

CITY OF MUSKEGON

CITY COMMISSION MEETING

SEPTEMBER 27, 2011

CITY COMMISSION CHAMBERS @ 5:30 P.M.

AGENDA

- ❑ CALL TO ORDER:
- ❑ PRAYER:
- ❑ PLEDGE OF ALLEGIANCE:
- ❑ ROLL CALL:
- ❑ HONORS AND AWARDS:
- ❑ INTRODUCTIONS/PRESENTATION:
- ❑ CONSENT AGENDA:
 - A. Approval of Minutes. CITY CLERK
 - B. City-MDOT Agreement for the Resurfacing of Terrace Street from Apple to Western. ENGINEERING
- ❑ PUBLIC HEARINGS:
 - A. Request to Establish an Obsolete Property District for 41 E. Apple Avenue. PLANNING & ECONOMIC DEVELOPMENT
 - B. Request to Issue an Obsolete Property Certificate for J&J Bail Bonds, 41 E. Apple. PLANNING & ECONOMIC DEVELOPMENT
 - C. Request for an Industrial Facilities Exemption Certificate for Fleet Engineers, Inc. PLANNING & ECONOMIC DEVELOPMENT
(REMOVED PER REQUEST OF STAFF)
- ❑ COMMUNICATIONS:
- ❑ CITY MANAGER'S REPORT:
- ❑ UNFINISHED BUSINESS:
 - A. TABLED FROM JULY 26: Concurrence with the Housing Board of Appeals Notice and Order to Demolish 407 Marquette Avenue. CITY MANAGER
- ❑ NEW BUSINESS:
 - A. Resolution for Continuation of City Personal Income Tax Incentive within City Renaissance Zones. PLANNING & ECONOMIC DEVELOPMENT

B. Concurrence with the Housing Board of Appeals Notice and Order to Demolish the Following: CITY MANAGER

163 Amity Avenue

122 E. Southern Avenue

1877 Smith Street (Garage)

❑ ANY OTHER BUSINESS:

❑ PUBLIC PARTICIPATION:

- *Reminder: Individuals who would like to address the City Commission shall do the following:*
- Fill out a request to speak form attached to the agenda or located in the back of the room.
- Submit the form to the City Clerk.
- Be recognized by the Chair.
- Step forward to the microphone.
- State name and address.
- Limit of 3 minutes to address the Commission.
- (Speaker representing a group may be allowed 10 minutes if previously registered with City Clerk.)

❑ CLOSED SESSION:

❑ ADJOURNMENT:

ADA POLICY: THE CITY OF MUSKEGON WILL PROVIDE NECESSARY AUXILIARY AIDS AND SERVICES TO INDIVIDUALS WHO WANT TO ATTEND THE MEETING UPON TWENTY FOUR HOUR NOTICE TO THE CITY OF MUSKEGON. PLEASE CONTACT ANN MARIE CUMMINGS, CITY CLERK, 933 TERRACE STREET, MUSKEGON, MI 49440 OR BY CALLING (231) 724-6705 OR TTY/TDD: DIAL 7-1-1 AND REQUEST A REPRESENTATIVE TO DIAL (231) 724-6705.

Date: September 27, 2011
To: Honorable Mayor and City Commissioners
From: Ann Marie Cummings, City Clerk
RE: Approval of Minutes

SUMMARY OF REQUEST: To approve minutes of the September 12th Commission Worksession Meeting and the September 13th City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

City of Muskegon
City Commission Worksession
September 12, 2011
City Commission Chambers
5:30 PM

MINUTES

2011-61

Present: Commissioners Warmington, Gawron, Wierengo, Carter, Spataro, Shepherd, and Wisneski.

Absent: None.

Next Michigan-Ed Garner and Rick Chapla.

Ed Garner and Rick Chapla gave a presentation on Next Michigan, a new regional development corporation by inter-local agreement.

It is hoped that Muskegon County and Kent County will develop an agreement to partner in this program.

It is expected that an application will be sent to the State of Michigan by December 31, 2011.

The City Commission asked several questions about the program. No action was taken at this time.

Audit Contract Extension.

Brickley DeLong is currently the City of Muskegon's auditing firm. There is a long term working relationship with the two organizations that has worked very well for the City. Staff would like to continue by extending the current agreement until 2016 with a reduction of the current cost to the City.

This item will be considered by the City Commissioners at its next City Commission meeting to be held on September 13, 2011.

Financial Policies Update.

Tim Paul, Finance Director, gave an overview of the proposed changes to the current Financial Policies. They include raising the General Fund reserve policy from 10% to 13%, changes to policies to be in compliance with GASB, streamlining the City's investment policy, standardizing staff write-off accounts, and formalization of policies regarding water/sewer issues.

This item will be considered by the City Commissioners at its next City Commission meeting to be held on September 13, 2011.

Personal Property Taxes.

Staff was instructed to write a resolution asking the Legislature and the Governor to re-consider reducing revenue to local units of government from the Michigan Personal Property Tax with the passage of an amendment of the Michigan Constitution to protect the full amount of replacement revenue.

This item will be considered by the City Commissioners at its next City Commission meeting to be held on September 13, 2011.

Renaissance Zone Discussion.

With the elimination of the Michigan Business Tax and the implementation of the Corporate Income Tax on January 1, 2012, businesses located in Renaissance Zones may be impacted by the new tax structure.

Staff was instructed to write a resolution authorizing the City to continue providing the City personal income tax benefits with Renaissance Zones for the life of each Zone.

Adjournment.

Motion by Commissioner Carter, seconded by Commissioner Shepherd to adjourn at 6:25 p.m.

MOTION PASSES

**Ann Marie Cummings, MMC
City Clerk**

CITY OF MUSKEGON

CITY COMMISSION MEETING

SEPTEMBER 13, 2011

CITY COMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Tuesday, September 13, 2011.

Mayor Warmington opened the meeting with a prayer from Mr. George Monroe from Evanston Avenue Baptist Church after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

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

2011-62 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve minutes of the City Commission Meeting that was held on Tuesday, August 23, 2011.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. Audit Contract Extension. FINANCE

SUMMARY OF REQUEST: The City is in the final year of its contract for audit services with Brickley DeLong. The firm has approached the City with a proposal to extend the contract for five years. This proposal includes a reduction of \$4,300 in the fee for the audit currently underway (FY 2011), if the City agrees to the extension. Also, fees for the next five years are lower than the previously agreed to fee for FY 2011.

The City has had a successful partnership with Brickley for several years and has enjoyed a smooth and efficient annual audit process. With staff reductions and increased demands on staff time, we think it is prudent to continue this

relationship. Additionally, Brickley is a major downtown employer and the only CPA firm located in the City that has a significant presence in the government auditing field.

FINANCIAL IMPACT:

Fiscal Year	2011	2012	2013	2014	2015	2016
Previously Agreed To Fee	\$37,875	-	-	-	-	-
Proposed Fee	\$33,575	\$32,400	\$33,275	\$34,150	\$35,350	\$36,550

BUDGET ACTION REQUIRED: No action is required for the current year (2012) budget. Future budgets will include the amounts shown above.

STAFF RECOMMENDATION: Approval of the proposed contract extension with Brickley DeLong.

E. Congress of Cities Voting Delegate. CITY CLERK

SUMMARY OF REQUEST: To designate Commissioner Shepherd who will be in attendance at the National League of Cities Annual Business Meeting on Saturday, November 12th, to cast the City's vote.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval.

F. Accept Resignation and Make Appointments to Various Boards and Committees. CITY CLERK

SUMMARY OF REQUEST: To accept the recommendation from the Community Relations Committee made at their meeting held on September 12, 2011, to accept the resignation of Stephen Warmington Jr. from the Income Tax Board of Review and appoint Paul Edbrooke to the Downtown Development Authority and Irene Navaro to the Citizen's Police Review Board.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To concur with the Community Relations Committee recommendations.

G. Michigan's Personal Property Tax. CITY MANAGER

SUMMARY OF REQUEST: Request to approve the resolution.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the resolution.

Motion by Vice Mayor Gawron, second by Commissioner Carter to approve the Consent Agenda minus items C and D.

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

Nays: None

MOTION PASSES

2011-63 ITEMS REMOVED FROM THE CONSENT AGENDA:

C. Gaming License Request from Muskegon Lumber Jacks Charitable Foundation. CITY CLERK

SUMMARY OF REQUEST: Muskegon Lumberjacks Charitable Foundation, 470 W. Western, Muskegon, MI 49440, is requesting a resolution recognizing them as a non-profit organization operating in the City for the purpose of obtaining a Gaming License. They have been recognized as a 501(c)(3) organization by the State.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval.

(Voted on with Item D)

D. Gaming License Request from Tempting Tables. CITY CLERK

SUMMARY OF REQUEST: Tempting Tables, 601 Terrace, Muskegon, MI is requesting a resolution recognizing them as a non-profit organization operating in the City for the purpose of obtaining a Gaming License. They have been recognized as a 501(c)(3) organization by the State.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval.

Motion by Commissioner Spataro, second by Commissioner Shepherd to approve the request for a gaming license for Muskegon Lumber Jacks Charitable Foundation and Tempting Tables.

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

Nays: None

MOTION PASSES

2011-64 PUBLIC HEARINGS:

A. Review 2010-2011 Consolidated Annual Performance Evaluation Report (CAPER). COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To conduct a public hearing on September 13, 2011, to review accomplishments and receive comments from the public concerning the 2010-2011 Consolidated Annual Performance Evaluation Report (CAPER) developed by the Community and Neighborhood Services department.

After the public hearing has been conducted and all the comments have been documented, the Community and Neighborhood Services office requests that the Commission direct the staff to submit the required documents to the U. S. Department of Housing and Urban Development (HUD) in compliance with 24 CFR 91.520, by no sooner than September 14, 2011.

FINANCIAL IMPACT: The City is required to submit the CAPER report in order to continue receiving Community Development Block Grant (CDBG) and HOME funding.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To direct staff to gather comments from the public and to submit the CAPER to HUD after the public comment period has elapsed.

COMMITTEE RECOMMENDATION: The document has been reviewed by the Citizen's District Council.

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

Motion by Commissioner Carter, second by Commissioner Spataro to close the Public Hearing and approve the review of the 2010-2011 Consolidated Annual Performance Evaluation Report.

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

Nays: None

MOTION PASSES

**B. Request for an Industrial Facilities Exemption Certificate for Northern Machine Tool. PLANNING & ECONOMIC DEVELOPMENT
(REMOVED PER REQUEST OF APPLICANT)**

**C. Request for an Obsolete Property Rehabilitation Exemption Certificate for J&J Bail Bonds. PLANNING & ECONOMIC DEVELOPMENT
(REMOVED PER REQUEST OF STAFF)**

2011-65 NEW BUSINESS:

A. Financial Policies Update. FINANCE

SUMMARY OF REQUEST: The City's financial policies were last updated in

2008. Recommended changes include:

- Increasing the General Fund reserve policy (i.e. unassigned fund balance) from 10% to 13% of prior year actual revenues. This is reflective of the level used in the state's fiscal stress model;
- Addition of policies regarding the reporting of fund balances to bring the City into compliance with the recently issued Governmental Accounting Standards Board (GASB) statement 54;
- Streamlining the City's investment policy;
- Standardizing staff authority to write-off accounts and settle liability claims at the staff level in amounts up to \$15,000;
- Formalization of policies regarding water affidavits and water/sewer billing issues.

FINANCIAL IMPACT: The financial policies have a major impact on safeguarding the City's financial resources and interests.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the financial policies as presented.

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

Nays: None

MOTION PASSES

B. Application for Special License (Liquor Control Commission). PUBLIC SAFETY

SUMMARY OF REQUEST: The Little Red House Inc. has submitted an application for a Special License for Beer, Wine and Spirits for consumption on the premises for September 24, 2011. This license is for a fundraiser dinner/dance to be held on the USS LST 393, 560 Mart Street.

The Foundation meets all of the requirements for the special license with the exception of the request for "spirits". Commission policy dictates that any special license request which includes spirits must be considered and approved by the body.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff has no recommendation.

Motion by Commissioner Carter, second by Commissioner Shepherd to

approve the application for a special liquor license on the USS LST 393 for Little Red House, Inc.

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

Nays: Warmington, Wisneski, and Carter

MOTION PASSES

ANY OTHER BUSINESS: Commissioner Spataro commented on the 80/20 requirement for health insurance.

PUBLIC PARTICIPATION: Public comments received.

2011-66 CLOSED SESSION: Collective Bargaining and Attorney/Client Privileged Communication.

Motion by Commissioner Carter, second by Commissioner Shepherd to go into Closed Session to discuss collective bargaining and attorney/client privileged communication.

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

MOTION PASSES

Motion by Commissioner Carter, second by Commissioner Shepherd to come out of Closed Session.

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

MOTION PASSES

ADJOURNMENT: The City Commission Meeting adjourned at 7:11 p.m.

Respectfully submitted,

Ann Marie Cummings, MMC
City Clerk

Date: September 27, 2011
To: Honorable Mayor and City Commissioners
From: Engineering
RE: City – MDOT Agreement for the resurfacing of
Terrace Street from Apple to Western

SUMMARY OF REQUEST:

Approve the attached contract with MDOT for the resurfacing of Terrace Street from Apple (M-46) to Western Ave. And approve the attached resolution authorizing the Mayor and City Clerk to sign the contract.

FINANCIAL IMPACT:

MDOT's participation is limited to the approved federal funds of \$160,000.00. The estimated total construction cost is \$224,200 plus an additional 15% of engineering.

BUDGET ACTION REQUIRED:

None as this project was budgeted for in the 2011/2012 CIP.

STAFF RECOMMENDATION:

Approve the attached contract and resolution authorizing the mayor & clerk to sign both.

COMMITTEE RECOMMENDATION:

RESOLUTION _____

RESOLUTION FOR APPROVAL OF A CONTRACT AGREEMENT BETWEEN THE MICHIGAN DEPARTMENT OF TRANSPORTATION AND THE CITY OF MUSKEGON FOR THE RESURFACING OF TERRACE STREET BETWEEN APPLE AVE. (M-46) AND WESTERN AVE. TOGETHER WITH OTHER NECESSARY RELATED WORK ITEMS AND AUTHORIZATION FOR MAYOR STEPHEN J. WARMINGTON AND CITY CLERK, ANN MARIE CUMMINGS, TO EXECUTE SAID CONTRACT

Moved by _____ and supported by _____

Commissioner _____ that the following Resolution be adopted:

WHEREAS, entry by the City of Muskegon into Contract no. **11-5527** between the Michigan Department of Transportation and the City of Muskegon for the **resurfacing of Terrace Street between Apple Ave. (M-46) and Western Ave.** within the City is in the best interests of the City of Muskegon.

RESOLVED, that entry by the City into Contract Agreement Number **11-5527** be and the same is hereby authorized and approved and the Mayor and Clerk are authorized to execute said contract for and on behalf of the City of Muskegon.

Adopted this _____ day of _____, 2011.

BY

Stephen J. Warmington, Mayor

ATTEST

Ann Marie Cummings, City Clerk

CERTIFICATION

This resolution was adopted at a meeting of the City Commission, held on _____, **2011**. The meeting was properly held and noticed pursuant to the Open Meetings Act of the State of Michigan, Act 267 of the Public Acts of 1976.

CITY OF MUSKEGON

By _____
Ann Marie Cummings, City Clerk

HPSL	DIR	
	Control Section	HPSL 61407
	Job Number	114154
	Project	HPSL 1161(023)
	Federal Item No.	RR 7806
	CFDA No.	20.205 (Highway Research Planning & Construction)
	Contract No.	11-5527

PART I

THIS CONTRACT, consisting of PART I and PART II (Standard Agreement Provisions), is made and entered into this date of _____, by and between the MICHIGAN DEPARTMENT OF TRANSPORTATION, hereinafter referred to as the "DEPARTMENT"; and the CITY OF MUSKEGON, a Michigan municipal corporation, hereinafter referred to as the "REQUESTING PARTY"; for the purpose of fixing the rights and obligations of the parties in agreeing to the following improvements, in the City of Muskegon, Michigan, hereinafter referred to as the "PROJECT" and estimated in detail on EXHIBIT "I", dated August 26, 2011, attached hereto and made a part hereof:

Hot mix asphalt resurfacing work along Terrace Street from Apple Avenue (Highway M-46) to Western Avenue; including cold milling, concrete curb and gutter, sidewalk ramps, and pavement marking work; and all together with necessary related work.

WITNESSETH:

WHEREAS, pursuant to Federal law, monies have been provided for the performance of certain improvements on public roads; and

WHEREAS, the reference "FHWA" in PART I and PART II refers to the United States Department of Transportation, Federal Highway Administration; and

WHEREAS, the PROJECT, or portions of the PROJECT at the request of the REQUESTING PARTY, are being programmed with the FHWA, for implementation with the use of Federal Funds under the following Federal program(s) or funding:

HIGH PRIORITY PROJECTS PROGRAM - SAFETEA LU

WHEREAS, the parties hereto have reached an understanding with each other regarding the performance of the PROJECT work and desire to set forth this understanding in the form of a written contract.

HPSL

DAB *DIR*

Control Section	HPSL 61407
Job Number	114154
Project	HPSL 1161(023)
Federal Item No.	RR 7806
CFDA No.	20.205 (Highway Research Planning & Construction)
Contract No.	11-5527

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Hot mix asphalt resurfacing work along Terrace Street from Apple Avenue (Highway M-46) to Western Avenue; including cold milling, concrete curb and gutter, sidewalk ramps, and pavement marking work; and all together with necessary related work.

WITNESSETH:

WHEREAS, pursuant to Federal law, monies have been provided for the performance of certain improvements on public roads; and

WHEREAS, the reference "FHWA" in PART I and PART II refers to the United States Department of Transportation, Federal Highway Administration; and

WHEREAS, the PROJECT, or portions of the PROJECT at the request of the REQUESTING PARTY, are being programmed with the FHWA, for implementation with the use of Federal Funds under the following Federal program(s) or funding:

HIGH PRIORITY PROJECTS PROGRAM - SAFETEA LU

WHEREAS, the parties hereto have reached an understanding with each other regarding the performance of the PROJECT work and desire to set forth this understanding in the form of a written contract.

NOW, THEREFORE, in consideration of the premises and of the mutual undertakings of the parties and in conformity with applicable law, it is agreed:

1. The parties hereto shall undertake and complete the PROJECT in accordance with the terms of this contract.

2. The term "PROJECT COST", as herein used, is hereby defined as the cost of the physical construction necessary for the completion of the PROJECT, including any other costs incurred by the DEPARTMENT as a result of this contract, except construction engineering and inspection.

No charges will be made by the DEPARTMENT to the PROJECT for any inspection work or construction engineering.

The costs incurred by the REQUESTING PARTY for preliminary engineering, construction engineering, construction materials testing, inspection, and right-of-way are excluded from the PROJECT COST as defined by this contract.

3. The DEPARTMENT is authorized by the REQUESTING PARTY to administer on behalf of the REQUESTING PARTY all phases of the PROJECT including advertising and awarding the construction contract for the PROJECT or portions of the PROJECT. Such administration shall be in accordance with PART II, Section II of this contract.

Any items of the PROJECT COST incurred by the DEPARTMENT may be charged to the PROJECT.

4. The REQUESTING PARTY, at no cost to the PROJECT or to the DEPARTMENT, shall:

- A. Design or cause to be designed the plans for the PROJECT.
- B. Appoint a project engineer who shall be in responsible charge of the PROJECT and ensure that the plans and specifications are followed.
- C. Perform or cause to be performed the construction engineering, construction materials testing, and inspection services necessary for the completion of the PROJECT.

The REQUESTING PARTY will furnish the DEPARTMENT proposed timing sequences for trunkline signals that, if any, are being made part of the improvement. No timing adjustments shall be made by the REQUESTING PARTY at any trunkline intersection, without prior issuances by the DEPARTMENT of Standard Traffic Signal Timing Permits.

5. The PROJECT COST shall be met in part by contributions from the Federal High Priority Project Program – SAFETEA LU.

The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Subtitle G - High Priority Projects, authorizes Federal High Priority Project funding and establishes the maximum amount of funding for the PROJECT and associated phases under SAFETEA-LU Number 2959 to be \$2,800,000. It is understood that this amount is subject to obligational authority limitation and after applying that limitation only an estimated \$2,519,721 may be available for the PROJECT and associated phases.

Federal High Priority Project – SAFETEA LU Funds shall be applied to the eligible items of the PROJECT COST up to the lesser of: (1) \$160,000, or (2) an amount such that 80 percent, the normal Federal participation ratio for such funds, is not exceeded at the time of the award of the construction contract. The balance of the PROJECT COST, after deduction of Federal Funds, shall be charged to and paid by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

Any items of PROJECT COST or advance construction expenditure not reimbursed by Federal Funds shall be the sole responsibility of the REQUESTING PARTY.

6. No working capital deposit will be required for this PROJECT.

In order to fulfill the obligations assumed by the REQUESTING PARTY under the provisions of this contract, the REQUESTING PARTY shall make prompt payments of its share of the PROJECT COST upon receipt of progress billings from the DEPARTMENT as herein provided. All payments will be made within 30 days of receipt of billings from the DEPARTMENT. Billings to the REQUESTING PARTY will be based upon the REQUESTING PARTY'S share of the actual costs incurred less Federal Funds earned as the PROJECT progresses.

In the event of any discrepancies between PART I and PART II of this contract, the provisions of PART I shall prevail.

7. At such time as traffic volumes and safety requirements warrant, the REQUESTING PARTY will cause to be enacted and enforced such ordinances as may be necessary to prohibit parking in the traveled roadway throughout the limits of the PROJECT.

8. The performance of the entire PROJECT under this contract, whether Federally funded or not, will be subject to the provisions and requirements of PART II that are applicable to a Federally funded project.

9. The REQUESTING PARTY certifies that a) it is a person under 1995 PA 71 and is not aware of and has no reason to believe that the property is a facility as defined in MSA 13A.20101(1)(l); b) the REQUESTING PARTY further certifies that it has completed the tasks required by MCL 324.20126 (3)(h); MSA 13A.20126(3)(h); c) it conducted a visual inspection

of property within the existing right of way on which construction is to be performed to determine if any hazardous substances were present; and at sites on which historically were located businesses that involved hazardous substances, it performed a reasonable investigation to determine whether hazardous substances exist. This reasonable investigation should include, at a minimum, contact with local, state and federal environmental agencies to determine if the site has been identified as, or potentially as, a site containing hazardous substances; d) it did not cause or contribute to the release or threat of release of any hazardous substance found within the PROJECT limits.

The REQUESTING PARTY also certifies that, in addition to reporting the presence of any hazardous substances to the Department of Environmental Quality, it has advised the DEPARTMENT of the presence of any and all hazardous substances which the REQUESTING PARTY found within the PROJECT limits, as a result of performing the investigation and visual inspection required herein. The REQUESTING PARTY also certifies that it has been unable to identify any entity who may be liable for the cost of remediation. As a result, the REQUESTING PARTY has included all estimated costs of remediation of such hazardous substances in its estimated cost of construction of the PROJECT.

10. If, subsequent to execution of this contract, previously unknown hazardous substances are discovered within the PROJECT limits, which require environmental remediation pursuant to either state or federal law, the REQUESTING PARTY, in addition to reporting that fact to the Department of Environmental Quality, shall immediately notify the DEPARTMENT, both orally and in writing of such discovery. The DEPARTMENT shall consult with the REQUESTING PARTY to determine if it is willing to pay for the cost of remediation and, with the FHWA, to determine the eligibility, for reimbursement, of the remediation costs. The REQUESTING PARTY shall be charged for and shall pay all costs associated with such remediation, including all delay costs of the contractor for the PROJECT, in the event that remediation and delay costs are not deemed eligible by the FHWA. If the REQUESTING PARTY refuses to participate in the cost of remediation, the DEPARTMENT shall terminate the PROJECT. The parties agree that any costs or damages that the DEPARTMENT incurs as a result of such termination shall be considered a PROJECT COST.

11. If federal and/or state funds administered by the DEPARTMENT are used to pay the cost of remediating any hazardous substances discovered after the execution of this contract and if there is a reasonable likelihood of recovery, the REQUESTING PARTY, in cooperation with the Department of Environmental Quality and the DEPARTMENT, shall make a diligent effort to recover such costs from all other possible entities. If recovery is made, the DEPARTMENT shall be reimbursed from such recovery for the proportionate share of the amount paid by the FHWA and/or the DEPARTMENT and the DEPARTMENT shall credit such sums to the appropriate funding source.

12. The DEPARTMENT'S sole reason for entering into this contract is to enable the REQUESTING PARTY to obtain and use funds provided by the Federal Highway Administration pursuant to Title 23 of the United States Code.

Any and all approvals of, reviews of, and recommendations regarding contracts, agreements, permits, plans, specifications, or documents, of any nature, or any inspections of work by the DEPARTMENT and its agents pursuant to the terms of this contract are done to assist the REQUESTING PARTY in meeting program guidelines in order to qualify for available funds. Such approvals, reviews, inspections and recommendations by the DEPARTMENT and its agents shall not relieve the REQUESTING PARTY and the local agencies, as applicable, of their ultimate control and shall not be construed as a warranty of their propriety or that the DEPARTMENT and its agents is assuming any liability, control or jurisdiction.

The providing of recommendations or advice by the DEPARTMENT and its agents does not relieve the REQUESTING PARTY and the local agencies, as applicable of their exclusive jurisdiction of the highway and responsibility under MCL 691.1402, MSA 3.996(102).

When providing approvals, reviews and recommendations under this contract, the DEPARTMENT and its agents is performing a governmental function, as that term is defined in MCL 691.1401; MSA 3.996(101), which is incidental to the completion of the PROJECT.

13. The DEPARTMENT, by executing this contract, and rendering services pursuant to this contract, has not and does not assume jurisdiction of the highway, described as the PROJECT for purposes of MCL 691.1402; MSA 3.996(102). Exclusive jurisdiction of such highway for the purposes of MCL 691.1402; MSA 3.996(102) rest with the REQUESTING PARTY and other local agencies having respective jurisdiction.

14. The REQUESTING PARTY shall approve all of the plans and specifications to be used on the PROJECT and shall be deemed to have approved all changes to the plans and specifications when put into effect. It is agreed that ultimate responsibility and control over the PROJECT rests with the REQUESTING PARTY and local agencies, as applicable.

15. The REQUESTING PARTY agrees that the costs reported to the DEPARTMENT for this contract will represent only those items that are properly chargeable in accordance with this contract. The REQUESTING PARTY also certifies that it has read the contract terms and has made itself aware of the applicable laws, regulations, and terms of this contract that apply to the reporting of costs incurred under the terms of this contract.

16. The parties shall promptly provide comprehensive assistance and cooperation in defending and resolving any claims brought against the DEPARTMENT by the contractor, vendors or suppliers as a result of the DEPARTMENT'S award of the construction contract for the PROJECT. Costs incurred by the DEPARTMENT in defending or resolving such claims shall be considered PROJECT COSTS.

17. The DEPARTMENT shall require the contractor who is awarded the contract for the construction of the PROJECT to provide insurance in the amounts specified and in accordance with the DEPARTMENT'S current standard specifications for construction, and to:

- A. Maintain bodily injury and property damage insurance for the duration of the PROJECT.
- B. Provide owner's protective liability insurance naming as insureds the State of Michigan, the Michigan State Transportation Commission, the DEPARTMENT and its officials, agents and employees, the REQUESTING PARTY and any other county, county road commission, or municipality in whose jurisdiction the PROJECT is located, and their employees, for the duration of the PROJECT and to provide, upon request, copies of certificates of insurance to the insureds. It is understood that the DEPARTMENT does not assume jurisdiction of the highway described as the PROJECT as a result of being named as an insured on the owner's protective liability insurance policy.
- C. Comply with the requirements of notice of cancellation and reduction of insurance set forth in the current standard specifications for construction and to provide, upon request, copies of notices and reports prepared to those insured.

18. This contract shall become binding on the parties hereto and of full force and effect upon the signing thereof by the duly authorized officials for the parties hereto and upon the adoption of the necessary resolution approving said contract and authorizing the signatures thereto of the respective officials of the REQUESTING PARTY, a certified copy of which resolution shall be attached to this contract.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed the day and year first above written.

CITY OF MUSKEGON

MICHIGAN DEPARTMENT
OF TRANSPORTATION

By _____
Title:

By _____
Department Director MDOT

By _____
Title:



APPROV.
9/8/11
[Signature]
ASSISTANT
ATTORNEY
GENERAL

August 26, 2011

EXHIBIT I

CONTROL SECTION	HPSL 61407
JOB NUMBER	114154
PROJECT	HPSL 1161(023)

ESTIMATED COST

CONTRACTED WORK

Estimated Cost	\$224,200
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COST PARTICIPATION

GRAND TOTAL ESTIMATED COST	\$224,200
Less Federal Funds*	<u>\$160,000</u>
BALANCE (REQUESTING PARTY'S SHARE)	\$ 64,200

*Federal Funds for the PROJECT are limited to an amount as described in Section 5.

NO DEPOSIT

PART II

STANDARD AGREEMENT PROVISIONS

SECTION I COMPLIANCE WITH REGULATIONS AND DIRECTIVES

SECTION II PROJECT ADMINISTRATION AND SUPERVISION

SECTION III ACCOUNTING AND BILLING

SECTION IV MAINTENANCE AND OPERATION

SECTION V SPECIAL PROGRAM AND PROJECT CONDITIONS

SECTION I

COMPLIANCE WITH REGULATIONS AND DIRECTIVES

- A. To qualify for eligible cost, all work shall be documented in accordance with the requirements and procedures of the DEPARTMENT.
- B. All work on projects for which reimbursement with Federal funds is requested shall be performed in accordance with the requirements and guidelines set forth in the following Directives of the Federal-Aid Policy Guide (FAPG) of the FHWA, as applicable, and as referenced in pertinent sections of Title 23 and Title 49 of the Code of Federal Regulations (CFR), and all supplements and amendments thereto.
 - 1. Engineering
 - a. FAPG (6012.1): Preliminary Engineering
 - b. FAPG (23 CFR 172): Administration of Engineering and Design Related Service Contracts
 - c. FAPG (23 CFR 635A): Contract Procedures
 - d. FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments--Allowable Costs
 - 2. Construction
 - a. FAPG (23 CFR 140E): Administrative Settlement Costs-Contract Claims
 - b. FAPG (23 CFR 140B): Construction Engineering Costs
 - c. FAPG (23 CFR 17): Recordkeeping and Retention Requirements for Federal-Aid Highway Records of State Highway Agencies
 - d. FAPG (23 CFR 635A): Contract Procedures
 - e. FAPG (23 CFR 635B): Force Account Construction
 - f. FAPG (23 CFR 645A): Utility Relocations, Adjustments and Reimbursement

- g. FAPG (23 CFR 645B): Accommodation of Utilities (PPM 30-4.1)
 - h. FAPG (23 CFR 655F): Traffic Control Devices on Federal-Aid and other Streets and Highways
 - i. FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments—Allowable Costs
 - 3. Modification Or Construction Of Railroad Facilities
 - a. FAPG (23 CFR 140I): Reimbursement for Railroad Work
 - b. FAPG (23 CFR 646B): Railroad Highway Projects
- C. In conformance with FAPG (23 CFR 630C) Project Agreements, the political subdivisions party to this contract, on those Federally funded projects which exceed a total cost of \$100,000.00 stipulate the following with respect to their specific jurisdictions:
 - 1. That any facility to be utilized in performance under or to benefit from this contract is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities issued pursuant to the requirements of the Federal Clean Air Act, as amended, and the Federal Water Pollution Control Act, as amended.
 - 2. That they each agree to comply with all of the requirements of Section 114 of the Federal Clean Air Act and Section 308 of the Federal Water Pollution Control Act, and all regulations and guidelines issued thereunder.
 - 3. That as a condition of Federal aid pursuant to this contract they shall notify the DEPARTMENT of the receipt of any advice indicating that a facility to be utilized in performance under or to benefit from this contract is under consideration to be listed on the EPA List of Violating Facilities.
- D. Ensure that the PROJECT is constructed in accordance with and incorporates all committed environmental impact mitigation measures listed in approved environmental documents unless modified or deleted by approval of the FHWA.
- E. All the requirements, guidelines, conditions and restrictions noted in all other pertinent Directives and Instructional Memoranda of the FHWA will apply to this contract and will be adhered to, as applicable, by the parties hereto.

SECTION II

PROJECT ADMINISTRATION AND SUPERVISION

- A. The DEPARTMENT shall provide such administrative guidance as it determines is required by the PROJECT in order to facilitate the obtaining of available federal and/or state funds.
- B. The DEPARTMENT will advertise and award all contracted portions of the PROJECT work. Prior to advertising of the PROJECT for receipt of bids, the REQUESTING PARTY may delete any portion or all of the PROJECT work. After receipt of bids for the PROJECT, the REQUESTING PARTY shall have the right to reject the amount bid for the PROJECT prior to the award of the contract for the PROJECT only if such amount exceeds by twenty percent (20%) the final engineer's estimate therefor. If such rejection of the bids is not received in writing within two (2) weeks after letting, the DEPARTMENT will assume concurrence. The DEPARTMENT may, upon request, readvertise the PROJECT. Should the REQUESTING PARTY so request in writing within the aforesaid two (2) week period after letting, the PROJECT will be cancelled and the DEPARTMENT will refund the unused balance of the deposit less all costs incurred by the DEPARTMENT.
- C. The DEPARTMENT will perform such inspection services on PROJECT work performed by the REQUESTING PARTY with its own forces as is required to ensure compliance with the approved plans & specifications.
- D. On those projects funded with Federal monies, the DEPARTMENT shall as may be required secure from the FHWA approval of plans and specifications, and such cost estimates for FHWA participation in the PROJECT COST.
- E. All work in connection with the PROJECT shall be performed in conformance with the Michigan Department of Transportation Standard Specifications for Construction, and the supplemental specifications, Special Provisions and plans pertaining to the PROJECT and all materials furnished and used in the construction of the PROJECT shall conform to the aforesaid specifications. No extra work shall be performed nor changes in plans and specifications made until said work or changes are approved by the project engineer and authorized by the DEPARTMENT.

- F. Should it be necessary or desirable that portions of the work covered by this contract be accomplished by a consulting firm, a railway company, or governmental agency, firm, person, or corporation, under a subcontract with the REQUESTING PARTY at PROJECT expense, such subcontracted arrangements will be covered by formal written agreement between the REQUESTING PARTY and that party.

This formal written agreement shall: include a reference to the specific prime contract to which it pertains; include provisions which clearly set forth the maximum reimbursable and the basis of payment; provide for the maintenance of accounting records in accordance with generally accepted accounting principles, which clearly document the actual cost of the services provided; provide that costs eligible for reimbursement shall be in accordance with clearly defined cost criteria such as 49 CFR Part 18, 48 CFR Part 31, 23 CFR Part 140, OMB Circular A-87, etc. as applicable; provide for access to the department or its representatives to inspect and audit all data and records related to the agreement for a minimum of three years after the department's final payment to the local unit.

All such agreements will be submitted for approval by the DEPARTMENT and, if applicable, by the FHWA prior to execution thereof, except for agreements for amounts less than \$100,000 for preliminary engineering and testing services executed under and in accordance with the provisions of the "Small Purchase Procedures" FAPG (23 CFR 172), which do not require prior approval of the DEPARTMENT or the FHWA.

Any such approval by the DEPARTMENT shall in no way be construed as a warranty of the subcontractor's qualifications, financial integrity, or ability to perform the work being subcontracted.

- G. The REQUESTING PARTY, at no cost to the PROJECT or the DEPARTMENT, shall make such arrangements with railway companies, utilities, etc., as may be necessary for the performance of work required for the PROJECT but for which Federal or other reimbursement will not be requested.
- H. The REQUESTING PARTY, at no cost to the PROJECT, or the DEPARTMENT, shall secure, as necessary, all agreements and approvals of the PROJECT with railway companies, the Railroad Safety & Tariffs Division of the DEPARTMENT and other concerned governmental agencies other than the FHWA, and will forward same to the DEPARTMENT for such reviews and approvals as may be required.
- I. No PROJECT work for which reimbursement will be requested by the REQUESTING PARTY is to be subcontracted or performed until the DEPARTMENT gives written notification that such work may commence.

- J. The REQUESTING PARTY shall be responsible for the payment of all costs and expenses incurred in the performance of the work it agrees to undertake and perform.
- K. The REQUESTING PARTY shall pay directly to the party performing the work all billings for the services performed on the PROJECT which are authorized by or through the REQUESTING PARTY.
- L. The REQUESTING PARTY shall submit to the DEPARTMENT all paid billings for which reimbursement is desired in accordance with DEPARTMENT procedures.
- M. All work by a consulting firm will be performed in compliance with the applicable provisions of 1980 PA 299, Subsection 2001, MCL 339.2001; MSA 18.425(2001), as well as in accordance with the provisions of all previously cited Directives of the FHWA.
- N. The project engineer shall be subject to such administrative guidance as may be deemed necessary to ensure compliance with program requirement and, in those instances where a consultant firm is retained to provide engineering and inspection services, the personnel performing those services shall be subject to the same conditions.
- O. The DEPARTMENT, in administering the PROJECT in accordance with applicable Federal and State requirements and regulations, neither assumes nor becomes liable for any obligations undertaken or arising between the REQUESTING PARTY and any other party with respect to the PROJECT.
- P. In the event it is determined by the DEPARTMENT that there will be either insufficient Federal funds or insufficient time to properly administer such funds for the entire PROJECT or portions thereof, the DEPARTMENT, prior to advertising or issuing authorization for work performance, may cancel the PROJECT, or any portion thereof, and upon written notice to the parties this contract shall be void and of no effect with respect to that cancelled portion of the PROJECT. Any PROJECT deposits previously made by the parties on the cancelled portions of the PROJECT will be promptly refunded.
- Q. Those projects funded with Federal monies will be subject to inspection at all times by the DEPARTMENT and the FHWA.

SECTION III

ACCOUNTING AND BILLING

A. Procedures for billing for work undertaken by the REQUESTING PARTY:

1. The REQUESTING PARTY shall establish and maintain accurate records, in accordance with generally accepted accounting principles, of all expenses incurred for which payment is sought or made under this contract, said records to be hereinafter referred to as the "RECORDS". Separate accounts shall be established and maintained for all costs incurred under this contract.

The REQUESTING PARTY shall maintain the RECORDS for at least three (3) years from the date of final payment of Federal Aid made by the DEPARTMENT under this contract. In the event of a dispute with regard to the allowable expenses or any other issue under this contract, the REQUESTING PARTY shall thereafter continue to maintain the RECORDS at least until that dispute has been finally decided and the time for all available challenges or appeals of that decision has expired.

The DEPARTMENT, or its representative, may inspect, copy, or audit the RECORDS at any reasonable time after giving reasonable notice.

If any part of the work is subcontracted, the REQUESTING PARTY shall assure compliance with the above for all subcontracted work.

In the event that an audit performed by or on behalf of the DEPARTMENT indicates an adjustment to the costs reported under this contract, or questions the allowability of an item of expense, the DEPARTMENT shall promptly submit to the REQUESTING PARTY, a Notice of Audit Results and a copy of the audit report which may supplement or modify any tentative findings verbally communicated to the REQUESTING PARTY at the completion of an audit.

Within sixty (60) days after the date of the Notice of Audit Results, the REQUESTING PARTY shall: (a) respond in writing to the responsible Bureau or the DEPARTMENT indicating whether or not it concurs with the audit report, (b) clearly explain the nature and basis for any disagreement as to a disallowed item of expense and, (c) submit to the DEPARTMENT a written explanation as to any questioned or no opinion expressed item of expense, hereinafter referred to as the "RESPONSE". The RESPONSE shall be clearly stated and provide any supporting documentation necessary to resolve any disagreement or questioned or no opinion expressed item of expense. Where the documentation is voluminous, the REQUESTING PARTY may supply appropriate excerpts and make alternate

arrangements to conveniently and reasonably make that documentation available for review by the DEPARTMENT. The RESPONSE shall refer to and apply the language of the contract. The REQUESTING PARTY agrees that failure to submit a RESPONSE within the sixty (60) day period constitutes agreement with any disallowance of an item of expense and authorizes the DEPARTMENT to finally disallow any items of questioned or no opinion expressed cost.

The DEPARTMENT shall make its decision with regard to any Notice of Audit Results and RESPONSE within one hundred twenty (120) days after the date of the Notice of Audit Results. If the DEPARTMENT determines that an overpayment has been made to the REQUESTING PARTY, the REQUESTING PARTY shall repay that amount to the DEPARTMENT or reach agreement with the DEPARTMENT on a repayment schedule within thirty (30) days after the date of an invoice from the DEPARTMENT. If the REQUESTING PARTY fails to repay the overpayment or reach agreement with the DEPARTMENT on a repayment schedule within the thirty (30) day period, the REQUESTING PARTY agrees that the DEPARTMENT shall deduct all or a portion of the overpayment from any funds then or thereafter payable by the DEPARTMENT to the REQUESTING PARTY under this contract or any other agreement, or payable to the REQUESTING PARTY under the terms of 1951 PA 51, as applicable. Interest will be assessed on any partial payments or repayment schedules based on the unpaid balance at the end of each month until the balance is paid in full. The assessment of interest will begin thirty (30) days from the date of the invoice. The rate of interest will be based on the Michigan Department of Treasury common cash funds interest earnings. The rate of interest will be reviewed annually by the DEPARTMENT and adjusted as necessary based on the Michigan Department of Treasury common cash funds interest earnings. The REQUESTING PARTY expressly consents to this withholding or offsetting of funds under those circumstances, reserving the right to file a lawsuit in the Court of Claims to contest the DEPARTMENT'S decision only as to any item of expense the disallowance of which was disputed by the REQUESTING PARTY in a timely filed RESPONSE.

The REQUESTING PARTY shall comply with the Single Audit Act of 1984, P.L. 98-502.

The REQUESTING PARTY shall adhere to the following requirements associated with audits of accounts and records:

- a. Agencies expending a total of \$500,000 or more in federal funds, from one or more funding sources in its fiscal year, shall comply with the requirements of the federal Office of Management and Budget (OMB) Circular A-133, as revised or amended.

The agency shall submit two copies of:

- The Reporting Package
- The Data Collection Form
- The management letter to the agency, if one issued by the audit firm

The OMB Circular A-133 audit must be submitted to the address below in accordance with the time frame established in the circular, as revised or amended.

b. Agencies expending less than \$500,000 in federal funds must submit a letter to the Department advising that a circular audit was not required. The letter shall indicate the applicable fiscal year, the amount of federal funds spent, the name(s) of the Department federal programs, and the CFDA grant number(s). This information must also be submitted to the address below.

c. Address: Michigan Department of Transportation
Bureau of Highways Technical Services
425 W. Ottawa, P.O. Box 30050
Lansing, MI 48909

d. Agencies must also comply with applicable State laws and regulations relative to audit requirements.

e. Agencies shall not charge audit costs to Department's federal programs which are not in accordance with the OMB Circular A-133 requirements.

f. All agencies are subject to the federally required monitoring activities, which may include limited scope reviews and other on-site monitoring.

2. Agreed Unit Prices Work - All billings for work undertaken by the REQUESTING PARTY on an agreed unit price basis will be submitted in accordance with the Michigan Department of Transportation Standard Specifications for Construction and pertinent FAPG Directives and Guidelines of the FHWA.
3. Force Account Work and Subcontracted Work - All billings submitted to the DEPARTMENT for Federal reimbursement for items of work performed on a force account basis or by any subcontract with a consulting firm, railway company, governmental agency or other party, under the terms of this contract, shall be prepared in accordance with the provisions of the pertinent FHPM Directives and the procedures of the DEPARTMENT. Progress billings may be submitted monthly during the time work is being performed provided, however, that no bill of a lesser amount than \$1,000.00 shall be submitted unless it is a final

or end of fiscal year billing. All billings shall be labeled either "Progress Bill Number _____", or "Final Billing".

4. Final billing under this contract shall be submitted in a timely manner but not later than six months after completion of the work. Billings for work submitted later than six months after completion of the work will not be paid.
5. Upon receipt of billings for reimbursement for work undertaken by the REQUESTING PARTY on projects funded with Federal monies, the DEPARTMENT will act as billing agent for the REQUESTING PARTY, consolidating said billings with those for its own force account work and presenting these consolidated billings to the FHWA for payment. Upon receipt of reimbursement from the FHWA, the DEPARTMENT will promptly forward to the REQUESTING PARTY its share of said reimbursement.
6. Upon receipt of billings for reimbursement for work undertaken by the REQUESTING PARTY on projects funded with non-Federal monies, the DEPARTMENT will promptly forward to the REQUESTING PARTY reimbursement of eligible costs.

B. Payment of Contracted and DEPARTMENT Costs:

1. As work on the PROJECT commences, the initial payments for contracted work and/or costs incurred by the DEPARTMENT will be made from the working capital deposit. Receipt of progress payments of Federal funds, and where applicable, State Critical Bridge funds, will be used to replenish the working capital deposit. The REQUESTING PARTY shall make prompt payments of its share of the contracted and/or DEPARTMENT incurred portion of the PROJECT COST upon receipt of progress billings from the DEPARTMENT. Progress billings will be based upon the REQUESTING PARTY'S share of the actual costs incurred as work on the PROJECT progresses and will be submitted, as required, until it is determined by the DEPARTMENT that there is sufficient available working capital to meet the remaining anticipated PROJECT COSTS. All progress payments will be made within thirty (30) days of receipt of billings. No monthly billing of a lesser amount than \$1,000.00 will be made unless it is a final or end of fiscal year billing. Should the DEPARTMENT determine that the available working capital exceeds the remaining anticipated PROJECT COSTS, the DEPARTMENT may reimburse the REQUESTING PARTY such excess. Upon completion of the PROJECT, payment of all PROJECT COSTS, receipt of all applicable monies from the FHWA, and completion of necessary audits, the REQUESTING PARTY will be reimbursed the balance of its deposit.

2. In the event that the bid, plus contingencies, for the contracted, and/or the DEPARTMENT incurred portion of the PROJECT work exceeds the estimated cost therefor as established by this contract, the REQUESTING PARTY may be advised and billed for the additional amount of its share.

C. General Conditions:

1. The DEPARTMENT, in accordance with its procedures in existence and covering the time period involved, shall make payment for interest earned on the balance of working capital deposits for all projects on account with the DEPARTMENT. The REQUESTING PARTY in accordance with DEPARTMENT procedures in existence and covering the time period involved, shall make payment for interest owed on any deficit balance of working capital deposits for all projects on account with the DEPARTMENT. This payment or billing is processed on an annual basis corresponding to the State of Michigan fiscal year. Upon receipt of billing for interest incurred, the REQUESTING PARTY promises and shall promptly pay the DEPARTMENT said amount.
2. Pursuant to the authority granted by law, the REQUESTING PARTY hereby irrevocably pledges a sufficient amount of funds received by it from the Michigan Transportation Fund to meet its obligations as specified in PART I and PART II. If the REQUESTING PARTY shall fail to make any of its required payments when due, as specified herein, the DEPARTMENT shall immediately notify the REQUESTING PARTY and the State Treasurer of the State of Michigan or such other state officer or agency having charge and control over disbursement of the Michigan Transportation Fund, pursuant to law, of the fact of such default and the amount thereof, and, if such default is not cured by payment within ten (10) days, said State Treasurer or other state officer or agency is then authorized and directed to withhold from the first of such monies thereafter allocated by law to the REQUESTING PARTY from the Michigan Transportation Fund sufficient monies to remove the default, and to credit the REQUESTING PARTY with payment thereof, and to notify the REQUESTING PARTY in writing of such fact.
3. Upon completion of all work under this contract and final audit by the DEPARTMENT or the FHWA, the REQUESTING PARTY promises to promptly repay the DEPARTMENT for any disallowed items of costs previously disbursed by the DEPARTMENT. The REQUESTING PARTY pledges its future receipts from the Michigan Transportation Fund for repayment of all disallowed items and, upon failure to make repayment for any disallowed items within ninety (90) days of demand made by the DEPARTMENT, the DEPARTMENT is hereby authorized to withhold an equal amount from the REQUESTING PARTY'S share of any future distribution of Michigan Transportation Funds in settlement of said claim.

4. The DEPARTMENT shall maintain and keep accurate records and accounts relative to the cost of the PROJECT and upon completion of the PROJECT, payment of all items of PROJECT COST, receipt of all Federal Aid, if any, and completion of final audit by the DEPARTMENT and if applicable, by the FHWA, shall make final accounting to the REQUESTING PARTY. The final PROJECT accounting will not include interest earned or charged on working capital deposited for the PROJECT which will be accounted for separately at the close of the State of Michigan fiscal year and as set forth in Section C(1).

5. The costs of engineering and other services performed on those projects involving specific program funds and one hundred percent (100%) local funds will be apportioned to the respective portions of that project in the same ratio as the actual direct construction costs unless otherwise specified in PART I.

SECTION IV

MAINTENANCE AND OPERATION

A. Upon completion of construction of each part of the PROJECT, at no cost to the DEPARTMENT or the PROJECT, each of the parties hereto, within their respective jurisdictions, will make the following provisions for the maintenance and operation of the completed PROJECT:

1. All Projects:

Properly maintain and operate each part of the project, making ample provisions each year for the performance of such maintenance work as may be required, except as qualified in paragraph 2b of this section.

2. Projects Financed in Part with Federal Monies:

a. Sign and mark each part of the PROJECT, in accordance with the current Michigan Manual of Uniform Traffic control Devices, and will not install, or permit to be installed, any signs, signals or markings not in conformance with the standards approved by the FHWA, pursuant to 23 USC 109(d).

b. Remove, prior to completion of the PROJECT, all encroachments from the roadway right-of-way within the limits of each part of the PROJECT.

With respect to new or existing utility installations within the right-of-way of Federal Aid projects and pursuant to FAPG (23 CFR 645B): Occupancy of non-limited access right-of-way may be allowed based on consideration for traffic safety and necessary preservation of roadside space and aesthetic quality. Longitudinal occupancy of non-limited access right-of-way by private lines will require a finding of significant economic hardship, the unavailability of practicable alternatives or other extenuating circumstances.

c. Cause to be enacted, maintained and enforced, ordinances and regulations for proper traffic operations in accordance with the plans of the PROJECT.

d. Make no changes to ordinances or regulations enacted, or traffic controls installed in conjunction with the PROJECT work without prior review by the DEPARTMENT and approval of the FHWA, if required.

- B. On projects for the removal of roadside obstacles, the parties, upon completion of construction of each part of the PROJECT, at no cost to the PROJECT or the DEPARTMENT, will, within their respective jurisdictions, take such action as is necessary to assure that the roadway right-of-way, cleared as the PROJECT, will be maintained free of such obstacles.
- C. On projects for the construction of bikeways, the parties will enact no ordinances or regulations prohibiting the use of bicycles on the facility hereinbefore described as the PROJECT, and will amend any existing restrictive ordinances in this regard so as to allow use of this facility by bicycles. No motorized vehicles shall be permitted on such bikeways or walkways constructed as the PROJECT except those for maintenance purposes.
- D. Failure of the parties hereto to fulfill their respective responsibilities as outlined herein may disqualify that party from future Federal-aid participation in projects on roads or streets for which it has maintenance responsibility. Federal Aid may be withheld until such time as deficiencies in regulations have been corrected, and the improvements constructed as the PROJECT are brought to a satisfactory condition of maintenance.

SECTION V

SPECIAL PROGRAM AND PROJECT CONDITIONS

- A. Those projects for which the REQUESTING PARTY has been reimbursed with Federal monies for the acquisition of right-of-way must be under construction by the close of the twentieth (20th) fiscal year following the fiscal year in which the FHWA and the DEPARTMENT projects agreement covering that work is executed, or the REQUESTING PARTY may be required to repay to the DEPARTMENT, for forwarding to the FHWA, all monies distributed as the FHWA'S contribution to that right-of-way.
- B. Those projects for which the REQUESTING PARTY has been reimbursed with Federal monies for the performance of preliminary engineering must be under construction by the close of the tenth (10th) fiscal year following the fiscal year in which the FHWA and the DEPARTMENT projects agreement covering that work is executed, or the REQUESTING PARTY may be required to repay to the DEPARTMENT, for forwarding to the FHWA, all monies distributed as the FHWA'S contribution to that preliminary engineering.
- C. On those projects funded with Federal monies, the REQUESTING PARTY, at no cost to the PROJECT or the DEPARTMENT, will provide such accident information as is available and such other information as may be required under the program in order to make the proper assessment of the safety benefits derived from the work performed as the PROJECT. The REQUESTING PARTY will cooperate with the DEPARTMENT in the development of reports and such analysis as may be required and will, when requested by the DEPARTMENT, forward to the DEPARTMENT, in such form as is necessary, the required information.
- D. In connection with the performance of PROJECT work under this contract the parties hereto (hereinafter in Appendix "A" referred to as the "contractor") agree to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts", as set forth in Appendix A, attached hereto and made a part hereof. The parties further covenant that they will comply with the Civil Rights Acts of 1964, being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 U.S.C. Sections 1971, 1975a-1975d, and 2000a-2000h-6 and the Regulations of the United States Department of Transportation (49 C.F.R. Part 21) issued pursuant to said Act, including Appendix "B", attached hereto and made a part hereof, and will require similar covenants on the part of any contractor or subcontractor employed in the performance of this contract.
- E. The parties will carry out the applicable requirements of the DEPARTMENT'S Disadvantaged Business Enterprise (DBE) program and 49 CFR, Part 26, including, but not limited to, those requirements set forth in Appendix C.

APPENDIX A
PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS

In connection with the performance of work under this contract; the contractor agrees as follows:

1. In accordance with Public Act 453 of 1976 (Elliott-Larsen Civil Rights Act), the contractor shall not discriminate against an employee or applicant for employment with respect to hire, tenure, treatment, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, or marital status. A breach of this covenant will be regarded as a material breach of this contract. Further, in accordance with Public Act 220 of 1976 (Persons with Disabilities Civil Rights Act), as amended by Public Act 478 of 1980, the contractor shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants will be regarded as a material breach of this contract.
2. The contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.
3. The contractor will take affirmative action to ensure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status, or any disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment; treatment; upgrading; demotion or transfer; recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
4. The contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status, or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.
5. The contractor or its collective bargaining representative shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising such labor union or workers' representative of the contractor's commitments under this Appendix.
6. The contractor shall comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission that may be in effect prior to the taking of bids for any individual state project.

7. The contractor shall furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission; said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor, as well as the contractor itself, and said contractor shall permit access to the contractor's books, records, and accounts by the Michigan Civil Rights Commission and/or its agent for the purposes of investigation to ascertain compliance under this contract and relevant rules, regulations, and orders of the Michigan Civil Rights Commission.
8. In the event that the Michigan Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this contract, the Michigan Civil Rights Commission may, as a part of its order based upon such findings, certify said findings to the State Administrative Board of the State of Michigan, which State Administrative Board may order the cancellation of the contract found to have been violated and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, including the governing boards of institutions of higher education, until the contractor complies with said order of the Michigan Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Michigan Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Michigan Civil Rights Commission to participate in such proceedings.
9. The contractor shall include or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Michigan Civil Rights Commission; all subcontracts and purchase orders will also state that said provisions will be binding upon each subcontractor or supplier.

Revised June 2011

APPENDIX B
TITLE VI ASSURANCE

During the performance of this contract, the contractor, for itself, its assignees, and its successors in interest (hereinafter referred to as the “contractor”), agrees as follows:

1. **Compliance with Regulations:** For all federally assisted programs, the contractor shall comply with the nondiscrimination regulations set forth in 49 CFR Part 21, as may be amended from time to time (hereinafter referred to as the Regulations). Such Regulations are incorporated herein by reference and made a part of this contract.
2. **Nondiscrimination:** The contractor, with regard to the work performed under the contract, shall not discriminate on the grounds of race, color, sex, or national origin in the selection, retention, and treatment of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices, when the contractor covers a program set forth in Appendix B of the Regulations.
3. **Solicitation for Subcontracts, Including Procurements of Materials and Equipment:** All solicitations made by the contractor, either by competitive bidding or by negotiation for subcontract work, including procurement of materials or leases of equipment, must include a notification to each potential subcontractor or supplier of the contractor’s obligations under the contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
4. **Information and Reports:** The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and facilities as may be determined to be pertinent by the Department or the United States Department of Transportation (USDOT) in order to ascertain compliance with such Regulations or directives. If required information concerning the contractor is in the exclusive possession of another who fails or refuses to furnish the required information, the contractor shall certify to the Department or the USDOT, as appropriate, and shall set forth the efforts that it made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of the contractor’s noncompliance with the nondiscrimination provisions of this contract, the Department shall impose such contract sanctions as it or the USDOT may determine to be appropriate, including, but not limited to, the following:
 - a. Withholding payments to the contractor until the contractor complies; and/or
 - b. Canceling, terminating, or suspending the contract, in whole or in part.

6. **Incorporation of Provisions:** The contractor shall include the provisions of Sections (1) through (6) in every subcontract, including procurement of material and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Department or the USDOT may direct as a means of enforcing such provisions, including sanctions for non-compliance, provided, however, that in the event a contractor becomes involved in or is threatened with litigation from a subcontractor or supplier as a result of such direction, the contractor may request the Department to enter into such litigation to protect the interests of the state. In addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

Revised June 2011

APPENDIX C

TO BE INCLUDED IN ALL FINANCIAL ASSISTANCE AGREEMENTS WITH LOCAL AGENCIES

Assurance that Recipients and Contractors Must Make (Excerpts from US DOT Regulation 49 CFR 26.13)

- A. Each financial assistance agreement signed with a DOT operating administration (or a primary recipient) must include the following assurance:

The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any US DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of US DOT-assisted contracts. The recipient's DBE program, as required by 49 CFR Part 26 and as approved by US DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

- B. Each contract MDOT signs with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance:

The contractor, sub recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of US DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.

Commission Meeting Date: September 27, 2011

Date: September 20, 2011
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
RE: Public Hearing - Request to Establish an Obsolete Property District - 41 E Apple Ave

SUMMARY OF REQUEST:

Pursuant to Public Act 146 of the Michigan Public Acts of 2000, J&J Bail Bonds, 41 E Apple Avenue, has requested the establishment of an Obsolete Property District. Total capital investment for this project is estimated at \$91,495.

FINANCIAL IMPACT:

If an Obsolete Property Certificate is issued, the property taxes would be frozen for the duration of the certificate.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Staff recommends approval.

COMMITTEE RECOMMENDATION:

None.

CITY OF MUSKEGON
MUSKEGON COUNTY, MICHIGAN

RESOLUTION NO. _____

A resolution establishing an Obsolete Property Rehabilitation District.

The City Commission of the City of Muskegon hereby RESOLVES:

Recitals

- A. The City of Muskegon has been designated as a qualified local government unit for the purpose of establishing Obsolete Property Rehabilitation Districts and approving Applications for Obsolete Property Rehabilitation Exemption Certificates.
- B. The area located in the land described in this resolution is known to the City Commission and is clearly characterized by the presence of obsolete commercial property, and the land and improvements are obsolete commercial property.
- C. Notice has been given by certified mail to the owners of all real property within the proposed Obsolete Property Rehabilitation District and a hearing has been held offering an opportunity to all owners and any other resident or taxpayer of the City to appear and be heard. Said notice was given at least ten (10) days before the hearing.

NOW, THEREFORE, THE CITY COMMISSION RESOLVES:

- 1. That the property described in this resolution and proposed as an Obsolete Property Rehabilitation District is characterized by obsolete commercial property.
- 2. That the obsolete commercial property, the subject of this resolution, as is described in Attachment A.
- 3. That the City Commission hereby establishes an Obsolete Property Rehabilitation District on the lands and parcels set forth in the attached description.

This resolution passed.

Ayes _____

Nays _____

CITY OF MUSKEGON

By _____

Ann Cummings, City Clerk

CERTIFICATION

This resolution was adopted at a meeting of the City Commission, held on September 27, 2011. The meeting was properly held and noticed pursuant to the Open Meetings Act of the State of Michigan, Act 267 of the Public Acts of 1976.

CITY OF MUSKEGON

By _____
Ann Cummings, City Clerk

ATTACHMENT A: PROPERTY DESCRIPTION

CITY OF MUSKEGON REVISED PLAT OF 1903 PART OF LOTS 5-8 & 14 BLK 219 COM AT SE COR
LOT 7 TH SWLY ON N LN CONCORD AVE 64 FT FOR POB TH SWLY ON N LN OF CONCORD AVE
137.3 FT TH NWLY 152.89 FT TO A PT 2.35 FT W OF E LN LOT 15 FT TH ELY ON S LN APPLE AVE
EX 160 FT M/L TH SELY PAR WITH ELY LN LOT 7 73.05 FT TO BEG

Commission Meeting Date: September 27, 2011

Date: September 20, 2011
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
RE: Public Hearing - Request to issue an Obsolete Property Certificate -J&J Bail Bonds- 41 E Apple Ave

SUMMARY OF REQUEST:

Pursuant to Public Act 146 of the Michigan Public Acts of 2000, J&J Bail Bonds, 41 E Apple Avenue, has requested the issuance of an Obsolete Property Certificate for the property located at 41 E Apple Ave. Total capital investment for this project is estimated at \$91,495 and they plan to create 5 to 7 new jobs. Because of the amount of investment, the applicant is eligible for an 8 year certificate.

FINANCIAL IMPACT:

If an Obsolete Property Certificate is issued, the property taxes would be frozen for the duration of the certificate.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Staff recommends approval.

COMMITTEE RECOMMENDATION:

None

CITY OF MUSKEGON
MUSKEGON COUNTY, MICHIGAN

RESOLUTION NO. _____

A resolution approving the application for an Obsolete Property Rehabilitation Exemption Certificate by J&J Bail Bonds.

The City Commission of the City of Muskegon hereby RESOLVES:

Recitals

- A. The City Commission has received an Application for an Obsolete Property Rehabilitation Exemption Certificate from J&J Bail Bonds, to apply to the improvements located in an Obsolete Property Rehabilitation District established by previous resolution.
- B. The City of Muskegon is a qualified local governmental unit as determined by STC Bulletin No. 9 of 2000, dated July 12, 2000.
- C. An Obsolete Property Rehabilitation District in which the application property is located was established after hearing on September 27, 2011, being the same date that the district was established.
- D. The taxable value of the property proposed to be exempt, plus the aggregate taxable value of properties already exempted under PA 146 of 2000 and under PA 198 of 1974, does not exceed five percent (5%) of the total taxable value of the City of Muskegon.
- E. In the event it is determined that the said taxable values do exceed five percent (5%), the City Commission determines further that the said exceedence will not have the effect of substantially impeding the operation of the City of Muskegon or impairing the financial soundness of any affected taxing units.
- F. This resolution of approval is considered by the City Commission on September 27, 2011, after a public hearing as provided in Section 4(2) of PA 146 of 2000. The hearing was held on this date.
- G. The applicant, J&J Bail Bonds, is not delinquent any taxes related to the facility.
- H. The exemption to be granted by this resolution is for eight (8) years.
- I. The City Commission finds that the property for which the Obsolete Property Rehabilitation Exemption Certificate is sought is obsolete property within the meaning of Section 2(h) of Public Act 146 of 2000 in that the property, which is commercial, is functionally obsolete. The City has received from the applicant all the items required by Section 9 of the application form, being the general description of the obsolete facility, a general description of the proposed use, a description of the general nature and extent of the rehabilitation to be undertaken, a descriptive list of fixed building equipment that will be part of the rehabilitated facility, a time schedule for undertaking and complete the rehabilitation, and statement of the economic advantages expected from the exemption.
- J. Commencement of the rehabilitation has not occurred before the establishment of the district.

- K. The application relates to a rehabilitation program that when completed will constitute a rehabilitated within the meaning of PA 146 of 2000 and will be situated within the Obsolete Property Rehabilitation District established by the City under PA 146 of 2000.
- L. Completion of the rehabilitated facility is calculated to and will, at the time of the issuance of the Certificate, have the reasonable likelihood to increase commercial activity and create employment; it will revitalize an urban area. The rehabilitation will include improvements aggregating more than ten percent (10%) of the true cash value of the property at the commencement of the rehabilitation.
- M. The City Commission determines that the applicant shall have twelve (12) months to complete the rehabilitation. It shall be completed by September 27, 2012, or one year after the Certificate is issued, whichever occurs later.
- N. That notice pursuant to statute has been timely given to the applicant, the assessor for the City of Muskegon, representatives of the affected taxing units and the general public.

NOW, THEREFORE, THE CITY COMMISSION RESOLVES:

- 1. Based upon the statements set forth in, and incorporating the recitals to this resolution, the City Commission hereby approves the application filed by J&J Bail Bonds., for an Obsolete Property Rehabilitation Exemption Certificate, to be effective for a period of eight (8) years;
- 2. BE IT FURTHER RESOLVED, that this resolution of approval relates to the property set forth in Attachment A, the legal description containing the facilities to be improved;
- 3. BE IT FURTHER RESOLVED, that, as further condition of this approval, the applicant shall comply with the representations and conditions set forth in the recitals above and in the application material submitted to the City.

This resolution passed.

Ayes: _____

Nays: _____

CITY OF MUSKEGON

By _____
Ann Cummings, City Clerk

CERTIFICATE

This resolution was adopted at a meeting of the City Commission held on September 27, 2011. The meeting was properly held and noticed pursuant to the Open Meetings Act of the State of Michigan, Act 267 of the Public Acts of 1976.

CITY OF MUSKEGON

By _____
Ann Cummings, City Clerk

ATTACHMENT A: PROPERTY DESCRIPTION

CITY OF MUSKEGON REVISED PLAT OF 1903 PART OF LOTS 5-8 & 14 BLK 219 COM AT SE COR LOT 7 TH SWLY ON N LN CONCORD AVE 64 FT FOR POB TH SWLY ON N LN OF CONCORD AVE 137.3 FT TH NWLY 152.89 FT TO A PT 2.35 FT W OF E LN LOT 15 FT TH ELY ON S LN APPLE AVE EX 160 FT M/L TH SELY PAR WITH ELY LN LOT 7 73.05 FT TO BEG

Application for Obsolete Property Rehabilitation Exemption Certificate Attachments:

- a.) Commercial building located at 41 E. Apple Ave. Has been closed for several years. It was most recently used as a carpet/flooring outlet store. Has one full level with one partial second level that is accessed from a separate outside door along Apple Ave. Square footage approx.: 10,122 sq. / ft.
- b.) Proposed use is to open as a bail bonds office.
- c.) Rehabilitation to take place is to redo the entire front section of the building to make it commercial occupancy ready. The extent is to fully remodel interior.
- d.) New windows, doors, ceiling, lighting, walls, flooring, handicap bathroom facilities and heating & cooling systems.
- e.) Upon approval construction would begin immediately (approx. 2months). Work will continue until completion (preferably before winter/end of 2011).
- f.) Economic advantages are that we would bring jobs to Muskegon County and upgrade an obsolete building in the downtown area next to City Hall and County buildings.

Commission Meeting Date: September 27, 2011

Date: September 22, 2011
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
RE: Public Hearing - Request for an Industrial Facilities Exemption
Certificate – Fleet Engineers, Inc.

SUMMARY OF REQUEST:

Due to an error in the application submitted by applicant staff requests this item be removed.

FINANCIAL IMPACT:

None.

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

Item be removed.

COMMITTEE RECOMMENDATION:

None

RECEIVED

SEP 02 2011

Michigan Department of Treasury
1012 (Rev. 4/04)

Application for Industrial Facilities Tax Exemption Certificate

CITY OF MUSKEGON
PLANNING DEPARTMENT

Issued under authority of P.A. 198 of 1974, as amended. Filing is mandatory.

INSTRUCTIONS: File the original and two copies of this form and the required attachments (three complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires two complete sets (one original and one copy). One copy is retained by the clerk. If you have any questions regarding the completion of this form or would like to request an informational packet, call (517) 373-3272.

To be completed by Clerk of Local Government Unit	
Signature of Clerk	Date received by Local Unit
STC Use Only	
Application Number	Date Received by STC

APPLICANT INFORMATION
All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) Fleet Engineers, Inc.		1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (Four Digit Code) 3714	
1c. Location of Facility (Street, City, State, ZIP Code) 1800 E. Keating Ave., Muskegon, MI 49442		1d. Name of City/Township/Village (Indicate which) Muskegon	1e. County Muskegon
2. Type of Approval Requested <input type="checkbox"/> New (Sec. 2(4)) <input type="checkbox"/> Transfer (1 copy to only) <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Rehabilitation (Sec. 3(1)) <input type="checkbox"/> Research and Development (Sec. 2(9))		3a. School District where facility is located Orchard View	3b. School Code 61190
		4. Amount of years requested for exemption (1-12 Years) Twelve	

5. Thoroughly describe the project for which exemption is sought: Real Property (Type of Improvements to Land, Building, Size of Addition); Personal Property (Explain New, Used, Transferred from Out-of-State, etc.) and Proposed Use of Facility. (Please attach additional page(s) if more room is needed).

Roughly 50' X 175' addtion plus transition building connected to 1981 Port City Blvd.
To be used for injection molding, aquisition of machine, crane and associated equipment per attached addendum.

6a. Cost of land and building improvements (excluding cost of land)	<u> \$650,500 </u>
* Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.	
6b. Cost of machinery, equipment, furniture and fixtures	<u> \$1,410,000 </u>
* Attach itemized listing with month, day and year of beginning of installation plus total costs	
6c. Total Project Costs	<u> \$2,060,500 </u>
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.

	<u>Begin Date (M/D/Y)</u>	<u>End Date (M/D/Y)</u>	
Real Property Improvements	<u>09/28/2011</u>	<u>09/27/2012</u>	<input type="checkbox"/> Owned <input checked="" type="checkbox"/> Leased
Personal Property Improvements	<u>09/28/2011</u>	<u>09/27/2011</u>	<input checked="" type="checkbox"/> Owned <input type="checkbox"/> 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. Number of existing jobs at this facility that will be retained as a result of this project. Fleet Engineers (76) LEE Industries (10)	10. Number of new jobs at this facility expected to be created within two years of project completion. 4
---------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------

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

a. SEV of Real Property (excluding land)

b. SEV of Personal Property (excluding inventory)

c. Total SEV

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	12c. Is this application for a speculative building (Sec. 3(8))? <input type="checkbox"/> Yes <input type="checkbox"/> No
-------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------

APPLICANT CERTIFICATION

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 Wes Eklund	13b. Phone Number 231-777-2537	13c. Fax Number 231-773-5500	13d. E-mail Address weklund@fleetengineers.com
14a. Name of Contact Person Wes Eklund	14b. Phone Number 231-777-2537	14c. Fax Number 231-773-5500	14d. E-mail Address
15a. Name of Company Officer (No Authorized Agents) Wes Eklund			
15b. Signature of Company Officer (No Authorized Agents) 			15c. Date 08-31-2011
15d. Mailing Address (Street, City, State, ZIP) 1800 E. Keating Ave., Muskegon, MI 49442		15e. Phone Number 231-777-2537	15f. E-mail Address

LOCAL GOVERNMENT ACTION & CERTIFICATION

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

Attached hereto is an original and one copy of the 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.

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

Local Unit: Mail one original and one copy of the completed application and all required attachments to:

**State Tax Commission
Michigan Department of Treasury
P.O. Box 30471
Lansing, MI 48909-7971**

STC USE ONLY			
LUCI Code	Begin Date	End Date	End Date2

DATE: September 27, 2011
TO: Honorable Mayor and Commissioners
FROM: Bryon Mazade, City Manager
RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN100009

SUMMARY OF REQUEST: This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the structure located at 407 MARQUETTE AVE (Commercial) is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

Case# & Project Address: # EN100009 - 407 MARQUETTE AVE

Location and ownership: This structure is located on Marquette between Wood and Charles Streets and is owned by DENNIE PERRY.

Staff Correspondence: A dangerous building inspection was conducted on 01/23/10. The Notice and Order to Repair was issued on 01/26/10. On 03/03/10 the HBA tabled case with owner to provide plan and timeline for repairs as owner stated he was looking to obtain funds thru grants. A partial interior inspection was conducted 03/19/10. On May 7, 2010 the HBA declared the structure substandard and dangerous.

Owner Contact: Owner was present for both HBA meetings but no timeline was provided and no permits have been issued.

Financial Impact: CDBG Funds

Budget action required: None

State Equalized value: \$19,100 (Entire property)

Estimated cost to repair: \$50,000(Exterior Only)

Staff Recommendation: To concur with the Housing Board of Appeals' decision to demolish.

SUMMARY FOR: 407 MARQUETTE AVE

407 Marquette is a single store concrete block building that was formally The Marquette Street Market, the building is currently vacant and boarded up. An interior inspection of the west section of the building on March 19, 2010 was conducted however the east end of the building could not be performed. As of this date there has not been any attempt to secure any permits and it does not appear that any repairs have been made to the building. The structure continues to deteriorate and is a blight on the Jackson Hill neighborhood.

CITY OF MUSKEGON

933 Terrace St., P.O. Box 537, Muskegon, MI 49443 (231) 724-6715

DANGEROUS BUILDING INSPECTION REPORT

Tuesday, January 26, 2010

Enforcement # EN100009 **Property Address** 407 MARQUETTE AVE
Parcel #24-205-012-0004-00 **Owner** DENNIE PERRY

Inspector: Don LaBrenz II

Date completed: 01/22/2010

DEFICIENCIES:

Uncorrected

1. Broken windows on rear of building.
2. Brick facade on rear of building failing.
3. Rear wall bowing out.
4. Broken windows front
5. Front siding rotted.
6. Ceiling outside front door rotted and falling down.

Request interior inspection by all trades, electrical, mechanical and plumbing. Please contact Inspection Services with any questions or to schedule an inspection at 933 Terrace St., Muskegon, MI 49440 (231) 724 6758.

Based upon my recent inspection of the above property I determined that the structure meets the definition of a Dangerous Building and/or Substandard Building as set forth in Section 10-61 of the Muskegon City Code.

Don LaBrenz II, Building Inspector

Date

CITY OF MUSKEGON
933 Terrace St., P.O. Box 536, Muskegon, MI 49443 (231)724-6715
DANGEROUS BUILDING INTERIOR INSPECTION REPORT

407 MARQUETTE AVE
03/19/2010

Inspection noted:

Uncorrected

1. Repair roof damage leaking into stone area.
2. Replace ceiling damage due to leaking roof.
3. Repair front soffit by front entry door.
4. Repair all broken glass in windows.

Interior DB (Electrical)

5. All interior wiring in west end of building to be evaluated for damage due to the elements.
6. Interior wiring in east end of building inaccessible, but believed to not be salvageable.

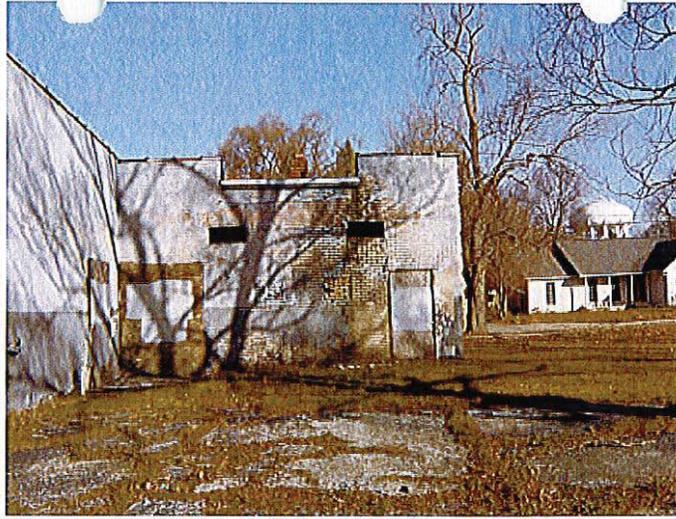
NOTE: Wire probably will need to be reconfigured depending on proposed use of building.

BASED UPON MY RECENT INSPECTION OF THE ABOVE PROPERTY, I HAVE DETERMINED THAT THE STRUCTURE MEETS THE DEFINITION OF A DANGEROUS AND/OR SUBSTANDARD BUILDING AS SET FORTH IN SECTION 10-61 OF THE MUSKEGON CITY CODE.

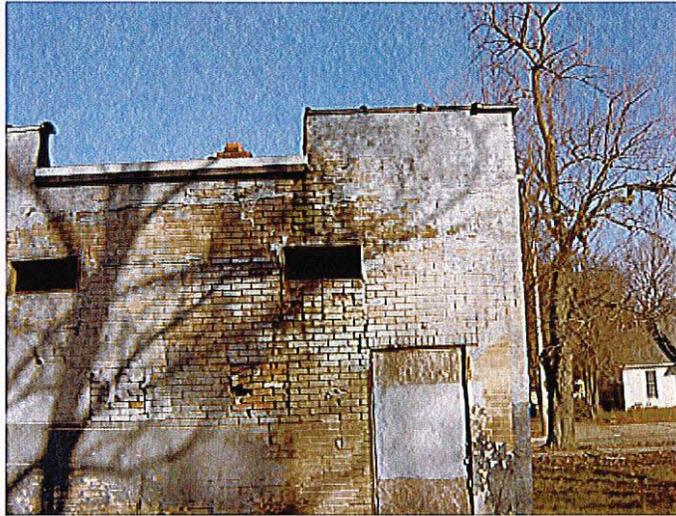
HENRY FALTINOWSKI, BUILDING INSPECTOR

DATE

407 Marquette



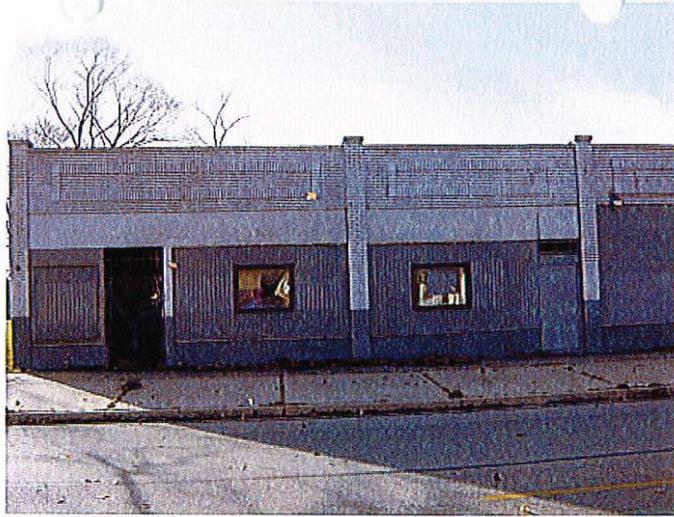
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407 Marquette

407 Marquette



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407 Marquette

Commission Meeting Date: September 27, 2011

Date: September 21, 2011
To: Honorable Mayor & City Commission
From: Planning & Economic Development Department
RE: Resolution for Continuation of City Personal
Income Tax Incentive within City Renaissance
Zones

SUMMARY OF REQUEST: PA 38 of 2011 (May 2011) repealed Section 206.31 of the Income Tax Act of 1967 which allowed individuals who were residents of a Renaissance Zone to exempt their income from the 4.35% tax. Those living within a Renaissance Zone must begin paying State Personal Income Tax on January 1, 2012. The attached resolution authorizes the City to continue providing the City personal income tax benefit within Renaissance Zones, for the life of each Zone.

FINANCIAL IMPACT: No new impact since it is a continuation of a benefit already in place.

BUDGET ACTION REQUIRED: None.

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

Muskegon City Commission

RESOLUTION FOR CONTINUATION OF CITY PERSONAL INCOME TAX INCENTIVE
WITHIN CITY OF MUSKEGON RENAISSANCE ZONES

WHEREAS, the City of Muskegon established several Renaissance Zone areas between the years 2000 and 2002, and two Renaissance Zone extensions in 2008; and

WHEREAS, the Renaissance Zones were set up to be virtually tax-free zones for local and state taxes, including personal income taxes for individuals living in the Zones; and

WHEREAS, PA 38 of 2011 (May 2011) repealed Section 206.31 of the Income Tax Act of 1967 which allowed individuals who were residents of a Renaissance Zone to exempt their income from the 4.35% tax; and

WHEREAS, individuals living in a Renaissance Zone must begin paying the state personal income tax beginning January 1, 2012; and

WHEREAS, the original intent of the Renaissance Zone benefits was to extend them through 2014, with 25% of the taxes being levied in 2012, 50% in 2013 and 75% in 2014, with some areas having extended benefits beyond 2014; and

WHEREAS, the City of Muskegon intends to honor its commitment to provide individuals living in our Renaissance Zones with City personal income tax relief.

NOW, THEREFORE, BE IT RESOLVED, THAT the City of Muskegon agrees to continue the Renaissance Zone City personal income tax benefits, to the extent permitted by law, through the life of the Renaissance Zones.

Adopted this _____ of _____, 2011.

AYES:

NAYS:

ABSTAIN:

By: _____
Stephen J. Warmington, Mayor

Attest: _____
Ann Marie Cummings, City Clerk

DATE: 09/15/2011
TO: Honorable Mayor and Commissioners
FROM: Bryon Mazade, City Manager
RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN100206

SUMMARY OF REQUEST: This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the structure located at 163 AMITY AVE Area 11 is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

Case# & Project Address: # EN100206 - 163 AMITY AVE

Location and ownership: This structure is located on Amity between Myrtle St and Fork Streets and is owned by VU LONG.

Staff Correspondence: A dangerous building inspection was conducted on 12/09/10. The Notice and Order to Repair was issued on 12/15/10. On 03/03/11 the HBA declared the structure substandard and dangerous. An interior inspection was conducted 07/21/11.

Owner Contact: No one was present for the HBA meeting dated 03/03/11. The property was sold to new owner 07/15/11. Copies of all notices were sent to new owner. Mr. Long Vu contacted inspections to schedule interior inspection. He indicated his plan was to rehab property. No timeline has been submitted and no permits have been issued.

Financial Impact: CDBG Funds

Budget action required: None

State Equalized value: \$20,400 (Entire property)

Estimated cost to repair: \$60,000

Staff Recommendation: To concur with the Housing Board of Appeals' decision to demolish.

SUMMARY FOR: 163 AMITY AVE

This structure is a two story, single family dwelling. A dangerous building inspection of the exterior of the property included damaged roof coverings, broken windows, stairs, etc. The property changed hands in July 2011 and an interior inspection was done at that time showing numerous deficiencies. As of this date the new owners have submitted no timeline for repairs and no applications for permits have been received. This structure is currently uninhabitable and if left in its current state will continue to deteriorate.

CITY OF MUSKEGON

933 Terrace St., P.O. Box 537, Muskegon, MI 49443 (231) 724-6715

DANGEROUS BUILDING INSPECTION REPORT

Thursday, December 9, 2010

Enforcement # EN100206

Property Address 163 AMITY AVE

Parcel #24-205-208-0003-10

Owner ROSS HARRIS INVESTMENTS LLC

Inspector: Henry Faltinowski

Date completed: 12/09/2010

DEFICIENCIES:

1. Replace damaged roof covering, open soffit and fascia.
2. Broken out windows replace - repair.
3. Repair damaged front landing and steps.
4. Repair -replace awning over front steps.
5. Close off upper back door. Repair siding or build exterior stairs to code.
6. Interior requested by trade inspectors.

Request interior inspection by all trades, electrical, mechanical and plumbing. Please contact Inspection Services with any questions or to schedule an inspection at 933 Terrace St., Muskegon, MI 49440 (231) 724 6758.

Based upon my recent inspection of the above property I determined that the structure meets the definition of a Dangerous Building and/or Substandard Building as set forth in Section 10-61 of the Muskegon City Code.

Henry Faltinowski, Building Inspector

Date

City of Muskegon
933 Terrace St., P.O. Box 536, Muskegon, MI 49443
(231) 724-6715

Tuesday, July 26, 2011

DANGEROUS BUILDING INTERIOR INSPECTION REPORT

Property Address: 163 AMITY AVE Parcel # 24-205-208-0003-10

Owner: ROSS HARRIS INVESTMENTS LLC

Inspection Type: DB Interior Inspection **Inspector:** Henry Faltinowski

Date completed: 07/21/2011

Building:

1. Provide Engineering specs on basement foundation wall repairs.
2. Replace all damaged interior ceilings, walls and floors.
3. 2nd Floor structural repair required to MRC for proper spans - floors caving in.
4. Smoke alarms per Code.
5. Egress windows in bedrooms.
6. Carbon monoxide detectors.
7. New floor coverings required.
8. Call for rafter inspection.
9. New insulation to code.
10. New windows energy efficient.

Electrical:

11. Rewire dwelling to MRC Electrical Code.

Plumbing:

12. Inspect & certify water service & building sewer. Water service is under sized.
13. Inspect & certify furnace, water heater, chimneys & vents.
14. Establish laundry - Insure all plumbing is established and in working order.
15. Pressure test gas line.
16. Tub/shower valve to be pressure balanced.
17. Clean ductwork.
18. Kitchen sink to have strainers.
19. HVAC & Plumbing meet Michigan Mechanical Code & Michigan Plumbing Code.
20. Provide bath vent fans.
21. Provide supply air & return air in bedrooms & living room.

Based upon my recent inspection of the above property I determined that the structure meets the definition of a Dangerous Building and/or Substandard Building as set forth in Section 10-61 of the Muskegon City Code.

HENRY FALTINOWSKI BUILDING INSPECTOR

DATE

163 AMITY D.B.



163 Amity 7/21/2011 PB INTERIOR



163 Amity Interior





163 Amity Interior



163 Amity Interior



DATE: 09/15/2011
TO: Honorable Mayor and Commissioners
FROM: Bryon Mazade, City Manager
RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN110043

SUMMARY OF REQUEST: This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the structure located at **122 E SOUTHERN AVE Area 13** is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

Case# & Project Address: # EN110043 - 122 E SOUTHERN AVE

Location and ownership: This structure is located on Southern Ave. between Leahy and Jiroch Streets and is owned by PLUMMER JEFFREY/JENNARY.

Staff Correspondence: A dangerous building inspection was conducted on 2/22/11. The Notice and Order to Repair was issued on 03/02/11. On 07/07/11 the HBA declared the structure substandard and dangerous.

Owner Contact: No one was present for the HBA meeting dated 07/07/11. Home is in foreclosure status, redemption period expires March 2012. Most notices have been returned unclaimed.

Financial Impact: CDBG Funds

Budget action required: None

State Equalized value: \$9,900 (Entire property)

Estimated cost to repair: \$10,000

Staff Recommendation: To concur with the Housing Board of Appeals' decision to demolish.

SUMMARY FOR: 122 E SOUTHERN AVE

This building is a two story wood framed single family dwelling. This building is currently vacant. The back section of the building has collapsed. This structure was boarded up by the City in February 2011 and there has been no attempt to effect repairs. This building is a blight influence to the neighborhood and will continue to deteriorate.

CITY OF MUSKEGON

933 Terrace St., P.O. Box 537, Muskegon, MI 49443 (231) 724-6715

DANGEROUS BUILDING INSPECTION REPORT

Wednesday, February 23, 2011

Enforcement # EN110043 **Property Address** 122 E SOUTHERN AVE
Parcel #24-205-279-0006-10 **Owner** PLUMMER JEFFREY/JENNARY

Inspector: Henry Faltinowski

Date completed: 02/22/2011

DEFICIENCIES:

1. Back section of home roof system has collapsed. Provide interior inspection to evaluate structural damage.
2. Broken out windows on home.
3. Request interior inspection by trade inspectors.

Request interior inspection by all trades, electrical, mechanical and plumbing. Please contact Inspection Services with any questions or to schedule an inspection at 933 Terrace St., Muskegon, MI 49440 (231) 724 6758.

Based upon my recent inspection of the above property I determined that the structure meets the definition of a Dangerous Building and/or Substandard Building as set forth in Section 10-61 of the Muskegon City Code.

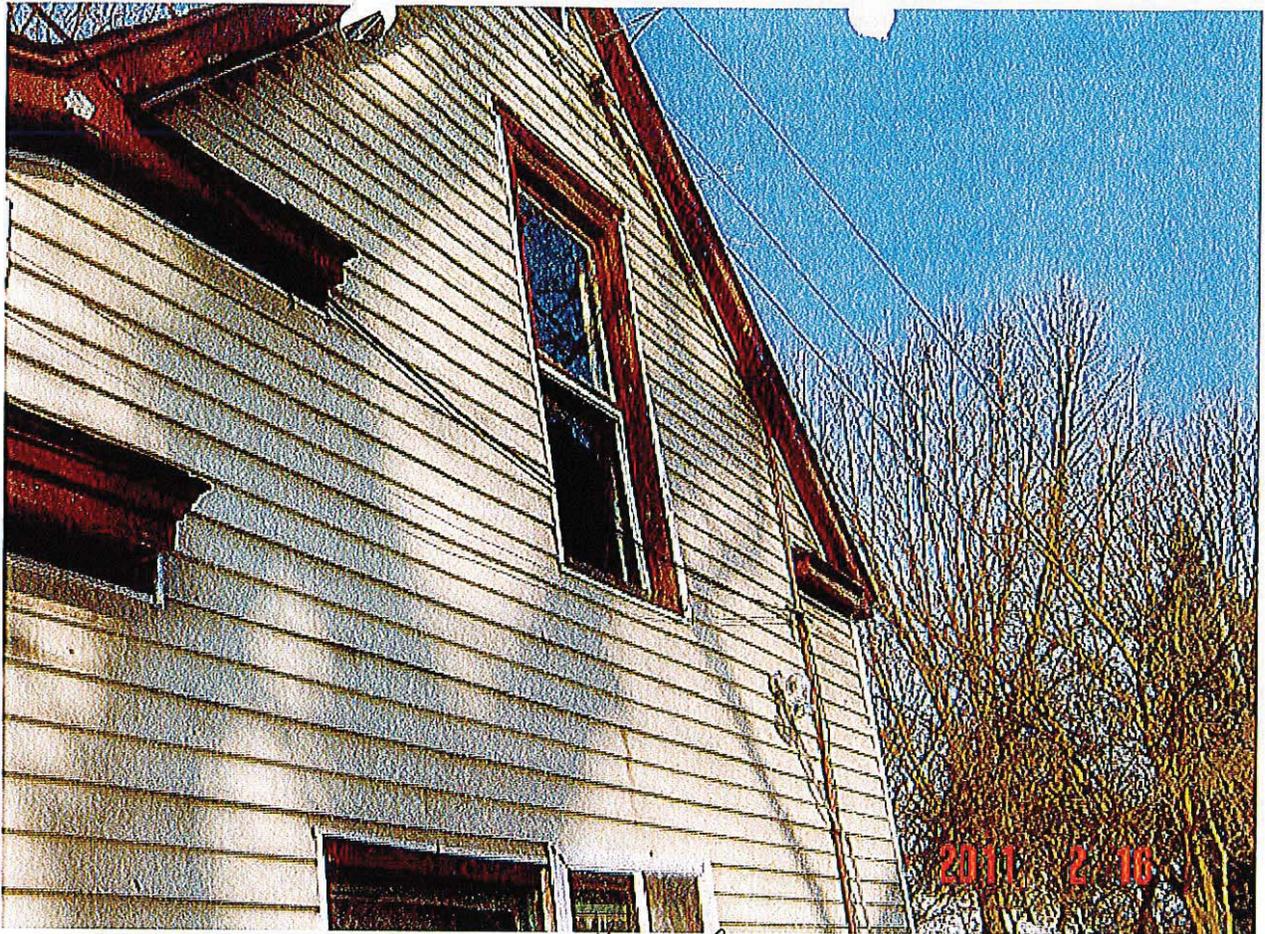
Henry Faltinowski, Building Inspector

Date

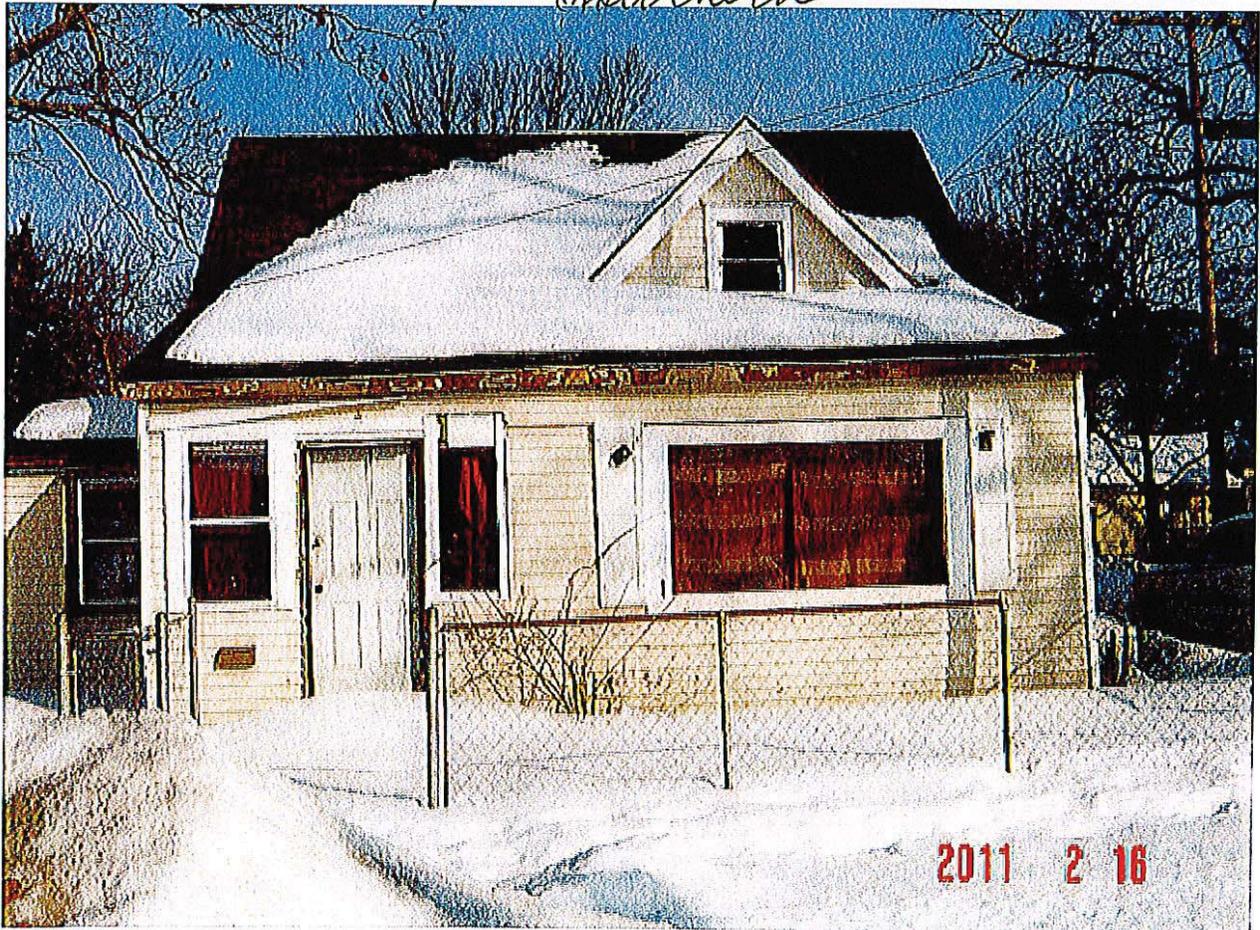


122 P. Southern





122 Kauterna





DATE: 09/15/2011
TO: Honorable Mayor and Commissioners
FROM: Bryon Mazade, City Manager
RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN110039

SUMMARY OF REQUEST: This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the structure located at 1877 SMITH ST (Garage) Area 11 is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

Case# & Project Address: # EN110039 - 1877 SMITH ST(Garage)

Location and ownership: This structure is located on Smith St. between Holbrook and E. Laketon Streets and is owned by COUNTY OF MUSKEGON.

Staff Correspondence: A dangerous building inspection was conducted on 02/16/11. The Notice and Order to Repair was issued on 03/04/11. On 07/07/11 the HBA declared the structure substandard and dangerous.

Owner Contact: No one was present for the HBA meeting dated 03/04/11. The property was foreclosed upon by Muskegon County Treasurer 04/01/11. No permits have been issued and no inspections scheduled.

Financial Impact: CDBG Funds

Budget action required: None

State Equalized value: \$21,000 (Entire property 2011 assessment)

Estimated cost to repair: \$3000

Staff Recommendation: To concur with the Housing Board of Appeals' decision to demolish.

SUMMARY FOR: 1877 SMITH ST(Garage)

This is a wood framed single family dwelling. The portion of the building being considered dangerous is the single stall attached garage. The roof on the garage has collapsed and the garage is no longer protected from the elements. This garage if not removed will continue to deteriorate and have an adverse effect on the main portion of the structure.

CITY OF MUSKEGON

933 Terrace St., P.O. Box 537, Muskegon, MI 49443 (231) 724-6715

DANGEROUS BUILDING INSPECTION REPORT

Wednesday, March 16, 2011

Enforcement # EN110039
Parcel # 24-762-002-0003-00

Property Address 1877 SMITH ST
Owner CLARK BEVERLY

Inspector: Don LaBrenz II

Date completed: 02/16/2011

DEFICENCIES:

1. Garage roof collapsed.
2. Garage roof needs to be repaired or rebuilt to MRC 2006.

Request interior inspection by all trades, electrical, mechanical and plumbing. Please contact Inspection Services with any questions or to schedule an inspection at 933 Terrace St., Muskegon, MI 49440 (231) 724 6758.

Based upon my recent inspection of the above property I determined that the structure meets the definition of a Dangerous Building and/or Substandard Building as set forth in Section 10-61 of the Muskegon City Code.

Don LaBrenz II, Building Inspector

Date





104 W. SHELBY (E. 1000) N. 1st Street