

**Final Report**  
**Muskegon Environmental Assessment Grant**  
**Site Assessment Fund Grant**  
**Project #430823-68, Tracking Code 2004-1008**  
**September 2004 - September 2008**

Grant Recipient: **City of Muskegon**  
County: **Muskegon**  
Grant Amount: **\$500,000**  
Grant Awarded: **September 2004**  
Date of Completion: **September 2008**

**Project Description**

The Muskegon Environmental Assessment SAF Grant was used to conduct Part 201 environmental due diligence activities for property acquisition on parcels where specific redevelopment projects were planned. Funds were used for 16 projects, on 40 parcels.

**Grant Funded Activities**

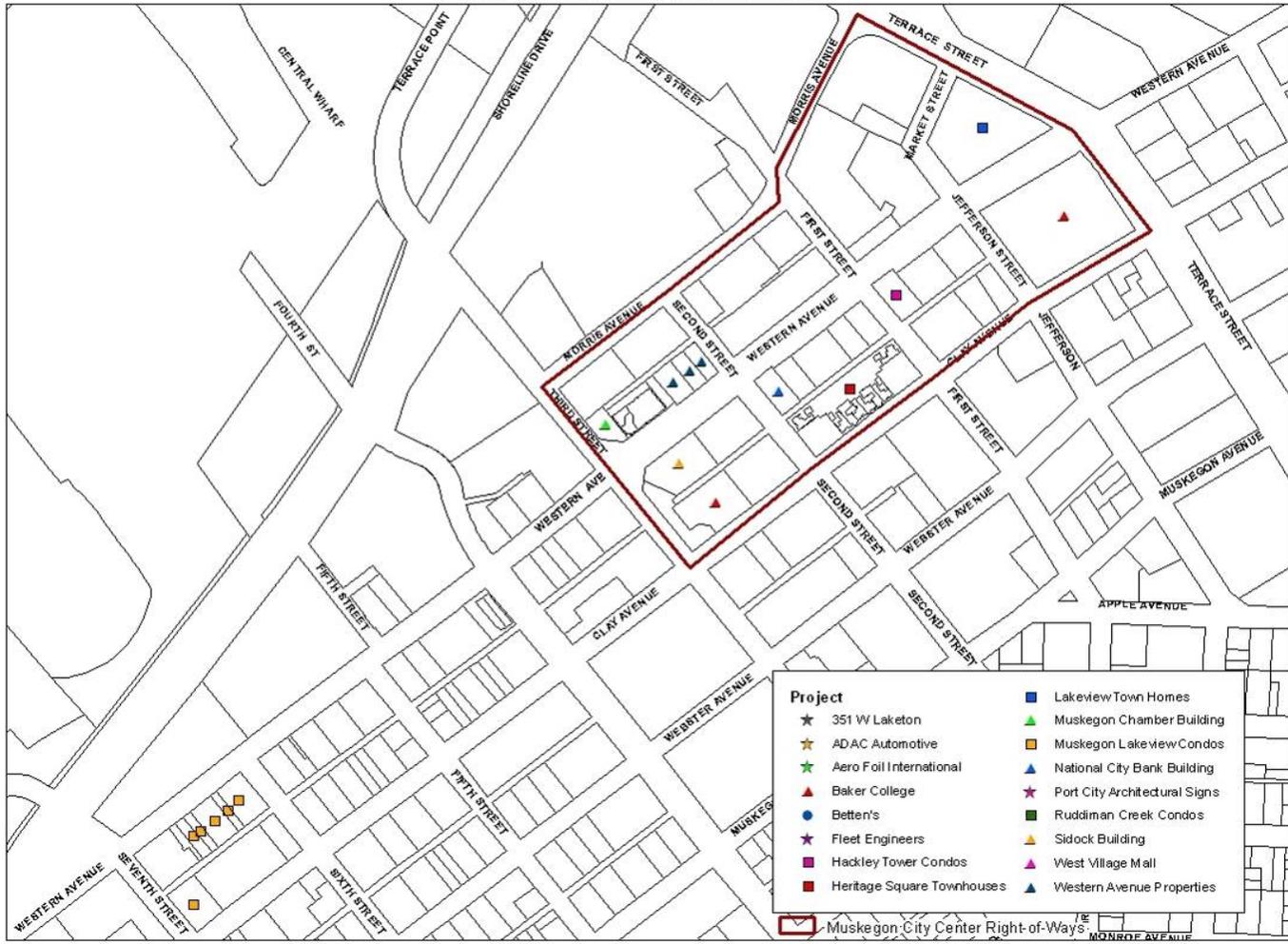
Phase I Environmental Site Assessments  
Phase II Environmental Site Assessments  
Baseline Environmental Assessments  
Due Care Plans  
Lead and Asbestos Surveys

**Redevelopment**

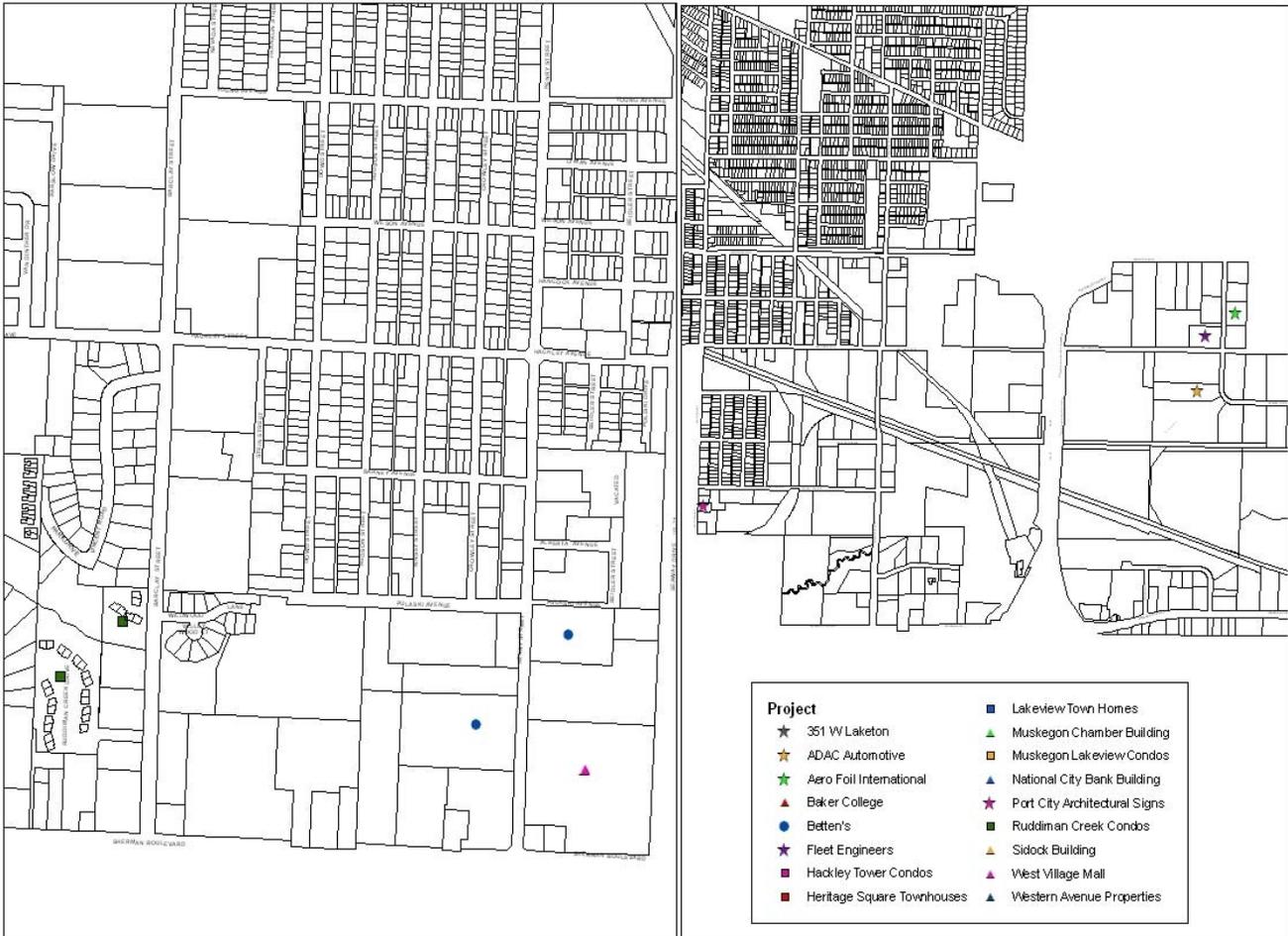
The status of redevelopment for each project where grant funds were used is provided in the attached summaries.

- Total jobs created/retained      375
- Total new investment              \$41,236,000

# Area Wide Site Assessment



# Area Wide Site Assessment



# Muskegon Development Corporation (DMDC) Redevelopment Project Right-of-Ways (Former Muskegon Mall)

Grant Info: Phase II ESA and Due Care Plan  
\$14,400 Grant Funds; October 2005



2005

**Downtown Muskegon Development Corporation**

**Downtown Muskegon - Urban Opportunity**

- Heart of Muskegon Station Home MSA
- County of 27,000 people, steady growth
- Primary trade area median income \$36,800
- Secondary trade area median income \$33,149
- more demographic available upon request

**Development Incentives**

- Tax Free Renaissance Zone
- New Market and Brownfield Tax Credit eligible
- Homeless Tax Credits on existing buildings

Contact Dan Hirsman-Eyenga at [dhirsmene@dmuskegon.org](mailto:dhirsmene@dmuskegon.org) or 231.734.3180 with any inquiries.



2009

For more photos and information, go to [www.downtownmuskegon.org](http://www.downtownmuskegon.org)

**Downtown Muskegon Development Corporation (DMDC)**  
**Redevelopment Project Right-of-Ways**  
**Former Muskegon Mall**

The Downtown Muskegon Development Corporation Redevelopment Project is a mixed use residential, commercial and retail development that encompasses the entire 23-acre site formerly known as the Muskegon Mall, located in the heart of Downtown Muskegon. The DMDC is a not for profit entity formed to acquire and develop the 23-acre tax-free Renaissance Zone. .

Grant Funds were used to conduct a Phase II Environmental Site Assessment for the purpose of evaluating the City of Muskegon's Due Care obligations during construction and final use of the new roadways, sidewalks and utility corridors that serve the parcels that comprise the DMDC project. The plan and layout was based on Imagine Muskegon, a planning charette involving more than 260 local residents and community leaders.

In 2006 and 2007, nine projects totaling \$42 million of investment were announced on the former Muskegon Mall site. The projects included retail space in the remaining historic buildings, new offices of the Muskegon Chamber of Commerce, Baker College Culinary Arts School, residential condominiums, and a live/work town home development. Site Assessment Funds were subsequently used to facilitate the acquisition and development of these projects, and are further described below in this report. The site is being marketed as a multi-development site and there are still lots available.

The property was consolidated into one parcel for the DMDC project, and has been re-parceled to facilitate sale and redevelopment. New Parcel Numbers and addresses are listed below.

2004 taxable value \$271,811

2008 taxable value \$1,040,452

2009 True Cash Value of \$12,712,175.

**DMDC Redevelopment Project  
Former Muskegon Mall  
Parcel Numbers & Addresses**

Old Parcel	Parcel	Project Name	Address
T10N R16W S 19 SE 1/4	24-234-000-0007-00	Muskegon City Center (Former Mall)	771 Terrace
T10N R16W S 19 SE 1/4	24-234-000-0008-00	Muskegon City Center (Former Mall)	256 Market
T10N R16W S 19 SE 1/4	24-234-000-0009-00	Muskegon City Center (Former Mall)	242 W Western
T10N R16W S 19 SE 1/4	24-234-000-0000-00	Muskegon City Center (Former Mall)	No Address
T10N R16W S 19 SE 1/4	24-234-000-0005-00	Baker College	801 Terrace
T10N R16W S 19 SE 1/4	24-234-000-0004-00	Muskegon City Center (Former Mall)	208 W Clay
T10N R16W S 19 SE 1/4	24-234-000-0003-00	Parkland Muskegon LLC (Highpoint Flats)	241 W Western
T10N R16W S 19 SE 1/4	24-234-000-0002-00	Parkland Muskegon LLC (Highpoint Flats)	255 W Western
T10N R16W S 19 SE 1/4	24-234-000-0001-00	Parkland Muskegon LLC (Highpoint Flats)	285 W Western
T10N R16W S 19 SE 1/4	24-233-000-0015-00	Muskegon City Center (Former Mall)	295 W Western
T10N R16W S 19 SE 1/4	24-233-000-0014-00	Muskegon City Center (Former Mall)	299 W Western
T10N R16W S 19 SE 1/4	24-233-000-0013-00	Muskegon City Center (Former Mall)	307 W Western
T10N R16W S 19 SE 1/4	24-233-000-0012-00	Muskegon City Center (Former Mall)	325 W Western
T10N R16W S 19 SE 1/4	24-233-000-0011-00	National City Bldg/MAC (2009 combine with 24-205-000-0000-00)	333 W Western
T10N R16W S 19 SE 1/4	24-233-000-0024-00	Muskegon City Center (Former Mall)	292 W Western
T10N R16W S 19 SE 1/4	24-233-000-0023-00	Muskegon City Center (Former Mall)	331 Morris
T10N R16W S 19 SE 1/4	24-233-000-0022-00	Muskegon City Center (Former Mall)	363 Morris
T10N R16W S 19 SE 1/4	24-233-000-0001-00	Muskegon City Center (Former Mall)	387 Morris
T10N R16W S 19 SE 1/4	24-233-000-0002-00	Muskegon City Center (Former Mall)	401 Morris
T10N R16W S 19 SE 1/4	24-233-000-0006-00	Western Ave. Properties LLC	350 W Western
T10N R16W S 19 SE 1/4	24-233-000-0005-00	Century Club	356 W Western
T10N R16W S 19 SE 1/4	24-233-000-0004-00	Russell Block Dev. LLC	360 W Western
T10N R16W S 19 SE 1/4	24-233-000-0025-00	Russell Block Dev. LLC	376 W Western
24-432-000-0000-00		Muskegon Chamber Bldg	380 W Western
24-432-000-0004-00		Muskegon Chamber Bldg	380 W Western
T10N R16W S 19 SE 1/4	24-233-000-0000-00	Muskegon City Center (Former Mall)	380 W Western
T10N R16W S 19 SE 1/4	24-233-000-0009-00	Baker College	336 W Clay
T10N R16W S 19 SE 1/4	24-233-000-0008-00	Sidock Properties	379 W Western
T10N R16W S 19 SE 1/4	24-233-000-0007-00	Muskegon City Center (Former Mall)	351 W Western

T10N R16W S 19 SE 1/4	24-233-000-0010- 00	Baker College	312 W Clay
24-431-000-0000-00		Heritage Square	
T10N R16W S 19 SE 1/4	24-233-000-0016- 00	Heritage Square	296 W Clay
T10N R16W S 19 SE 1/4	24-233-000-0020- 00	Heritage Square	887 1st
24-431-000-0007-00		Heritage Square	
24-431-000-0006-00		Heritage Square	
24-431-000-0005-00		Heritage Square	
24-431-000-0002-00		Heritage Square	
24-431-000-0001-00		Heritage Square	
24-431-000-0003-00		Heritage Square	
24-431-000-0004-00		Heritage Square	
24-431-000-0008-00		Heritage Square	

**350-366 Western Ave.**  
**Western Avenue LLC**

**Grant Info: Phase I & II ESA, BEA, Due Care Plan**  
**Grant Funds: \$35,000 Summer 2006**

City of Muskegon #2060483G. Photographic log of units 4, 5, 6, and 25, all located on Western Avenue, Muskegon, Muskegon County, Michigan, 49440. Photographs taken on June 29, 2006 by Tom Cecil of Prens&Newber.



View of the front of the Property facing Western Avenue, looking northwest. From right to left, the buildings are the Muskegon Savings Bank, Century Club, and the Daniels Building.



From right to left, front view of the Muskegon Savings Bank, Century Club, and the Daniels Building, looking southwest down Western Avenue.

**2006**



**2009**

Western Avenue Properties, LLC proposed to redevelop three adjoining buildings on the former Muskegon Mall: the Muskegon Savings Bank, the Century Club, and what was known most recently as the Daniels Building. These three buildings were saved by city and community leaders as a remnant of historic downtown Muskegon when the old Muskegon Mall was razed in 2004 and represent three of only five buildings remaining on the 23 acre site. The Century Club and the Daniels building were both built in the late 1800's. The Muskegon Savings Bank building was constructed in 1908. Each building is very unique: three distinct architectural styles are represented in the three adjoining buildings; early 20th Century Commercial façade of the Russell Block building, the Victorian style façade of the Century Club and the Beaux Arts style of the Muskegon Savings Bank. These are highly visible and significant projects for the future of downtown Muskegon, and their redevelopment provides a major stimulus to development of the new Downtown Muskegon. The plans included preserving and/or restoring all three facades in a manner consistent with the time period in which they were originally constructed.

The restoration of the Century Club has been completed and now houses Hegg's Furniture. The restoration of the Muskegon Savings Bank and Daniels Building are also completed. The Russell Block Market is slated to open in 2010. Total investment in property acquisition and restoration was \$5.5 million. Six full-time jobs were created; more jobs will be created as the properties continue to add occupants.

Parcel #24-233-000-0006-00	Taxable Value 2004:	\$0
#24-233-000-0005-00	True Cash Value 2009:	\$716,035 (Ren Zone)
#24-233-000-0004-00		

333 Western  
Former National City Bank Building

Grant Info: Phase I ESA.  
Grant Funds: \$2,950 Spring 2007



**2007**



**2009**

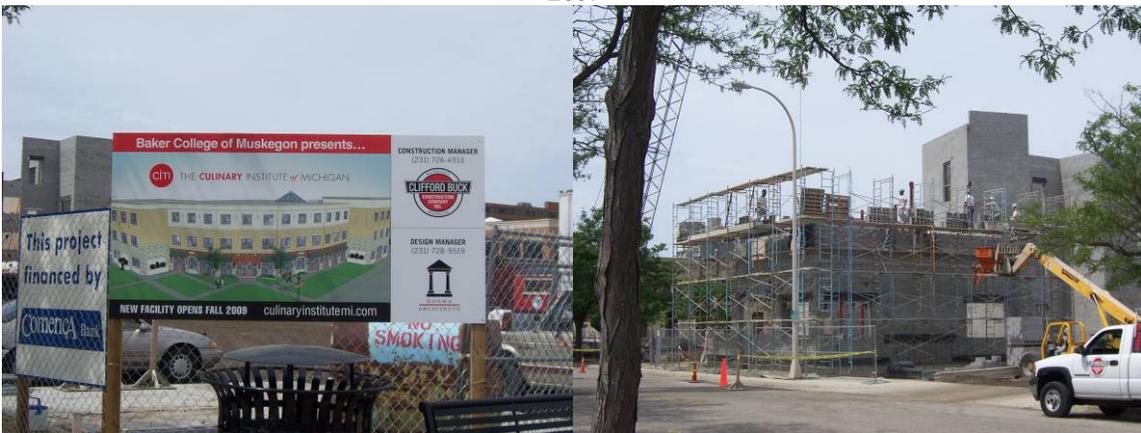
Windberg Construction of Montague, Michigan acquired the former National City Bank building, located on the former Muskegon Mall property. This is one of the few buildings that was not razed in the preparation of the new Muskegon downtown area. Windberg proposed to renovate the building for retail, office, and restaurant use. Investments in property improvements to date total \$1 million. Project build-out on first floor has been completed, and the popular Michigan Athletic Club restaurant opened on the street level of the property in September 2008. Windberg continues to market the office and commercial space available on the upper floors.

Parcel #24-233-000-0011-00 2004 Taxable Value \$0 2008 Taxable Value \$24,400  
Renaissance Zone

**312 & 336 Clay; 801 Terrace**  
**Baker College Culinary Institute of Michigan**  
Grant Info: 3 Phase I & II ESAs, 2 BEAs, 2 Due Care Plans  
Grant Funds: \$34,371 Spring 2007



2007



2008



September 2009  
Grand Opening Celebration

### **312 & 336 Clay; 801 Terrace** **Baker College Culinary Institute of Michigan (Cont'd.)**

In late 2006, Baker College undertook an initiative to transition its successful Culinary Arts program from an on-campus setting (located on the northeast side of Muskegon, east of U.S. 31) to downtown Muskegon, a more urban environment. Estimated capital costs for the new, 2-story brick building were \$3-5 million. There were 7-10 staffers and over 200 students from throughout the country enrolled in the program in 2006. These culinary arts students would be attending classes and running their restaurant (currently called the Marquette Room) right in the heart of Muskegon's Downtown area, located at the corner of 3rd and Clay Ave, in the location of the former Muskegon Mall.

In September, 2009, Baker College of Muskegon opened its **\$11 million** Culinary Institute of Michigan. The 40,000 square foot, three story facility at 336 West Clay features state-of-the-art kitchen and classroom facilities, and five-star instructors that school officials hope will someday attract culinary arts students from the around the world. In addition to

four lecture classrooms, the institute houses three hot food labs, a temperature-and humidity-controlled chocolate and sugar lab, a demo lab and a restaurant lab. The lecture area also houses the Culinary Innovations Center, a state-of-the art high definition recording demonstration kitchen. The student-operated Courses restaurant and The Sweet Spot bakery, both housed in the new culinary arts building, are open to the public. They have both been so successful that they have expanded their hours of operation; and reservations are required if you want to get a seat!

The 528 students enrolled for Fall 2009 classes exceeded school officials initial goal of 300 students; the facility was built to accommodate up to 750 students per day. 11 positions in the area of culinary instruction and management were transferred to the downtown location, and approximately 12 new jobs were created.

Students attending classes downtown means there will be people downtown every day, bringing life, energy, and renewed activity in Downtown Muskegon. The Culinary Institute of Michigan is a key project in the revitalization of Muskegon's Downtown.

Further information and photos of the Culinary Institute of Michigan can be found at its website: <http://www.culinaryinstitutemi.com>.

Parcel #24-233-000-0009-00	Taxable Value 2004: \$0
Parcel #24-233-000-0010-00	Taxable Value 2008 \$716,035
Parcel #24-234-000-0005-00	True Cash Value 2009 \$559,891
	Renaissance Zone

**380 W. Western**  
**Muskegon Chamber of Commerce**

Grant Info: Phase I & II ESAs, BEA, Due Care Plan  
 Grant Funds: \$15,850 Spring 2007



2007

2009



2009

A group of investors from Grand Haven proposed to construct the "Muskegon Chamber Building". This building was a cornerstone of the redevelopment of the former Muskegon Mall, located at the corner of 3rd and Western, across the street from the Holiday Inn and the Frauenthal Theatre.

Muskegon Chamber Building LLC, (Members: David Ten-Gate, Michael Teeter, Andy Zorn, Jeff Buck, and Bob Hermann, all local businessmen), invested \$4 million in construction of the building, including interior build-out for its first two occupants, the Muskegon Chamber of Commerce and a Grand-Rapids based business satellite office. There is 9,000 square feet of office space on the second floor; and 9,000 square feet of retail space on the ground floor. The building now boasts full occupancy, with a Subway restaurant on the first floor.

Parcel # 24-432-000-0000-00  
 Parcel #24-432-000-0004-00

Taxable Value 2004    \$0  
 True Cash Value        \$4,636,343  
 Renaissance Zone

## 276, 290, 296 W. Clay Ave.; 887, 889 First Street

### Heritage Square Townhomes:

Grant Info: Phase I & II ESAs, BEA, Due Care Plan and Documentation

Grant Funds: \$32,929 Fall 2008



View of the Property and adjacent abandoned building to the south.



View of the Property and St. Mary's Rectory across Clay Avenue to the northeast.

2008



2009

Heritage Square Development LLC (Principal is Gary Post, a well respected Muskegon-based builder and developer) proposed a 16 unit, town-home style condo development located in the former Mall in Downtown Muskegon on the north side of Clay Ave., between Second and First Streets. Heritage Square Development would offer a live/work environment that would appeal to professionals, "budding" entrepreneurs, artists, and small retailers as an opportunity to combine both their living and work expenses in one mortgage - in the heart of Muskegon's cultural center. Each unit would be between 1500 and 2400 square-feet plus full basements and garages. The development also includes common space for parking and recreation.

Groundbreaking was in Spring, 2008 - just before the bottom fell out of the housing market. Currently, one townhome is complete and occupied. The second is 60% complete. Ground has been broken and foundations poured for two more, both with buyers. Now that the housing market is starting to re-bounce, there are several other interested parties and Mr. Post anticipates a number of other purchase agreements will be signed in the next few months. An extension of the Renaissance Zone status for this project was also approved.

## Heritage Square Townhomes (Cont'd.)

Investment to date is approximately \$1.25 million; on full build-out, investment is estimated at \$6.2 million.

Parcel	#24-431-000-0000-00	#24-431-000-0005-00	#24-431-000-0008-00
	#24-233-000-0016-00	#24-431-000-0002-00	
	#24-233-000-0020-00	#24-431-000-0001-00	2004 Taxable Value: \$0
	#24-431-000-0007-00	#24-431-000-0003-00	2008 Taxable Value: \$32,530 (Ren Zone)
	#24-431-000-0006-00	#24-431-000-0004-00	2009 True Cash Value: \$508,921

### Sidock Building - 379 W. Western:

Grant Info: Phase I & II ESA, BEA, Due Care Plan

Grant Funds: \$20,800 August 2007



2006



2008

Sidock Group, an engineering and architectural firm with offices in Novi and Muskegon, was looking for a permanent location for their Muskegon office. As a result, Sidock proposed the development of an approximately 15,500 square foot building on the northeast corner of Third Street and West Western Avenue, located on one of the most highly visible DMDC property's in Downtown Muskegon, located across from the Frauenthal Theatre. The first

## Sidock Building (Cont'd.)

floor was planned for street level retail-type uses, and the second level for Sidock's offices.

The Sidock Building has been completed, and the new Sidock Group offices opened in September 2008. Approximately \$2 million was invested in the building, and 18 full-time professional staff at Sidock now occupies the second floor. First floor leased space is currently being marketed.

Parcel # 24-233-000-0008-00    2004 Taxable Value: \$0    2009 True Cash Value: \$1,561,973  
Renaissance Zone

## Muskegon Lakeview Condos

591, 605, 607 W. Western, 1150 7<sup>th</sup> Street

Grant Info: Four Phase I ESA's    August 2007

Grant Funds: \$10,714



2007

Comprised of several properties, one of those being the historical Muskegon Hotel, Murray Swiftney's proposed Muskegon Lakeview Condos was proposed as a mixed use development consisting of both commercial and residential ownership. Mr. Swiftney projected a total investment of \$18-22 million in this project; that 40-50 residents would occupy the condominiums; that the retail space would generate 150-200 full and part-time jobs; and that office use would create some 20-40 employees. Mr. Murray had already purchased the Muskegon Hotel property, and approached the City for environmental assessment assistance in acquiring the remaining properties necessary for the development. Unfortunately, due to market conditions and other factors, the project did not materialize. Due to its dangerous building condition, the historic Muskegon Motel was demolished.

Parcel #24-205-316-0004-00	2004 Taxable Value \$0
#24-205-316-0007-00	2008 Taxable Value \$160,946
#24-205-316-0008-00	2009 True Cash Value \$288,404
#24-205-316-0013-00	

**High Point Flats (Previously Hackley Tower Condos)**  
**241, 255, 285 Western Avenue**

**Grant Info: Phase I and II ESA, BEA, Due Care Plan**  
**Grant Funds: \$17,277 Fall/Winter 2007**



2007



2007

2011 rendering

The former Hackley Bank building is the tallest remaining building on the DMDC Downtown Muskegon property (7 floors). Mr. Jonathon Rooks (Parkland Muskegon LLC - [www.parklandgr.com](http://www.parklandgr.com)), a well-known Grand Rapids developer, has proposed renovation of this historical bank building for residential condos. Mr. Rooks requested and received approval by the City and the State to extend the Renaissance Zone status of this property. (The property is comprised of three parcels, or "units" of the DMDC property.) Mr. Rooks' Grand Rapids projects include the City View condos, Monroe Terrace Condos, Boardwalk Condos, and the Union Square Condos; all are very successful redevelopment projects located downtown Grand Rapids. The High Point Flats project is projected to result in 36 residential condos. To date, Parkland Muskegon LLC has invested approximately \$340,000 in building renovation. \$7.7 million in improvements are projected over the next 18 months. Condo pre-sales are in progress; currently 33 reservations have been accepted. Construction is expected to begin in fall of 2010 and be completed in late 2011. Parkland also estimates 10-14 full time jobs in the retail space after build-out.

Parcel #24-234-000-0003-00	2004 Taxable Value	\$0
#24-234-000-0002-00	2008 Taxable Value	\$146,500 (Ren Zone)
#24-234-000-0001-00	2009 True Cash Value	\$290,355

## J-2 Homes Development

### 781 Terrace St.

Grant Info: Phase I and II ESA, BEA, Due Care Plan

Grant Funds: \$18,824 Winter 2007 - Spring 2008



2007

J2 Homes Development & Construction Co. LLC proposed acquiring the DMDC Unit 6 Parcel, 781 Terrace St., located on the north end of the former Mall at the corner of Western Avenue and Terrace Street. This rather large parcel (1.4 acres) is located just southeast of the Downtown Muskegon U.S. Post Office, and northeast of the High Point Flats project. J2 Homes proposed a two-phased project. The first phase would consist of residential townhouses, with an investment of \$1.6 million. The second phase was comprised of residential (apartments) and commercial mixed use development, valued at \$1 million.

Unfortunately, the timing of the project was such that the developer was unable to obtain financing, in the wake of the banking crisis and housing collapse. The property remains available for sale by DMDC.

Parcel #24-234-000-0007-00

## West Village Mall 2500 Henry St.

**Grant Info: Phase II ESA, BEA, Due Care Plan**  
**Grant Funds: \$58,700 Summer 2006**



**2006**

**2009**

2500 Henry Street is an 11-acre property prominently located at the intersection of Sherman Boulevard and Henry Street in the City of Muskegon. It is commonly known as the West Village Mall. The "mall" is comprised of 3 separate buildings (one of them vacant) comprising 135,000 feet of floor space. Over the past several years, the condition of the mall and its tenant base had significantly deteriorated. After the former owner defaulted in its loan obligations, Irwin Union Bank took possession of the property in a foreclosure action in 2005. Since that time, the bank had been unable to fully lease the facility; at the time this project was added to the SAF program in 2006, the mall had 50,000 square feet of unoccupied space. Equity Investment Group proposed to invest \$3-4 million over the next several years to upgrade the property.

The property had a long history of commercial use, including an automobile repair facility, and was known to be a "facility". The property was historically used for the disposal of foundry sand, with a majority of the mall buildings and parking lot constructed over this material. A Phase II ESA, BEA, and Due Care Plan were completed on behalf of EIG in Summer of 2006.

The property was purchased by EIG for \$4.5 million. The development results have been mixed; 2 new stores have been added, most notably a Marine Supply Store. However, other stores have been closed. EIG continues to actively market the property.

Parcel #24-131-300-0039-00

Taxable Value 2004: \$2,588.378

True Cash Value 2008: \$3,354.219

## 2501 and 2410 Henry Street Betten Automotive Dealerships Project

**Grant Info: 2501 Henry: Phase I & II ESA, BEA, Due Care Plan**

**Grant Funds: \$27,400 Fall/Winter 2006-2007**

**2410 Henry: Phase I and II ESA, BEA, Due Care Plan**

**Grant Funds: \$18,100 Spring/Summer 2008**



**2007**



**2009**



**2008**



**2009**

Betten Chevrolet/Cadillac proposed the expansion of its automobile dealership, located in the City of Muskegon at 2474 Henry Street. Betten owns greenfield property located outside the City near the Lakes Mall in Fruitport Township, and had been considering moving the dealership there to facilitate its expansion. At the time of the proposal, Betten employed 90 people in the City of Muskegon, and was the City's largest payer of City income taxes. Betten's proposal included upgrade and expansion of the existing dealership, acquisition of two properties, and construction of new Honda and Hyundai dealerships and a Used Car dealership. 2410 Henry St., formerly the Doo Drop Inn restaurant, is located adjacent to the Betten dealership, and that property was needed to expand the Chevrolet new car dealership and body shop. The proposal also included the purchase of the property at 2501 Henry Street, located across the street from the existing Betten Chevrolet and formerly the location of Tom Miller Pontiac/GMC/Honda. This property would become the

**2501 and 2410 Henry Street**  
**Betten Automotive Dealerships Project (cont'd.)**

location of the Used Car dealership, and new Honda and Hyundai dealerships. The East side project, which included the expansion of the Chevrolet new car dealership and body shop, is complete.

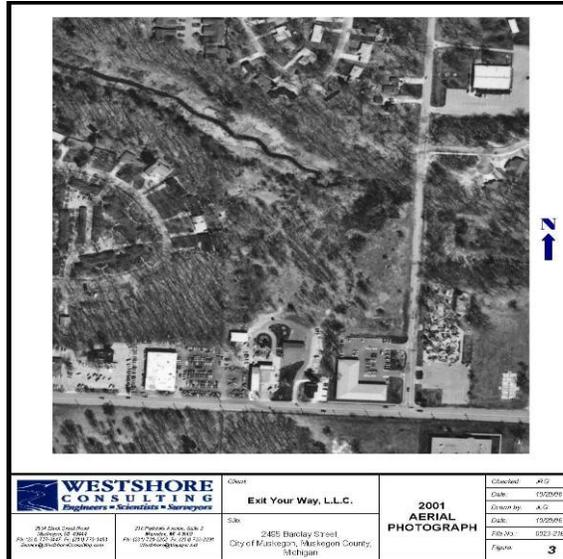
The West side project, which included acquisition of the 2501 Henry St. property for the Honda/Hyundai dealerships, is now under construction. This portion of the project was delayed due to the financial crisis within the auto industry, but is now underway with completion anticipated for summer 2010.

The Betten Brownfield Plan (adopted May 2008) identifies private investment of over \$13 million for the project, with \$3 million in eligible activities for MDEQ and MEGA Brownfield TIF activities, and over \$9.2 million in eligible investments for Michigan Business Tax Credits. MEDC approved the MEGA work plan on June 17, 2008. MDEQ approved an Act 381 Work Plan for the project on July 14, 2008; that work plan also serves as the Muskegon Brownfield Loan Work Plan, which was approved for \$250,000 July 16, 2008. A Brownfield Michigan Business Tax Credit has also been approved by the MEDC.

Parcel #24-036-400-0029-00	Taxable Value 2004	\$352,641	True Cash Value 2009	\$962,349
Parcel #24-131-300-0035-00	Taxable Value 2004	\$334,800	True Cash Value 2009	\$273,250
Parcel #24-131-300-0037-00	Taxable Value 2004	\$426,829	True Cash Value 2009	\$1,645,628

## Ruddiman Creek Condos

**Grant Info: Phase I & II ESA, BEA, Due Care Plan**  
**Grant Funds: \$26,700 Fall 2007-Winter 2008**



**2007**

The Ruddiman Creek Condo project, located at 2495 Barclay St., Muskegon, involves a 21-unit residential condominium development along Ruddiman Creek proposed by Exit Your Way LLC. This property was the site of a State/Federal funded drum removal as part of the Ruddiman Creek sediment removal project. A Phase I ESA identified the former drum disposal area as a Recognized Environmental Condition, and indicated that additional evaluation should be undertaken prior to development. Exit Your Way LLC estimated investment of \$2.2 million dollars in this urban residential development.

Unfortunately, due to economic conditions and the drastic downturn in new housing construction, the project is on hold pending recovery of the housing market.

Parcel #24-746-000-0000-00  
 Parcel #24-036-400-0007-00

Taxable Value 2004: \$11,525  
 Taxable Value 2008: \$72,700

## 1981 Port City Boulevard Fleet Engineers

**Grant Info: Phase I and II ESAs, BEA, Due Care Plans  
\$28,500 Grant Funds; Spring 2006**



Fleet Engineers, Inc., a longtime, medium size manufacturing firm based in Muskegon, was able to expand its operations onto long-vacant property located at 1981 Port City Blvd., located adjacent to Fleet's existing manufacturing operations located at 1800 E. Keating . Fleet invested \$617,100 in property acquisition, modification and expansion of its existing manufacturing building. Property improvements included adding 30,000 square feet of manufacturing space, which accommodated new product lines, and conversion of the existing building at 1981 Port City Blvd. to warehousing. This new warehousing space allowed Fleet to grow its product line through the space freed up for additional equipment and product lines, resulting in the retainage of Fleet's 88 employees in the City of Muskegon. 3 additional jobs were created, and affiliate LEE Industries (housed in the same location and providing packaging, assembly and finishing for Fleet) was able to retain its 18 employees. The Site Assessment Fund efforts were key to keeping a Muskegon business in the City, retaining over 100 manufacturing jobs, allowing Fleet to add new product lines, and stimulating investment in a long-vacant industrial property.

Parcel # 24-691-000-0016-00  
2004 Taxable Value: \$343,000  
2009 True Cash Value: \$482,166

## 351 West Laketon AeroFoil International

**Grant Info: Phase I & II ESA, Indoor Air Sampling;  
\$41,600 Grant Funds, Summer and Fall, 2006**



**Summer 2004**

351 W. Laketon was formerly a part of the Federal Mogul operations, and was known to be a "facility" through extensive investigation and cleanup activities conducted previously. Federal Mogul remains a liable party at this site, and was involved in undertaking response activities. Aerofoil International (a young fast-growing Muskegon aerospace tooling manufacturer), was leasing property adjacent to 351 W. Laketon and was interested in acquiring this property, which was more suitable for their needs. The project was added to the SAF project on 5/4/06, and a work plan for Phase I and II ESA, BEA and Due Care activities was approved 7/13/06. Phase II Environmental Site Assessment soil sampling indicated the potential for unacceptable exposures of trichloroethylene (TCE) in indoor air in the building. Due to these site conditions and sampling results, a supplemental work plan for response activities to conduct indoor air sampling was approved by MDEQ on 10/12/06. The indoor air sampling indicated detectable concentrations of TCE in indoor air. As a result, Aerofoil International decided not to pursue acquisition of this property.

**1920 Port City Boulevard**  
**AeroFoil International**

**Grant Info: Phase I and II ESA, BEA, Due Care Plan**  
**\$30,300 Grant Funds, February - September 2007**



**2007**



**2010**

Aero Foil International, after having decided not to move forward with its acquisition of 351 West Laketon, indicated their preference to stay within the City of Muskegon to relocate its fast-growing business. As a result, Aero Foil expressed interest in the acquisition of property in Muskegon's Port City Industrial Park, 1920 Port City Boulevard. This property, known as the Mills Manufacturing building, was vacant due to bankruptcy. AeroFoil determined that the 30,000 square foot building was quite suitable for its operations, including future anticipated growth. ERM conducted a Phase I ESA in early January, 2007. A Phase II ESA/BEA/Due Care workplan was approved by MDEQ 1/26/06. The BEA was completed 2/6/07; the Due Care plan was somewhat delayed, pending completion of site cleanup work. Foundry waste piles were removed by the former property owner on 7/11/07. A Due Care Plan was completed in September, 2007.

The building and site redevelopment by AeroFoil is complete. Since the move and expansion, sales increased from \$1.6 million in 2006 to \$4.3 million in 2008. 14 existing, high paying jobs were retained, and 13 additional jobs were created. \$1,479,000 was invested by AeroFoil in property acquisition, building improvements, and equipment purchases.

Parcel #24-691-000-0005-00  
Taxable Value 2004: \$343,000  
True Cash Value 2008: \$304500 (Real property only)

## 2350 Getty - Port City Architectural Signs:

Grant Info: Phase I and II ESA, BEA, Due Care Plan

Grant Funds: \$11,700 Summer 2007



2007



2009

Port City Architectural Signs (a golf signage company) is interested in relocating its business to 2350 S. Getty in Muskegon. They currently manufacture signs, but are interested in also making their own castings in the new location. They currently employ 5 FTEs, but plan on adding 5 FTE's with the casting operations, and subsequently more employees with the anticipated business increase. Estimated investment in improving the 2350 Getty property was \$350,000.

Port City Signs moved to its new location on S. Getty, and is in complete production. They invested \$325,000 property improvements, and hired 3 new employees. Port City Signs is currently interested in purchasing additional property to its north to facilitate further expansion.

Parcel #24-133-300-0010-00

2004 Taxable Value: \$63,200

2009 True Cash Value \$230,753

The following is an article published last December (2009) in the Muskegon Chronicle.

## Muskegon doing pretty well downtown

Dec 24, 2009  
Muskegon Chronicle  
Steve Gunn

Cynical people like to say that Muskegon does everything backward.. That may be true, but this time we can honestly say that it's working in our favor.

Anyone who's been downtown recently must admit that the area has dramatically improved. And amazingly, all of the growth has occurred in the midst of a severe economic downturn. While the rest of the nation is mired in the economic mud, our forgotten downtown has risen from the ashes, with great prospects for continued growth.

That's backward old Muskegon for you.

Some may be too young to remember, but downtown Muskegon was once a booming retail center, particularly during the holiday seasons. I recall Christmas shopping with my parents on Western Avenue, with huge crowds pouring into department stores like Hardy Herpolsheimers and Grossmans.

The former Muskegon Mall, which replaced a section of Western Avenue in the 1970s, also attracted large numbers for a time. Remember when the mall had full occupancy on the main floor, as well as specialty shops and restaurants on the upper and lower levels? Yes, Virginia, there really was a Muskegon Mall, and people really shopped in stores like Mr. Brother Man, Peepers Incorporated and the So-Fro Fabric Shop.

Then came the dark days for downtown

Pedestrian traffic dwindled in the late '90s and early 2000s, after the opening of The Lakes Mall and similar establishments in Fruitport Township. Store after store left the downtown mall until it was little more than an enclosed ghost town. Finally the mall closed in 2002, and its Chicago-based owner added insult to injury by chaining off the huge parking lots surrounding the building. Then came the demolition of most of the mall, followed by a lengthy period when huge, embarrassing sand hills covered the 23 acres where the structure once stood.

Muskegon's center looked like it was hit on 9/11, but nobody flew any planes into our city. It imploded and died all on its own.

There have been false starts at rebuilding since then. Remember all the talk about downtown casinos, aquariums and baseball stadiums, back when there was money galore for those types of projects? None of it ever materialized, and the economy hit the skids. That's when our downtown, of all places, suddenly bounced back to life.

Local governments, organizations and key individuals started cooperating on plans to rebuild the area. That led to the re-establishment of the lost section of Western Avenue and several side streets, complete with new sidewalks, light fixtures and parking spaces. Those improvements seemed to open the floodgates for all the new development that's occurred over the past few years.

You say you haven't been downtown lately? You have to check out the fantastic new Baker College Culinary Institute of Michigan, the Sidock Building and the Hines Building where the Muskegon Area Chamber of Commerce is located.

The Chamber building, I'm told, now has full occupancy, including a Subway restaurant. You know there are signs of renewed civilization when Subway moves in. There's also the old Century Club, converted to a new home for Hegg's Gallery of Fine Furniture; the old National City Bank building, now home to the Muskegon Athletic Club restaurant/bar; and the old Comerica Bank building, which will soon be home to eight floors of urban condos.

Let's not forget the new artwork, including the very cool sculpture of Muskegon benefactor Charles Hackley sitting on a bench at Third and Clay, staring at the park he donated. There's plenty of room for others to sit next to Chuck, and he looks like he would be a great listener.

Our new downtown still needs work and polish. Holes must be filled and more retail stores attracted, but it's a great new start at a very crucial time for backward old Muskegon.