>

- (b) Bidder has familiarized itself with the nature and extent of the Contract Documents, Work, site, locality, and all local conditions and Laws and Regulations that in any manner may affect cost, progress, performance or furnishing of the Work.
 - (c) Bidder has studied carefully all reports and drawings of physical conditions.
 - (d) Bidder has obtained and carefully studied (or assumes responsibility for obtaining and carefully studying) all such examinations, investigations, explorations, tests and studies (in addition to or to supplement those referred to in (c) above) which pertain to the subsurface or physical conditions at the building or otherwise may affect the cost, progress, performance or furnishing of the Work as Bidder considers necessary for the

performance or furnishing of the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents.

- (e) Bidder has correlated the results of all such observations, examinations, investigations, explorations, tests, reports and studies with the terms and conditions of the Contract Documents.
- (f) Bidder has given Architect written notice of all conflicts, errors or discrepancies that it has discovered in the contract Documents and the written resolution thereof by Architect is acceptable to Bidder.
- (g) This Bid is genuine and not made in the interest of or on behalf of any undisclosed person, firm or corporation and is not submitted in conformity with any agreement or rules of any group, association, organization or corporation; Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid; Bidder has not solicited or induced any person, firm or corporation to refrain from bidding; and Bidder has not sought by collusion to obtain for itself any advantage over any other Bidder or over Owner.

4. Bidder will complete the work for the following price(s):

BASE BID: Provide labor, materials services, equipment necessary for completion of work as described in Drawings and Specifications.

Three Hundred Ninty thousand
Two Hundred Ninty-Five dollars ⁰⁰/₁₀₀ Dollars
(\$ 390,295.00)

ALTERNATE NO. 1: Switch to painted Steel partitions

ADD/DEDUCT One thousand One hundred Forty
Dollars
(\$ - 1,140.00)

ALTERNATE NO. :

ADD/DEDUCT
Dollars
(\$)

BID: Provide labor, materials services, equipment necessary for completion of work as described in Drawings and Specifications.

Dollars
(\$)

UNIT PRICE NO. ____: _____

ADD/DEDUCT _____
_____ Dollars
(\$ _____)

5. Bidder agrees that the Work will be substantially completed and ready for final payment within the number of calendar days indicated in the Instructions to Bidders.
- Bidder agrees if awarded the contract to execute and deliver to the Owner within 15 days after the signing of the contract, a satisfactory bond which will remain in effect for 1 year after acceptance by Owner and Architect, of the building and component parts, and in the amount of the Bid. Said bond to be 100 percent Performance and 100 percent Labor and Material Payment Bond.
6. The following documents are attached to and made a condition of this Bid:
- (a) Required Bid security in the form of Bid Bond or Cashier's Check.
7. Communications concerning this Bid shall be addressed to the address of Bidder indicated below.
8. The terms used in this Bid which are defined in the General Conditions of the Construction Contract included as part of the Contract Documents have the meanings assigned to them in the General Conditions.

Business Address: 3340 Larue St. SW
Grandville MI 49418
Telephone No.: (616) 538-9102
Date of Proposal: October 9, 2025



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: November 10, 2025	Title: Bid/RFP contract award - Engineering AutoCad standards							
Submitted by: Joel Brookens, Engineer, Dan VanderHeide, Public Works Director	Department: DPW- Engineering							
Brief Summary: Staff is requesting authorization to enter into a contract with Fleis & Vandenbrink in the amount of \$98,490.00 for engineering services to update City specifications, bid documents, standard details and CAD software.								
Detailed Summary & Background: Bids were solicited for a technical project to develop and improve City Standards and AutoCad Templates; including but not limited to creating drawing details, blocks and layers, creating new front end construction specifications, and updating the city's construction specifications, training for engineering staff on these items, and a year of ongoing technical support. The bid tabulation is below. Staff recommends Fleis & Vandenbrink, a local firm, based on the details of their proposal being in line with staff's expectations for the project, and their local presence for the training and support components. The project was budgeted at \$100,000. Spicer Group: \$95,500.00 Fleis & Vandenbrink: \$98,490.00 Prein & Newhof: \$160,900.00								
<u>Goal/Action Item:</u>								
Is this a repeat item?: Explain what change has been made to justify bringing it back to Commission:								
Amount Requested: \$98,490.00	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): 590-901-801-92510 (Sewer) 591-901-801-92510 (Water) 202-901-801-92510 (Streets)	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: Move to authorize staff to enter into a contract with Fleis & Vandenbrink in the amount of \$98,490.00 for establishing engineering services to update City specifications, bid documents, standard details and CAD software.								

Approvals:

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

Name the Policy/Ordinance Followed:

Purchasing Policy

AUTOCAD STANDARDS AND TEMPLATES

Submitted to:
City of Muskegon

October 30, 2025
P51325



October 30, 2025

Joel Brookens, Assistant City Engineer
City of Muskegon
1350 East Keating Avenue
Muskegon, MI 49442

RE: AutoCad Standards and Templates

Dear Joel:

The City of Muskegon's recognition of the value of CAD standards and specifications for promoting consistent, efficient, and accurate project delivery, is something we admire. During our recent meeting with the City, we gained valuable insights into your goals, allowing us to align our approach and develop a solution tailored to your needs.

Fleis & VandenBrink's (F&V) extensive experience in developing and standardizing CAD details and specifications makes us well-suited to support the City of Muskegon in creating consistent, reusable templates and design standards for your infrastructure projects. What sets us apart is not only our expertise, but our genuine connection to Muskegon. Our local office, located in downtown Muskegon, positions us at the heart of the community we are dedicated to serving.

Supporting our expertise and commitment are several noteworthy achievements:

- **National CAD Standards Expertise:** Our team has contributed to the National CAD Standard Project Committee through the National Institute of Building Sciences, providing input on updates and improvements that influence national drafting and design practices.
- **Collaboration with Autodesk for Software Innovation:** Our staff has worked directly with Autodesk Civil 3D developers to test pre-released versions of new software, provide feedback on functionality, and participate in Autodesk's "Inside the Factory" workshops, helping shape future enhancements to Civil 3D.
- **Comprehensive CAD Standardization and Training:** We have extensive experience developing and implementing customized AutoCAD and Civil 3D standards, templates, and specifications for municipalities and private firms. Our standardized tools and training programs promote consistent design quality and enhance overall project delivery.
- **Centralized CAD Detail and Specification Library Management:** F&V maintains an in-house CAD Detail and Specifications Library overseen by experienced technical staff. This continually-updated library promotes consistency, accuracy, and efficiency across all design disciplines and project types.

We look forward to continuing our partnership and can begin work on the AutoCAD templates and specifications immediately upon your authorization. Our team is committed to maintaining open communication, providing responsive support, and delivering results that meet your goals. If you have any questions or comments, please feel free to contact us.

Sincerely,

FLEIS & VANDENBRINK



Danell Diakow, PE
Project Manager



Don DeVries, PE
Group Manager, Principal

316 Morris Avenue, Ste 230
Muskegon, MI 49440

P: 231.726.1000

F: 231.726.2200

www.fveng.com

PROPOSAL & AWARD

The undersigned having become thoroughly familiar with and understanding of all the proposal documents attached hereto, agrees to provide the services as specified herein, for the total fees as stipulated herein, subject to negotiation.

I hereby state that all of the information I have provided is true, accurate and complete. I hereby state that I have authority to submit this proposal which will become a binding contract if accepted by the City of Muskegon.

I hereby state that I have read, understand and agree to be bound by all of the terms of this proposal document.

Signature  Title Principal

Print Name Don DeVries, PE Date October 29, 2025

Firm Name Fleis & VandenBrink

Address 316 Morris Ave, Suite 230

Muskegon, MI 49440

Telephone No. 231.726.1000

E-Mail ddevries@fveng.com

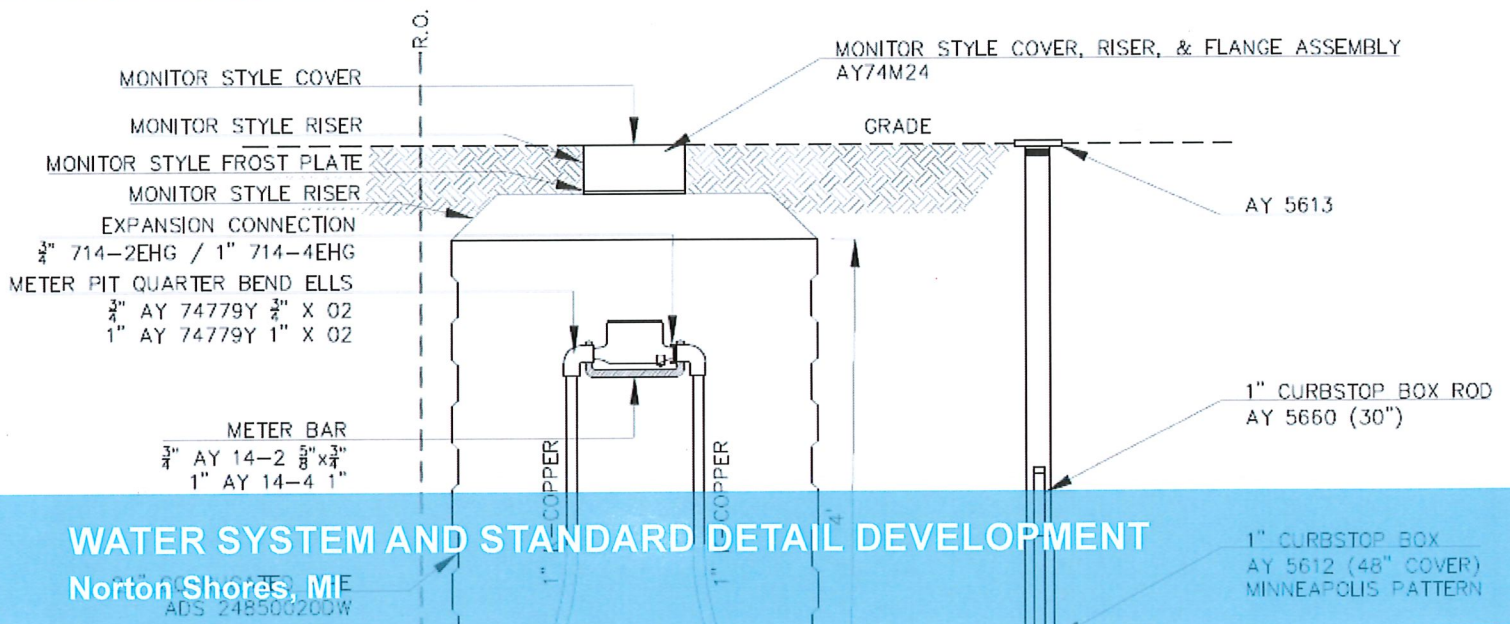
Fax No. 231.726.2200



TABLE OF CONTENTS

SECTION 1:	APPLICABLE EXPERIENCE
SECTION 2:	APPROACH
SECTION 3:	PROJECT STAFFING
SECTION 4:	ADDITIONAL INFORMATION
SECTION 5:	COST PROPOSAL

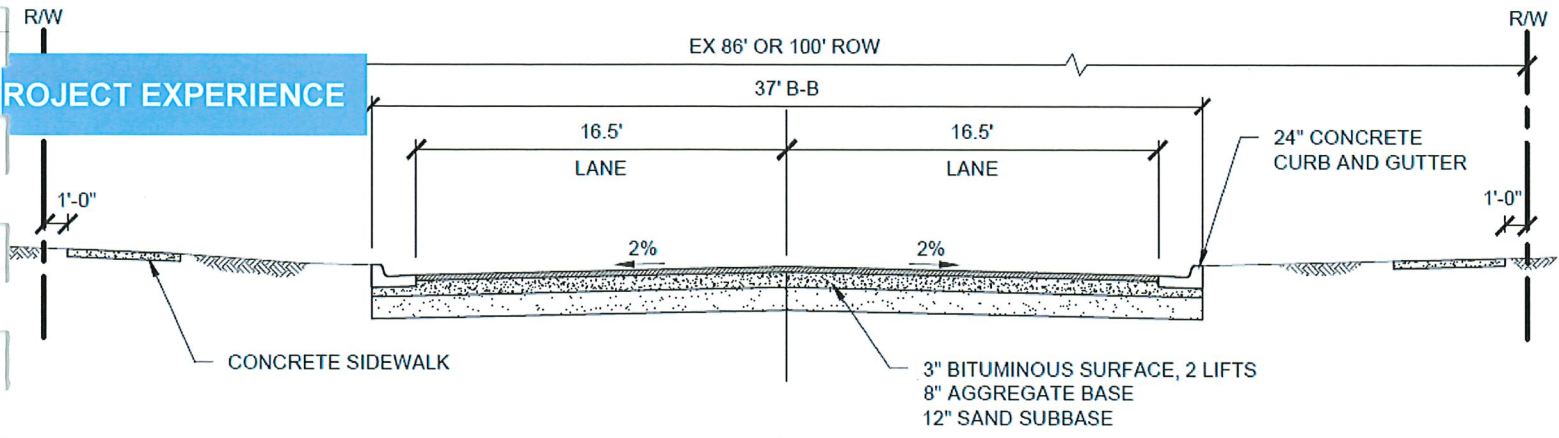
SECTION 1: APPLICABLE EXPERIENCE



COMPLETION DATE: 2023

F&V provided design and construction engineering services and assisted with easements for two contracts replacing 1.62 miles of 6-inch, 8-inch, and 10-inch watermain and replacing two existing lift stations with a new duplex, submersible lift station at the south end of Sheffield Street.

As part of the project, F&V also developed standard water system details for the City to apply across future projects. These standardized CAD-based details and specifications promote consistency, improve design efficiency, and support uniform implementation throughout the City's water infrastructure program.



CAD STANDARD CROSS SECTION DEVELOPMENT Hudsonville, MI

COMPLETION DATE: 2024

Under the City's general consultation contract, F&V developed standard roadway cross sections and specifications for the City of Hudsonville. These standardized CAD-based details provide consistency in design expectations and serve as a reference for developers and consultants working on public infrastructure projects within the City.

We applied these standards on our recent Barry Street alignment project. Offset intersections with two traffic signals on a main arterial road were causing congestion and confusion for motorists.



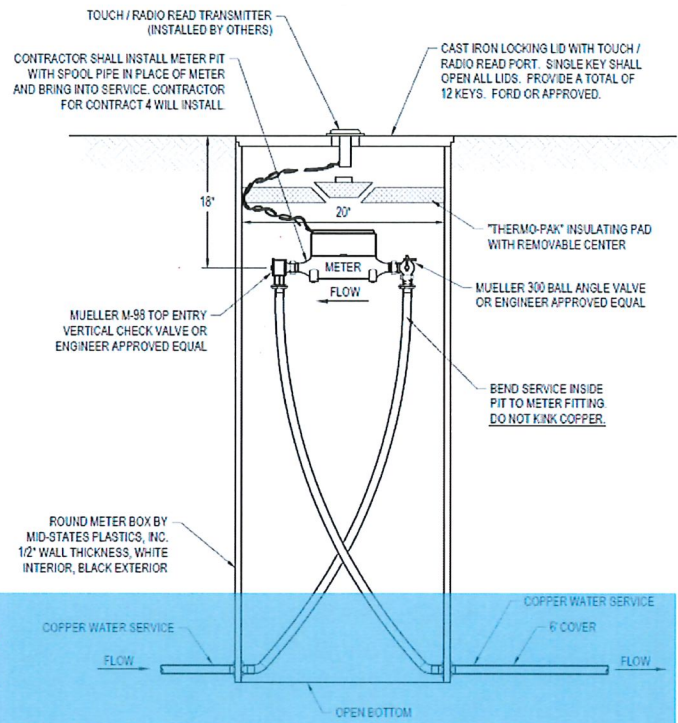
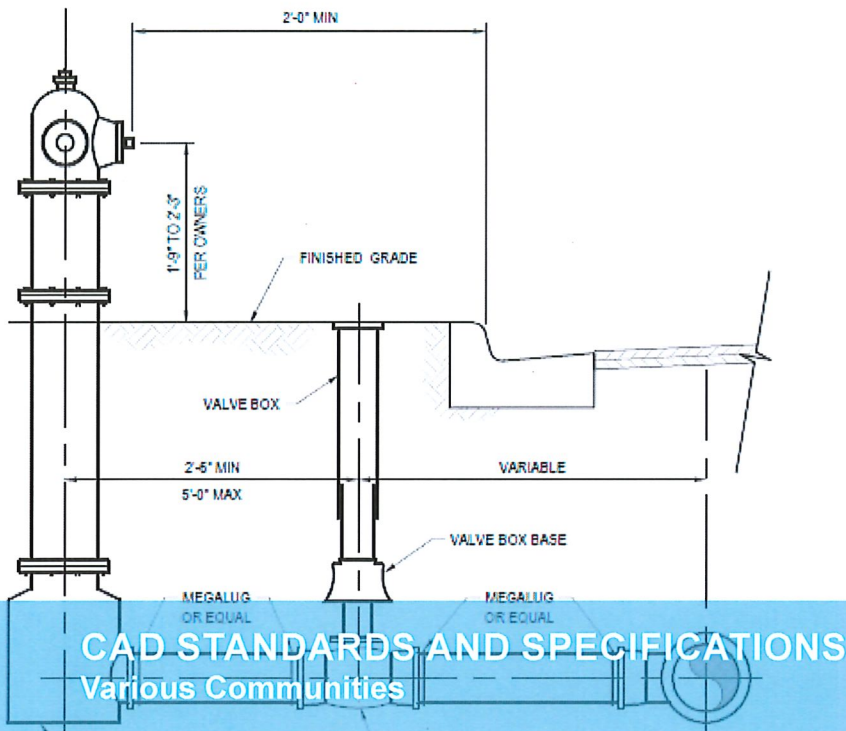
PART 1 - GENERAL

1.01 SUMMARY:

A. This Section includes work required for sanitary sewers, structures and appurtenant work.

1.02 REFERENCES:

A. ASTM – American Society of Testing Materials, latest edition.



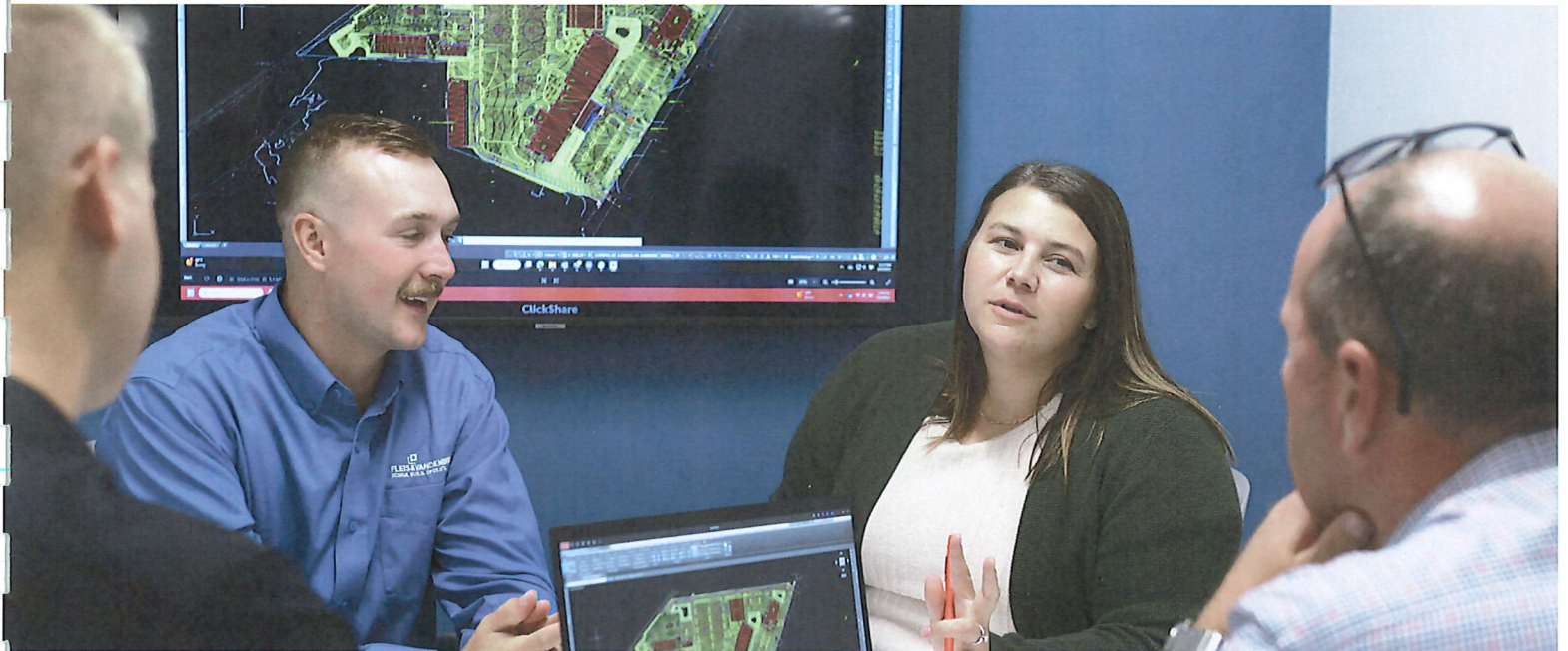
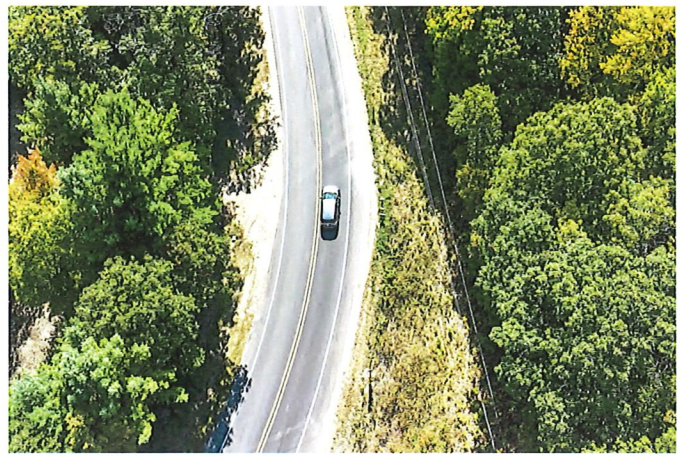
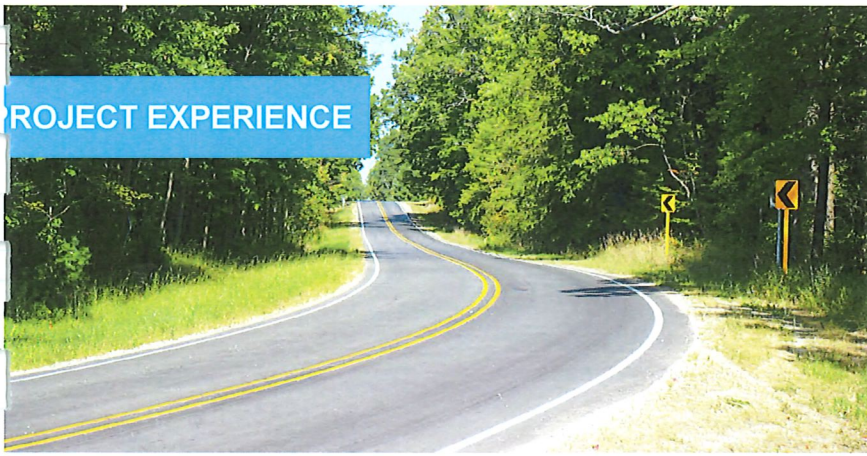
COMPLETION DATE: Est. 2025

F&V has assisted multiple municipalities in developing standardized technical specifications, CAD details, and construction standards to support consistent infrastructure development. These standards help reduce review times, provide developers and consultants with reliable, pre-approved documentation, and formalize long-standing practices. They are periodically updated to reflect new technologies and evolving regulatory requirements, resulting in more efficient and consistent project implementation across each community.

F&V has created these standardized specifications and CAD details across a variety of communities, including:

- Allendale
- Kalamazoo Lake Sewer & Water Authority
- Three Rivers
- Hudsonville
- Big Rapids
- Portland

PROJECT EXPERIENCE



MDOT LOCAL AGENCY REVIEW ASSISTANCE Michigan Department of Transportation

COMPLETION DATE: 2011 - Current

Since 2011, F&V has provided Local Agency Project (LAP) review assistance for Michigan Department of Transportation (MDOT) submittals, including local road and enhancement projects. Our services include reviewing special provisions, drawings, and CAD-based design files to ensure compliance with MDOT standards and consistency with established CAD practices. F&V has conducted reviews on more than 50 projects, applying standardized CAD templates, layers, and details to promote uniform design documentation across both rural and enhancement projects.

SECTION 2: APPROACH

We understand the City intends to establish AutoCAD standards and specifications to support their engineering staff in designing utility and road reconstruction projects, with the goal of producing consistent drawings across all CAD users, streamlining workflows, and enhancing staff expertise in Civil 3D.

PROJECT COORDINATION

Project Management:

The project team is committed to delivering a high-quality product within the agreed-upon schedule and budget. To achieve this, F&V has assigned Danell Diakow, PE, an experienced and highly technical project manager, to lead the project. Danell has worked with numerous City staff and has assisted F&V and various communities with specification and detail updates. The project will also be overseen by Don DeVries, PE, who has more than 20 years of experience working with the City and offers extensive knowledge of its staff and standards.

Kickoff Meeting:

F&V will facilitate a kickoff meeting with the City and all other applicable stakeholders to review the scope of work and establish expectations prior to beginning work on the project. Schedules will be reviewed and refined to provide clarity for all parties. We will discuss the City's current standards to understand what the City likes and where known improvements are needed. We will work together to generate a comprehensive list of specifications, templates, and details needed. F&V will prepare and distribute meeting minutes to attendees.

Progress Updates:

F&V will provide biweekly progress updates to the City and all other identified stakeholders. These progress updates will be provided via email with a clear outline of progress to date and decisions to be made by City staff. F&V will be available during these biweekly updates for a virtual meeting if preferred by City staff during key decision making periods.

60% Review Meeting:

Upon 60% completion of the specifications and AutoCAD templates and details, F&V will meet with City staff to present progress to date. The City will be given a copy of the materials for review and comment. F&V will prepare and distribute meeting minutes to attendees.

90% Review Meeting:

F&V will continue with the project, incorporating the comments from the 60% review. Upon 90% completion, F&V will meet with City staff to present progress to date. The City will be given a copy of the materials for review and comment. Additionally, F&V will prepare and distribute meeting minutes to attendees.

Final Deliverable:

Upon project completion, including incorporation of the 90% review comments, F&V will provide the City with the final deliverables. A USB drive containing all final documents will be provided. The deliverables will include all AutoCAD templates and details in both PDF and DWG formats. The AutoCAD Standards Report and the specifications will be provided in both PDF and Microsoft Word formats. It is assumed that City staff will configure AutoCAD to correctly utilize the templates and details.

SPECIFICATIONS

Front End Specifications:

F&V will begin with the City-purchased EJCDC documents, sections C-100 through C-900, to develop a customized front-end set of contract documents. These EJCDC documents will be formatted to align with the City's preferred style while matching the technical specifications. It is assumed that EJCDC C-700, General Conditions, will remain unedited. F&V will provide PDF and Word versions of all specifications at the designated review stages for review and comment by City staff and the City attorney. Items requiring specific review will be compiled into a spreadsheet to facilitate tracking and support decision-making across multiple departments.

Technical Specifications:

F&V will evaluate the City's existing Standard Specifications for Construction for consistency with current industry standards, state and federal requirements, and best practices. F&V will recommend revisions, deletions or additions to each specification along with recommending any additional specifications that may be needed to improve clarity, accuracy, and usability. Items recommended for editing will be put into a spreadsheet for easy tracking and aid in the decision-making process across multiple departments. Based on our discussion with the City, we will structure the specifications into the desired CSI format.

AUTOCAD

Templates:

F&V will develop an AutoCAD template that consists of standardized text styles, layers, line types, and blocks. A new plot style will be developed to work with those standards, and page setups will be created in the template to facilitate plotting to PDF. A new 24x36 title block will be created according to City requirements and will be used on pre-populated sheets like a Cover Sheet, Legend Sheet, and General Notes Sheet. Based on our discussion with the City regarding their Civil 3D usage, the template will also include settings and styles for Alignments, Profiles, and Surfaces. More advanced objects like Survey, Corridors, and Pipe Networks can be explored with the City, and if desired, settings and styles for these items can be provided as part of our additional services.

Standards Report:

A reference document will be provided to the City to aid in use of the new templates and standards, explaining how the standards should be applied and guidance on drawing preparation. This document will be meant to serve as a reference for existing staff and aid in training of new staff. F&V proposes this reference document will be a bookmarked PDF with sections on the various standards, including but not limited to: layers, line types, color, text styles, blocks, etc.

Details:

F&V will develop standard construction details that align with the City's standard specifications. We will review the City's existing details and provide recommendations for revisions, deletions, or additions. Additionally, F&V will suggest any new details needed to improve clarity, accuracy, and usability.

The details will be provided individually on 8.5x11 sheets and on organized 24x36 sheets using the new City of Muskegon title block.

TRAINING

Initial Training Program:

F&V will provide training on how to use the new CAD templates and standards to create a set of drawings. F&V has assumed two four-hour sessions to provide training to staff across multiple departments. The training program will be set up in conjunction with the standards reference document and additional presentation material, if required, to aid in future use and City new hires. F&V has assumed that the training will focus on how to use the created templates and standards, not how to use Civil 3D features such as surfaces, alignments, etc.

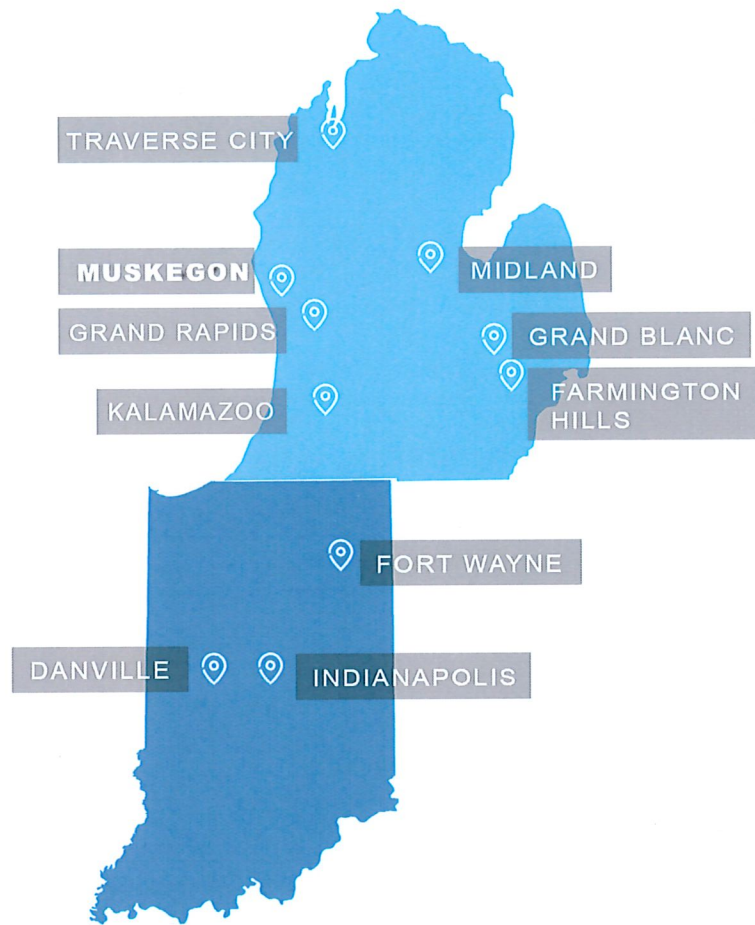
Technical Support:

F&V will provide technical support for questions as the City begins using the new standards and specifications. A total of 80 support hours, available in one-hour increments, has been dedicated to assisting the City. To facilitate timely responses, most support is expected to be provided virtually via platforms such as Teams or Zoom. With our 10 engineering offices, extensive experience supporting Operations and Construction staff, and familiarity with remote work, we are well-equipped to deliver effective virtual support. Additionally, 20 of the 80 hours have been budgeted for in-person support and training when needed due to complexity or situational requirements. Preparation time for training to use AutoCAD and Civil 3D features will be included in the allotted technical support hours. Our office, located in the heart of the City of Muskegon, further enhances our ability to provide prompt, high-quality support to the City.

ADDITIONAL SERVICES

We understand that AutoCAD and Civil 3D features are complex with many opportunities for enhancement and customization. In addition to the items listed in the RFP, we can work with the City as the project develops to provide a written scope for additional services. Some of these additional services could include:

- Coordinating with City IT for installing and configuring the standards
- Customization of the AutoCAD/Civil 3D user interface
- Creating tool palettes of the standard blocks and details
- Templates and standards for Survey, Corridors, Pipe Networks, and any other Civil 3D feature

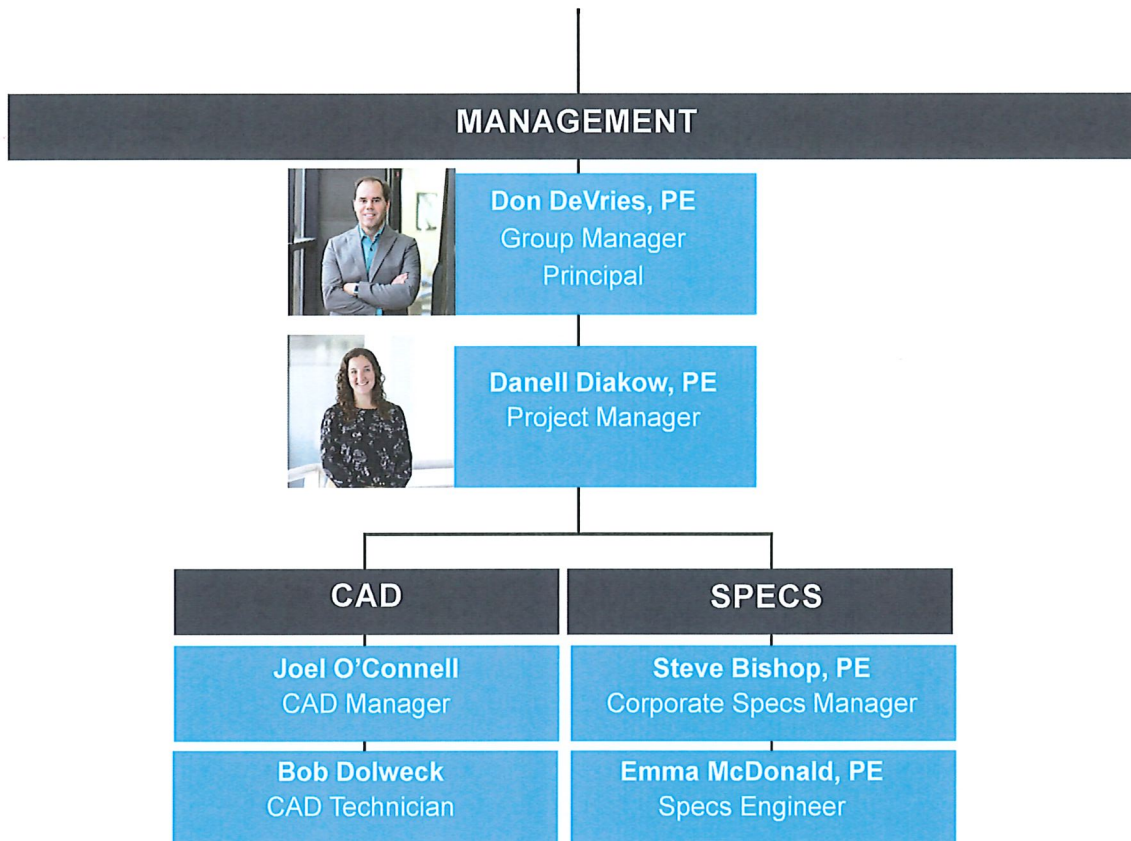


SCHEDULE

We understand the importance of a structured schedule to keep the project on track, helping achieve timely delivery and alignment with your goals. To support this, we have outlined the proposed project schedule on the following page.

SECTION 3: PROJECT STAFFING

F&V is providing a team highly experienced in developing and implementing AutoCAD templates and specifications. Your Project Manager and CAD Manager have extensive experience creating standardized CAD templates and technical specifications and have worked with multiple communities on prior projects to support consistency, clarity, and compliance with City standards.



Resumes of key personnel are on the following pages.



DANELL DIAKOW, PE
Project Manager

PROFESSIONAL BIO

Danell has nearly 10 years of civil engineering experience. Her experience lies in utility design and construction including water, wastewater, lift stations, and stormwater for municipal and private clients. She is also competent in transportation design for MDOT and municipal clients. She has assisted in projects from concept to construction including: feasibility studies, funding, design, construction engineering, and inspection. Additionally, she has experience developing and applying CAD-based details and specifications to maintain consistency and clarity across projects. Her major areas of expertise include:

- Transportation Design
- Wastewater Collection and Analyses
- Water Distribution Systems



ddiakow@fveng.com
616.965.8783



BS: Civil Engineering,
Michigan State University



Professional Engineer
Michigan (No. 6201070503)

FEATURED EXPERIENCE

Pump Station Improvements - Holland Board of Public Works

Lead design engineer for the design, bidding services, and construction engineering for the reconstruction of five HBPW pump stations. F&V developed and utilized standardized CAD templates and specifications to maintain consistency across all project drawings, including station layout, piping, pumps, valve chambers, and controls per HBPW standards. Four of the five stations were located on small easements, requiring innovative CAD design solutions to meet spatial constraints.

Amity Avenue Reconstruction - Muskegon

Design Engineer for the reconstruction of nearly one mile of roadway including all utilities (watermain, storm sewer, and sanitary sewer). Standardized CAD templates and detailed technical specifications were used to create accurate utility layouts and roadway designs in compliance with current design standards. One unique aspect of this project included designing around an existing shallow 36" concrete force main which was not replaced. This project was funded through the State SRF and DWSRF programs.

Pump Station Evaluations - Holland Board of Public Works

Project engineer for the evaluation and report preparation documenting the condition of the Board of Public Works's 35 wastewater pump station. This project included a thorough in-field evaluation of the pump station mechanical, electrical, alarms, and controls along with a detailed written report evaluating the condition of each station, recommended actions and Capital Improvements. The project evaluated and recommended the standardization of alarms and their management through the City's SCADA system.

Water and Sewer Improvements - Norton Shores

Design engineer for the Sheffield submersible duplex lift station, abandonment of two existing stations, and upgrades to watermain and sewer systems. CAD templates and technical specifications were applied to design documents, including 2,500 feet of gravity sewer and forcemain, and 5,200 feet of watermain upgrades. The project adhered to City, EGLE, and MDOT standards, ensuring consistency and accuracy across all plans and construction documents.

PROFESSIONAL BIO

Don is involved in the study, design, and construction engineering of lift stations, streets, sanitary sewer, storm sewer and water main, sidewalks and bike path systems. He has nearly 30 years of experience as a project engineer/manager in various civil engineering projects. He has completed many water and sewer feasibility studies, developed water system reliability study and master plans for communities and designed many elevated water towers.

He has assisted in the design, permitting, and construction of various site design and infrastructure systems, as well as construction inspection, compaction testing and surveying.



DON DEVRIES, PE
Group Manager, Principal



ddevries@fveng.com
616.942.3628



BS: Civil Engineering,
Calvin College



Professional Engineer
Michigan (No. 6201039621)

FEATURED EXPERIENCE

Barry Street Improvements - Hudsonville

Project manager for the survey, design, and construction engineering of 700 feet of roadway construction, installation of a concrete box culver to cross Buttermilk Creek, and realigning Barry Street to line up with intersection of Allen Street. Project also included Right-of-Way (ROW) acquisition and EGLE permitting for a stream crossing.

Mills Avenue Road - North Muskegon

Project Manager for residential road reconstruction involving drainage improvements, traffic loops, survey, and construction testing. CAD templates and specifications were used to create consistent roadway and utility plans, offering clarity and compliance with City design standards.

Western Avenue Reconstruction - Muskegon

Project Manager for the reconstruction of 0.35 miles of Western Street, from Third Street to Terrace Street. The project constructed the new roadway consisting of two lanes with parallel and angle parking, roundabout, irrigation system, decorative stamped concrete paving, decorative lighting, tree planting, ADA ramps with tactile warning devices, watermain, sanitary sewer, curb and gutter, and storm sewer. Received \$1,000,000 TAP funding.

Third Street Commons - Muskegon

Project Manager for this project that included decorative concrete paving, a performance stage, and the Chamber Square Rain Garden as part of the functioning urban gathering space. The rain garden is situated between the end of a 38,000 SF three-story office building and the 6,000 square paved portion of the plaza that contains benches and raised performance stage. The rain garden was conceived as a landscape feature separating the ground level office windows from the active plaza space.

Pump Station Evaluations - Holland

QA/QC for the evaluation and report preparation documenting the condition of the City's 35 wastewater pump station. This project included a thorough in-field evaluation of the pump station mechanical, electrical, alarms, and controls along with a detailed written report evaluating the condition of each station, recommended actions and Capital Improvements. The project evaluated and recommended the standardization of alarms and their management through the City's SCADA system.

PROFESSIONAL BIO

Steve has 25 years' experience as a project engineer and manager, providing civil engineering for municipal, private, and institutional clients. He specializes in infrastructure, utility, and transportation projects. Steve has extensive experience developing and applying standardized AutoCAD templates and technical specifications. Steve manages all aspects of projects, including master planning, funding, design, bidding, and construction engineering.

Steve works with staff across the company to ensure our specifications and details remain current with industry standards, state and federal requirements, and best practices.



STEVE BISHOP, PE
Corporate Specs Manager



sbishop@fveng.com
616.942.3614



BS: Civil Engineering,
Michigan State University



Professional Engineer
Michigan (No. 6201043299)
Indiana (No. PE 11800096)

FEATURED EXPERIENCE

State Street Watermain Improvements - Big Rapids

Project manager responsible for the design of two miles of 14-inch HDPE directionally-drilled watermain, including eight bore and jack crossings of State Street (M-20), connection to two water towers, hydrants and appurtenances, water services, and abandonment of existing watermain.

Amity Avenue Reconstruction - Muskegon

Project manager for the reconstruction of nearly one mile of roadway, including all utilities. The project replaced several aging utilities that had reached the end of their useful life and reconstructed the roadway to meet current design standards. A unique aspect of the project involved designing around an existing shallow 36-inch concrete forcemain that was not replaced. The project was funded through the CWSRF and DWSRF programs.

Spring Street Reconstruction - Three Rivers

Project manager for the design and construction engineering of road and utility improvements. Utility improvements consist of replacing the existing eight inch sanitary sewer in Spring Street and replacing the 12 inch sanitary in Swartz Street between Spring and Constantine. The storm sewer would be replaced and would connect into the existing 42 inch storm sewer in Hill Street and/or be routed directly to the river. The existing four inch watermain experiences freezing indicating it is too shallow and would be replaced with an eight inch watermain at the proper depth with new hydrants and water services.

9th Street Sanitary Sewer Improvements - Muskegon

Project manager for design and construction engineering services for the replacement of approximately one mile of 8" to 30" sanitary sewer in a heavily commercialized section of Muskegon. The project weaves its way down several streets and alley ways and includes full roadway reconstruction in sections and only partial replacement in others. The project is complicated by soil and groundwater contamination within Heritage Landing, as well as a planned bore and jack under Lakeshore Drive and the adjacent railroad tracks.

PROFESSIONAL BIO

Joel has more than 25 years of experience in Land Development and Municipal Utility and Infrastructure projects. He specializes in technical design using Civil 3D software. As CAD Manager, he is responsible for the company-wide CAD Standards that provide consistency and efficiency to all F&V's projects across all our disciplines, as well as Quality Control for the CAD and design aspects of projects. His certifications and professional development include:

- AutoCAD Civil 3D Certified Professional
- AutoCAD Customer Council and Autodesk Infrastructure Futures Community
- Certified Survey Technician – Level II Computer Operator – National Society of Professional Surveyors
- National CAD Standard Project Committee and Digital Technical Council – National Institute of Building Sciences



JOEL O'CONNELL
CAD Manager



joconnell@fveng.com
616.369.8157



AS Science and Arts
Muskegon Community
College



AutoCAD Civil 3D Certified
Professional

FEATURED EXPERIENCE

AutoCAD and Civil 3D training programs - Various Clients

Led and delivered AutoCAD and Civil 3D training for groups ranging from one-on-one sessions to over 250 participants, including presentations at Autodesk University. Courses covered foundational to advanced workflows, with training tailored to client needs to support implementation of CAD standards and optimize project efficiency.

Barry Street Improvements - Hudsonville

Provided CAD support for the survey, design, and construction engineering of 700 feet of roadway construction, including installation of a concrete box culvert to cross Buttermilk Creek and realignment of Barry Street to align with the intersection of Allen Street. Project also included Right-of-Way (ROW) acquisition and EGLE permitting for the stream crossing.

Getty Park Improvements - Village of Shelby

Served as CAD manager supporting design and construction phases for park upgrades funded by a \$300,000 MDNR Land and Water Conservation Fund grant. Developed and maintained AutoCAD templates and standards for site layout, courts, playground, and utility plans. Coordinated drawing production and updates through bidding and construction, ensuring consistency and quality across all plan sets.

The Docks - Muskegon (Prior Firm)

150-unit residential development with restaurant, marina, condo building, and other amenities on 80 acres neighboring Muskegon Lake. Project included Critical Dune permitting, creation of a new boat basin, in addition to full road and storm water management design with public water and sanitary sewer service.

Expertise in CAD Standards and Customization

Prior to joining F&V, Joel owned and operated a company specializing in civil technician work and the creation and implementation of CAD standards. He brings experience developing custom blocks and symbols, layers and line types, dimension and multi-leader styles, and templates tailored to each client's needs. His expertise extends to Civil 3D styles, workflows, and advanced customizations, from alignment and profile styles to pipe catalogs and complex corridor models, resulting in efficient, high-quality design practices.



PROFESSIONAL BIO

Emma has four years of experience in engineering, providing observation of construction work to ensure conformance with MDOT standards and local specifications. She has performed design and Civil 3D drafting for a variety of municipal infrastructure projects, developing and applying standardized CAD templates and technical specifications to maintain consistency and accuracy across project documentation. Emma also assists in preparing and reviewing front-end and technical specifications, ensuring compliance with industry standards and facilitating clear communication between design and construction teams.



EMMA MCDONALD, PE
Specs Engineer



emcdonald@fveng.com
616.843.1635



BS: Biosystems Engineering,
Michigan State University



Professional Engineer
Michigan (No. 6201315555)

FEATURED EXPERIENCE

Pump Station Improvements - Holland Board of Public Works

Project engineer for the design, bidding services, and construction engineering for reconstruction of five Holland Board of Public Works (HBPW) pump stations. The projects included removal of the existing station and controls and replacing or rehabilitating the wet well. The projects also included a new valve chamber, piping, pumps, and station controls per HBPW standards. Four of the five stations are also located on small easements that required innovative design solutions.

Lift Station Evaluations - Gun Plain Township

Project engineer for the evaluation of the existing conditions of six grinder stations and fourteen lift stations. The project included observation and subsequent ranking of structures, process piping, electrical controls, and equipment of each station for future determination of rehabilitation required.

Water and Sewer Improvements - Norton Shores

Project engineer and resident project representative for the design and construction engineering for the Sheffield submersible, duplex lift station and abandoning two existing stations. Work also included 2,500 feet of gravity sewer and forcemain. Water main upgrades include approximately 5,200 feet of water main at Sheffield, Fairfield, looping near Mona Shores Middle School, looping near Norton Ave., and Sandybrook Ct. The project was designed per City, EGLE, and MDOT standards.

Shelby Road and 1st Street Resurfacing - Oceana County Road Commission

Design engineer for roadway improvements, including base crushing, repaving, shoulder widening, turn lanes, and guardrail improvements. Reconstructed concrete ramp approaches from US-31 and added a dedicated truck lane, improving safety and all-season access for residents and businesses.

Water and Sewer Feasibility Study - Webber Township

Project engineer for evaluating alternatives to provide water and sanitary sewer service to Webber Township Industrial area. This studied included reviewing alternate routes, future land use and users, utility sizing, and cost estimates.

PROFESSIONAL BIO

Bob has more than 15 years of experience as an engineering technician. He has overseen construction projects and is a meticulous technician who utilizes surveying technology and AutoDesk and Bentley Products to develop documents to support engineering projects. He has drafted municipal site designs for public parks, corporate campus designs, street repair, resurfacing, utility replacements and relocations including land survey processing.

Bob manages F&V's CAD Detail Library, maintaining and updating standard drawings to promote consistency and efficiency across all projects. His expertise in CAD standards and technical specifications produces design and construction documents that are clear, consistent, and compliant with municipal, state, and federal standards.



BOB DOLWECK
CAD Technician



bdolweck@fveng.com
616.977.1000



BS: Construction Engineering
Technology, University of Toledo
AAS: Computer Aided Design,
Terra Community College

FEATURED EXPERIENCE

Kinsey Street Improvements - Caledonia

CADD designer for the design and construction engineering of roadway and utility improvements along Kinsey Street, between Maple and Johnson Streets. The Village received funding from the Michigan Department of Transportation (MDOT) to reconstruct the street. F&V provided funding assistance, design, and construction engineering. Close coordination was required between the project team and Caledonia Farmers Elevator, a large custom animal feed manufacturing cooperative on Kinsey Street, to maintain elevator operations during the road reconstruction.

CAD Standard Cross Section Development - Hudsonville

Supported the development of standardized CAD-based roadway cross sections under the City's general consultation contract, promoting consistency and efficiency in public infrastructure design. Assisted in applying the new standards on the Barry Street Alignment project, addressing congestion caused by offset intersections along a major arterial road

Water and Sewer Improvements - Norton Shores

CADD designer for the design and construction engineering for the replacement and looping of existing 6-inch water main with an estimate 2,960 feet new 8-inch ductile iron main in the existing Greisbach, Reneer and Arbor residential neighborhood, replacement (up-sizing) of 375 feet of existing water main in Miller Street, new 1,200 feet 8-inch water main loop at the Mona Shores Middle School, new 1,800 feet 12-inch water main loop between Pontaluna Road and Norton Pines Drive, and replacement of existing cast iron water main with new 1,820 feet of 12-inch and 1,270 feet of 8-inch at Sheffield, Cleveland and Fairfield Streets.

Railroad Drive Reconstruction - Three Rivers

CADD technician for the design and construction engineering of 1,600 feet of road and utility reconstruction of Railroad Drive, between Michigan Avenue and West Prutzman Street, which crosses a railroad. Sidewalk improvements were included in part of the project. They were reconstructed and updated to meet current ADA guidelines. Easements and retraining walls were required for the sidewalks. This project was an MDOT LAP project.

SECTION 4: ADDITIONAL INFORMATION

Why F&V?

Local Presence

Located in the heart of the City of Muskegon, our office on Morris Avenue is only four blocks from City Hall. This close proximity gives us the unique advantage of being able to respond quickly to any needs or issues that may arise during the project. Our team will lead the project from the Muskegon office with additional support from our Grand Rapids office.



We Bring Expertise and Innovation

Prior to joining F&V, our CAD Manager, Joel O'Connell, owned and operated a company specializing in civil technician work and the creation and implementation of CAD standards. He has extensive experience developing custom blocks and symbols, layers and line types, dimension and multi-leader styles, and templates tailored to each client's needs. His expertise extends to Civil 3D styles, workflows, and advanced customizations, from alignment and profile styles to pipe catalogs and complex corridor models, resulting in efficient and high-quality design practices.

In addition, Joel has led and taught a wide range of AutoCAD and Civil 3D training programs, including speaking engagements at Autodesk University. He has trained groups of all sizes, from one-on-one sessions to full conference rooms of more than 250 participants, delivering courses that range from foundational AutoCAD skills to advanced Civil 3D workflows. His training is tailored to the specific needs of the audience, empowering teams to effectively implement CAD standards and optimize project workflows.



We are Committed to Your Success

At F&V, we genuinely care about our clients and the success of every project we undertake. We prioritize teamwork, collaboration, and flexibility, adapting our approach to meet each client's unique needs and goals. Our team met with Muskegon's staff to better understand the City's priorities and challenges, allowing us to develop solutions that support key objectives. We value our ongoing relationship with the City and are committed to maintaining open communication, providing responsive support, and delivering results that meet both immediate and long-term needs.



SECTION 5: COST PROPOSAL

Based on our understanding/approach and work scope for this project, the following breakdown of hours and total fee are provided below:

Task	QA/QC	Project Manager	CAD Manager	CAD Tech	Specs Engineer	Admin.	Expense	Total Item Value
Kickoff Meeting		4	4				\$70	\$1,450
Biweekly Updates		14						\$2,410
Front End Specification		4			28	8	\$100	\$5,170
Technical End Specifications		10			44	8	\$100	\$8,290
AutoCad Templates			100	40				\$22,520
AutoCad Standards Report		2	20	20	6	8		\$7,960
AutoCad Details		4	12	48	6			\$9,920
60% Review Meeting	2	4	4				\$70	\$1,860
Revisions		8	16	20	20	6		\$9,940
90% Review Meeting	4	4	4				\$70	\$2,270
Revisions		6	16	16	12	1		\$7,560
Final Deliverable		4	8			6		\$2,620
Training Sessions			8			5	\$140	\$1,990
Tech Support - Virtual		5	55					\$10,320
Tech Support - In Person		5	15				\$700	\$4,210
Totals	6	74	262	144	116	42	\$1,250	\$98,490

Total Hours	644
Total Professional Fee	\$98,490





Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: November 10, 2025	Title: Police Department Wage Increase
Submitted by: Timothy Kozal, Public Safety Director	Department: Public Safety

Brief Summary:
The City of Muskegon is proposing a wage increase for both the Patrol and Command Police Unions. This proposal recognizes the tremendous work our police officers and command staff perform under extraordinary circumstances and supports our commitment to retaining compassionate, professional, ethical, and community-focused officers. The proposed wage increase would pay officers at their 2026 rate starting on October 1, 2025, with an additional \$1 added to those wages.

Detailed Summary & Background:
The Muskegon Police Department, like many police departments nationwide, has experienced staffing shortages. Despite these challenges, our officers and command staff have continued to provide exceptional service to the community. The City of Muskegon must continue to reward our officers for their hard work and also have a competitive wage to attract new talent to fill our staffing shortage.

The City of Muskegon is proposing a wage increase for the Patrol and Command Unions. The proposed wage increase would pay officers at their 2026 wage rate beginning October 1, 2025, with an additional \$1 added to those wages. The pay adjustment will be retroactive to October 1 and issued in the first pay period of December. Below is the breakdown of the wage increase.

Police Patrol Union Wage Matrix (hourly)

	Recruit	Start	1 YR	2 YRS	3 YRS	4 YRS	5-9 YRS	10+ YRS
2025	23.00	28.00	29.00	32.00	35.00	37.00	38.00	39.00
2026	24.00	29.00	32.00	35.00	37.00	38.00	39.00	41.00
Proposed Increase	25.00	30.00	33.00	36.00	38.00	39.00	40.00	42.00

Police Command Union Wage Matrix (hourly)

	Sergeant	Lieutenant	Captain
2025	45.20	48.29	51.39
2026	47.10	50.16	53.21
Proposed Increase	48.10	51.16	54.21

It should be noted that for FY 2025-26, we were projecting a \$232,000 budget surplus, with total revenues of \$44,335,812. However, fiscal Year 2024-25 revenues came in better than expected at approximately \$44,251,000. This number is only about \$85,000 less than our projected revenues for the current fiscal year. Given the revenue number from this past fiscal year, and considering changes in state revenues, we're now projecting general fund revenues closer to \$45,000,000. This would give us more than enough flexibility in our budget to absorb this increase. Additionally, because FY 2024-25 revenues came in higher than initially forecast (and expenses were also down) we did not have to touch the fund balance as initially anticipated. So we're projecting a slight increase in our fund balance position when the auditors present the audit after the first of the year.

Goal/Action Item:

2027 Goal 1: Destination Community & Quality of Life

Is this a repeat item?:

Explain what change has been made to justify bringing it back to Commission:

Amount Requested:

\$435,000

Budgeted Item:

Yes		No	☒	N/A		
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Fund(s) or Account(s):

101-301-703

Budget Amendment Needed:

Yes	☒	No		N/A		
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Recommended Motion:

I move to approve the wage increase for both the Patrol and Command Police Unions to begin 2026 wage rates plus a \$1 increase retroactively beginning October 1, 2025.

Approvals:

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

Name the Policy/Ordinance Followed:



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: November 10, 2025	Title: Brunswick Sewer Work															
Submitted by: Jonathan Seyferth, City Manager	Department: Manager's Office															
Brief Summary: The sewer fund would receive \$49,195 from Brunswick to cover its share of the repair costs. This is a reduction of the total bill, taking into account the costs Brunswick had already incurred in the repair process.																
Detailed Summary & Background: In 2024, the City collaborated with Brunswick to perform repair work on their sewer lateral within Laketon Ave. After taking into account various costs both parties incurred, this represents the balance that Brunswick is responsible for, \$49,195. Since this adjustment to the total bill exceeds \$25,000, approval from the commission is required.																
Goal/Action Item: 2027 Goal 2: Economic Development Housing and Business																
Is this a repeat item?: Explain what change has been made to justify bringing it back to Commission:																
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): 590 (sewer fund)	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: To approve the sewer repair bill to Brunswick for \$49,195.																
Approvals: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Immediate Division Head</td> <td style="width: 10%; text-align: center;">X</td> <td style="width: 30%;"></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 style="text-align: center;">X</td> <td></td> </tr> </table>	Immediate Division Head	X		Information Technology			Other Division Heads			Communication			Legal Review	X		Name the Policy/Ordinance Followed:
Immediate Division Head	X															
Information Technology																
Other Division Heads																
Communication																
Legal Review	X															

