Tourism Development Strategy
For Idlewild, Michigan

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APPENDICES
APPENDIX A: SWOT ANALYSIS DISCUSSION GUIDE

Discussion Guide for Strengths, Weaknesses, Opportunities, and Threats Analysis

Hello, I’m ___ from the Michigan State University urban planning program. As you probably know, our team is working on a practicum project at MSU where we’ll do a tourism asset and market study of Idlewild and create a strategy for revitalizing Idlewild as a tourist destination. I’d like to ask you a few questions to help inform our research. This interview should take about 40-45 minutes.

1. First, please give me a short overview of the work you do and your personal connection to Idlewild.

2. One of our tasks is to develop a socioeconomic profile of the area. What are your impressions about the current socioeconomic condition of Idlewild?

3. Another task is to make an inventory of existing tourist assets in the area—both locally and regionally. These include both tourist attractions like Sleeping Bear Dunes and tourist amenities like hotels, motels, restaurants, welcome centers, and transportation services. What do you consider to be the most important tourist assets in:
   a. Idlewild?
      i. *Probe:* attractions
      ii. *Probe:* amenities
   b. Yates Township?
      i. *Probe:* attractions
      ii. *Probe:* amenities
   c. Lake County?
      i. *Probe:* attractions
      ii. *Probe:* amenities
   d. The region? (Manistee, Mason, Newaygo, Osceola, Wexford Counties)
      i. *Probe:* attractions
      ii. *Probe:* amenities

4. We’re also going to do a SWOT analysis—an overview of internal strengths and weaknesses and external opportunities and threats that Idlewild faces. What do you see as Idlewild’s most important internal strengths? When I say internal, I mean things that are integral to Idlewild and to the larger community in Yates Township.
   a. *Probe:* It’s probably going to require a group effort to make Idlewild into a major tourist attraction again. What are your impressions about how well people communicate and collaborate in Idlewild, Yates Township, Lake County? Do different stakeholders get along well?
5. Next, what are Idlewild’s most important weaknesses? These are the specific characteristics internal to Idlewild and Yates Township that make it hard for Idlewild to become a popular tourist attraction and be a prosperous community.

6. Now I’d like to ask about external factors—issues outside the community that affect Idlewild. First, what are the most important opportunities you see for Idlewild?
   a. *If more info needed:* This is where you can talk about investment possibilities (both public and private investment) as well as what kind of community you think Idlewild could and should become in the next ten years. It could include markets that you think might be interested in Idlewild.

7. Finally, I want to ask you about threats. What are the most important external factors outside the community that make it difficult for Idlewild to become a popular tourist attraction?

8. We’re going to compile a set of case studies of communities similar to Idlewild that have used a particular asset to attract community development and investment. We’re especially interested in recent success stories. What examples do you know of?
   a. *Probe:* In what ways was that example similar to Idlewild?
   b. *Probe:* What do you know about funding sources? How long did it take? What partnerships were involved?

9. What are your short term goals for Idlewild? What do you think can be done with little to no funds over the next 1-3 years?

10. Those are all the questions I have. Is there anything else we should keep in mind as we do this work?
APPENDIX B: CONSIDERATIONS FOR THE ESTABLISHMENT OF AN IDLEWILD COMMUNITY LAND TRUST

About Community Land Trusts
Community Land Trusts (CLTs) are community-based nonprofit organizations that promote stewardship and affordability in a community by safeguarding its buildings and land. CLTs operate by acquiring properties and then keeping them in trust in perpetuity. They issue long-term leases or purchase agreements to individuals, businesses, nonprofits, etc., to occupy and use the properties. The leases can be ground leases (i.e., the CLT retains ownership of the land but not the structures on it), or leases of both the land and any structures on it. In a purchase agreement, the property is sold to a buyer outright, but the agreement typically offers the CLT the option to buy back the property at a price that is below market rate but still offers property owners a return on their investment. CLTs have been formed in urban, suburban, and rural areas and have contributed to the preservation and revitalization of housing, commercial and nonprofit enterprises, farmland, natural areas, and more. (Oakland Community Land Trust, 2013.)

The Oakland Community Land Trust lists an array of benefits of CLTs, many of which are highly relevant to Idlewild:

**Housing:** CLTs provide permanently affordable housing through below-market pricing and long-term contractual controls over the sub-letting and re-sale of owner-occupied homes.

**Jobs:** CLTs provide jobs through the development of small businesses, the use of local contractors, and through cooperative agreements with local banks.

**Environmental Quality:** CLTs provide environmental benefits through cleaning up toxic sites, rehabilitating blighted properties, and constant attention to environmentally sound housing design and energy-efficient materials.

**Community Spaces:** Many CLTs develop and manage vest-pocket parks and community gardens. Some have developed public facilities like community centers, job training centers, and incubators space for nonprofit service organizations, all located on the CLT’s land.

**Ownership Opportunities:** Most CLTs develop housing that is owner-occupied, subject to long-term controls over occupancy, condition, subletting, and resale. (Ibid., par. 6)
The initial formation of a CLT simply consists of establishing a nonprofit 501(c)(3) organization or adjusting an existing nonprofit to accommodate the mission and work of a CLT. Next, the CLT must establish its service area, decide what functions it will carry out, and begin to rally support from local public officials, nonprofits, philanthropic organizations, citizens, and other stakeholders (ibid.).

**CLT/Land Bank Partnership: A Possible Model for Idlewild**

Land banks, in particular, can be excellent partners for a CLT, according to affordable housing expert John Emmeuse Davis (2012). Like CLTs, land banks aim to return derelict properties to productive use. However, unlike the nonprofit CLTs, land banks are public or quasi-public agencies; for example, the Lake County Land Bank operates through the Lake County Treasurer. In addition, land banks usually sell properties outright to private owners within three to five years of acquisition without imposing restrictions on the future sale price or use of the properties. Often these sales occur through public auctions, where the properties are sold to outside speculators who have no stake in the community. After the sale, the land bank has no involvement with the property, unless it is returned to the land bank through tax foreclosure; as a result, the property remains subject to cycles of disinvestment or gentrification. In contrast, CLTs are dedicated to the long-term, “counter-cyclical stewardship” of a community’s land and buildings (Davis, 2012, par. 6).

While the weakness of land banks lies in the disposition of property, a major struggle for CLTs is the acquisition of property. Unlike land banks, which quickly obtain large numbers of properties that have been surrendered through tax foreclosure, CLTs struggle to obtain enough properties to make a real difference in their communities and often remain small as a result (ibid.). This could be a particular challenge for the Idlewild CLT, which is just beginning its work.

According to Davis, the designation of a CLT as a priority recipient of land bank properties would be a “game changer” for CLTs, eliminating the single most important impediment to their growth. “With fewer worries about finding their next piece of property,” Davis observes, “A greater proportion of a CLT’s energies and resources could be devoted to what a CLT does best: stewardship” (ibid., par. 9).

The transformative potential for land bank/CLT partnerships is beginning to be recognized at a national level. In October 2011, the Women’s Community Revitalization Project, a Philadelphia-based community development organization, hosted a national symposium on the possibilities of these partnerships. A number of national experts spoke at this symposium, including Dan Kildee, the founder of the Genesee County Land Bank and the Center for Community Progress:

> Imagine the relationship between a land bank and a CLT, when the land bank can say to itself and to the community, our first priority for the use of this land is to support the mission of our land trust in trying to achieve its goals. Rather than exposing a property first to public auction, then [making it available only] after the scavengers decide they don’t want it ... we can take any property that comes in and say the first priority for the
use of this land is to go to that CLT and see if that fits their mission—or we can assemble
land for the CLT for its ultimate disposition.

—Dan Kildee, 10/6/11, cited in Davis, 2012

This is where a CLT-land bank partnership could be highly beneficial to Idlewild. As noted in the
“Overview of Idlewild” section of this report, the Lake County and State of Michigan Land Banks
are, collectively, the third-largest landowners in Idlewild. Land bank parcels are scattered
throughout the Idlewild Historic District. If the Idlewild CLT were to partner with the Lake
County Land Bank and/or the State of Michigan Land Bank, its property holdings—and its
impact on facilitating community-controlled development in Idlewild—could be very significant.

As of early 2013, many land banks have transferred properties to CLTs on an ad hoc basis, but
there are no examples of formal partnerships where land banks transfer properties to CLTs on a
regular, predictable basis. According to Davis, the first example of such a formal partnership is
currently being pursued in the city of Atlanta, where the City of Atlanta-Fulton County Land
Bank Authority is working with the Atlanta Land Trust Collaborative to establish a “property
pipeline” to develop and sustain affordable housing in the area surrounding the Beltline, a
major transit-oriented development project (ibid., par. 13).

The practicum team recommends that the Idlewild Community Development Corporation
actively pursue such a partnership with the Lake County Land Bank and/or the Michigan Land
Bank Fast Track Authority. Even if it is not feasible to establish a formal partnership like the one
that is being piloted in Atlanta, the transfer of selected properties to the ICDC on a case-by-case
basis—especially strategically important properties within the focus area of the tourism
development strategy—could make a significant difference in the ICDC’s ability to generate a
positive impact on the community.

References/Additional Reading

Campaign to Take Back Vacant Land. (Undated). Partnership potential: Land banks &
community land trusts. (Video recordings of speaker comments at symposium.) Retrieved

ships/.

Oakland Community Land Trust. (2013.) Benefits of a community land trust. Retrieved April 6,
APPENDIX C: IDLEWILD HISTORICAL TOUR MAPS

This appendix contains the following walking-tour itineraries:

1. **Idlewild Lake Walking Tour.** This tour was developed for Idlewild in 2011 by the Michigan Department of Natural Resources.

2. **Idlewild Historic District Tour.** This tour was developed in 2009 by Commonwealth Cultural Resource Group as part of the Idlewild Cultural Resource Management Plan.
1. **Idlewild Lot Owners Association Building (ILOA)**
   Incorporated in 1921, the ILOA was charged with rendering constructive, civic and social service to the community. Among programs sponsored by the ILOA were Sunday Forums featuring guest speakers such as the Governor of Michigan.

2. **Sgt. Albert Johnson’s House and Paddock**
   Spanish-American War veteran Sgt. Albert Johnson and his wife owned the Clover Leaf Ranch and 21 horses. These horses were trained to go only on the trails around the lake.

3. **Idlewild Historic and Cultural Center**
   Once the Yates Township Hall, Five-Cap Nonprofit Housing Corporation purchased the building and remodeled and enlarged it for a museum, meeting space and theatre facilities. Open seasonally. Visit [www.historicidlewild.com](http://www.historicidlewild.com) for dates and times.

4. **Detroit Idlewilders’ Club House**
   Idlewilders’ Clubs grew out of resorters’ desire to continue friendships and associations established in Idlewild once they returned home. The Detroit Idlewilders’ Club owns a clubhouse in the Idlewild Historic District.
5. **Bayview**
   Constructed in 1926 from a design by the original owner, Mr. Henry Gregory, Bayview serves as the summer retreat for the Gregory family four generations later. Mr. Gregory was instrumental in the early electrification of Idlewild.

6. **Charles Waddell Chesnutt House**
   Mr. Chesnutt, a Cleveland-based attorney, was the most widely-read African-American author of the late 19th and early 20th centuries. Among his works were *The House Behind the Cedars* and *Conjure Woman*. The house remained in the family until 2007.

7. **Rollins/Hudson House**
   Dr. Ida Gray Nelson Rollins, for whom this cottage was constructed, became the first African-American woman to earn a doctor of dental surgery degree in the United States when she graduated from the University of Michigan Dental School in 1890. She has the distinction of being the first female African-American dentist in Chicago.
8. **Williams Island and the Flamingo Room**

Williams Island formed the center of Idlewild activity from its earliest days. In the 1920s, the Oakmere Hotel was constructed on the island and, in 1949, new owner Phil Giles added attractions including a boat launch, amusement park and the Flamingo Room. LaVern Baker, Little Willie John and Butterbean and Susie performed at the club.

9. **LeeJon’s Confectionary and Gift Shop**

The Idlewild Party Store, constructed in 1949 by Mr. and Mrs. John and Leona Simmons, included a soda bar and souvenirs.

10. **Red Rooster/Rosana Tea Room**

Constructed in the early 1920s, Ms. Lottie Roxborough and her son, Mr. Charles A. Roxborough III, purchased the property and converted the tea room into a popular bar.

11. **Post Office**

The first post office in Idlewild was established on August 18, 1923 on Williams Island. Ms. Susie J. Bantom served as the first postmaster and was a regular contributor of Idlewild news to the *Chicago Defender*. The post office moved to its present location in 1957.

12. **Tabernacle African Methodist Episcopal Church (AME)**

Idlewild’s first church, the Tabernacle AME Church, was completed in 1923. In the winter of 1928-1929, the building’s original canvas roof collapsed under the weight of heavy snows. A new edifice was completed in 1929 and Michigan Governor Fred W. Green presented the dedication speech. In 1963, the church was reoriented to its present configuration.

13. **Dr. Daniel H. Williams’ Home**

In 1898, Dr. Daniel Hale Williams was the first surgeon to perform successful open heart surgery. He was a founding member of the Idlewild Improvement Association.
14. Yates Fire/Township Hall
The brick and concrete block building was designed by Mr. Woolsey Coombs and erected using volunteer labor in the fall of 1949. The original, two-story portion of the building housed the fire hall. The Yates Township Fire Department continued to operate out of the building for over 50 years.

15. Louis Armstrong Home
In 1936, Louis Armstrong recounted his time spent at Idlewild in his first autobiography, *Swing That Music*. He wrote in his book, “Lil and I were making real good money between us and we began to do what we wanted. We bought a house and a little car and then we bought some lots on the lake front at Idlewild, which was a summer resort on Idlewild Lake, out from Chicago. Another thing I liked to do was to ride horseback there. I would rent myself a good old nag for an hour or two and climb on without any saddle and in my suit and ride around the country.”

16. Birch Haven
Birch Haven was the summer residence of Ms. Violette Neatly Johnson Anderson and her family. Ms. Anderson was the first African-American woman to practice law in the U.S. District Court Eastern Division. She served as the first female Chicago prosecutor in 1922-1923, and became the first African-American woman admitted to practice before the Supreme Court of the United States.

17. Dr. Robert L. Bradby Residence
Dr. Robert Bradby was the pastor of the Second Baptist Church in Detroit, the oldest African-American church in Michigan, which boasted a membership of approximately 5,000 in the early 1920s.
18. Lydia Inn
In 1959, when writing about Idlewild, a local resident called the Lydia Inn “One of the first three places to accommodate guests in the early days. It holds the memory of serving many of the founders and visitors from all over the country.”

19. Sweetheart Motel
Considered one of the most popular lodges in the area during the 1950s-1960s, the 11-unit property provided housing for club performers, including Joe “Ziggy” Johnson. Once painted “sweetheart” pink, the concrete block structures retain a faint pink cast.

20. Madame C. J. Walker property
Madame C. J. Walker, first self-made U.S. woman millionaire, was an early resident of Idlewild. Inventor of the straightening comb, she initially sold her product door-to-door, but eventually employed a sales force of 20,000 for her hair care products and cosmetics. She opened offices in Denver and Philadelphia and, by 1917, her business was earning $250,000 a year.
Idelwild

Visitor's Guide Historic African American Resort Community

U.S.A. n. 1, west of Baldwin

Idelwild is one of the largest resorts for the African American community in the United States. Four caucasian partners formed the Idelwild Resort Company (IRC). Mr. Wilber M. Lemon and Mr. Albert W. Bryant were both attorneys and Mr. Erasmus and Mr. Adebert Branch, brothers living in White Cloud, Newaygo County, Michigan, developed Idelwild Resort. In 1915, the IRC began to develop land and in 1916, the resort opened its gates to the public. The island was some 25 feet wide by 100 feet deep and was purchased by the owners who lived in Chicago. The resort was a haven for those from cities, away from discrimination and segregation, and became a major stop on entertainment’s “Chicagoland Circuit.” The passage of the Civil Rights Act in 1964, the Civil Rights Movement, and the march to the White House in 1968 spurred the flight of the family four generations later. Mr. Gregory was instrumental in obtaining permission to sell stock it folded, but Dr. Bradby remained an active member and lot owner in the resort community.

15. Yates Fire/Township Hall – 16211 Lake Drive. The brick and concrete building was constructed in 1927 by Mr. Woolsey Coombs and was used as a fire station and community center. The building and remodeled and enlarged it for a museum, meeting space, and theatre facilities.

16. Yates Fire/Township Hall – 16211 Lake Drive. The brick and concrete building was constructed in 1927 by Mr. Woolsey Coombs and was used as a fire station and community center. The building and remodeled and enlarged it for a museum, meeting space, and theatre facilities.

17. Dr. Daniel H. Williams House – 15712 Lake Drive. Dr. Daniel Hale Williams was known as the first surgeon to perform successful open heart surgery in 1898, promoter of Idelwild, and founding member of Idelwild Improvement Association (IJA). Dr. Dan, as he was affectionately known, spent his summers in Idlewild from the 1920s to 1949. On August 4, 1931, Dr. Williams passed away in his Idlewild retreat. With his death occurring at the height of Idelwild’s summer season, several thousand residents and resort visitors paid tribute to the doctor.

18. Williams Island and the Flamingo Room – 1002 E. M. L. King Drive. Originally known as Island Park, the island formed the center of activity for Idelwild from the earliest days of the resort. The island was the site of the first gathering place, the Clubhouse, and the location of the first overnight accommodations known as “doughhouses” for their small size. The IJA constructed the Oakmores Hotel on the island in the 1920s, which was purchased by Phil Gies in 1949. Gies added attractions, including a boat launch, amusement park, and the Flamingo Room. In 1956, entrepreneur/writer Mr. Ziggy Johnson reported the Club Fiesta (at the rival Paradise Club) and the Flamingo as “two of the finest supper clubs you want to see in America.” The Flamingo was hosted by Chicago-based lawyer and builder, Mr. Charles M. Brown. Before his death, he endowed the club with a “Flamingo Room” on the shores of Lake Michigan. The IJA, led by Mr. John Meeks, included the Flamingo Room in the IJA’s new hotel concept. The building, erected in 1948, provided groceries and a curb-side gasoline pump.

19. Morton’s Grove – 6309 S. Tacoma. One of the early motels in Idelwild, Morton’s Motel advertised in the Idelwild Yearbook for 1959 and it had “20 units, private baths, tennis court, miniature golf course, picnic space, babysitting, and rustle benches and tables, indoor dancing, large parking area.” Yates County Deputy Sheriff William Morton and his “charming wife,” well known for her hospitality and wonderful meals, owned the motel. In the late 1980s, under the ownership of Mr. John Meeks, the original motel was remodeled to its present configuration.

20. Idelwild Public School/Yates Township Hall and Library – 473 E. Baldwin Road. Originally erected as a school, the building included a rear room serving as a library. The school was closed in 1959 and in 1960 the building was taken over by Yates Township and the community hall. The building was listed as a National Register of Historic Places district in 1979 and expanded in 2009.

21. Case Blanca – 1396 E. Hall Road. Mr. Woolsey Coombs, an architect and builder, completed the Case Blanca Hotel in 1949. The highly successful hotel operated into the 1960s. Ivan Loo Coombs, his partner, completed the Cashish Cocktail Lounge, which offered “delectable meals and exquisite dining,” in addition to guest rooms. The Chicago Defender newspaper called the Spanish Revival building “one of the finest in the state.”

22. Sweetheart Motel – 730 E. Troy. The motel was one of the most popular lodges in the area during the 1950s and 1960s. The eleven-unit property provided housing for club performers, including Joe “Ziggy” Johnson. Abandoned years ago, the building complex is still identifiable as a motel with a front building including several units and the traditional motel unit near the rear of the property. Once painted “sweetheart pink,” the concrete block structure retains a faint pink cast.

23. Lydia Inn – 7036 S. Geneva. In 1959, when writing about Idelwild, a local resident called the Lydia Inn “one of the first three places to accommodate guests in the early days. It holds the memory of serving many African American entertainers who performed at the Flamingo Room. A “favorite gathering place for after-church and builder, completed the Casa Blanca Hotel in 1949. The highly successful hotel operated into the 1960s. Ivan Loo Coombs, his partner, completed the Cashish Cocktail Lounge, which offered “delectable meals and exquisite dining,” in addition to guest rooms. The Chicago Defender newspaper called the Spanish Revival building “one of the finest in the state.”

24. Gibson & Son’s Market – 6389 W. Baldwin Road. The large grocery store was owned and operated by Reverend and Mrs. James M. and Mattie Gibson. In 1959, an advertisement announced that the store offered groceries, poultry, and meats, both wholesale and retail.
APPENDIX D: SAMPLE REQUEST FOR QUALIFICATIONS, MEMORANDUM OF UNDERSTANDING, AND DEVELOPMENT AGREEMENT
Request For Qualifications

East Village Project
East Lansing, Michigan

December 2005
Background
In 2000, the City of East Lansing and Michigan State University partnered to have an urban planning class examine potential redevelopment scenarios for the East Village—defined as the area in East Lansing bounded by Bogue Street to the west, Grand River Avenue to the north, Hagadorn Road to the east, and the Red Cedar River to the south. In 2003, the City and MSU began to more aggressively pursue redevelopment options. These discussions led to the formation of the East Village Study Committee. The East Village Planning Committee has been in the process of forming a Master Plan for the area with the assistance of consulting firm JJR. The proposed plan is saved as a PDF file on the CD enclosed.

The City of East Lansing is issuing this Request for Qualifications to experienced entities that have demonstrated success in executing highly complex redevelopment projects. The selected entity will be the City’s Master Developer for the project. The Master Developer will be responsible for coordinating all development activities, including, but not limited to: property acquisition; conceptual and final site plans; developing project pro formas; identification and formation of strategic partnerships, possibly including existing landowners and other developers; securing private sector equity and financing; and partnering with the City of East Lansing to facilitate all project components, including the use of public financing and other incentives. The city will be requiring that the selected Master Developer enter into a Memorandum of Understanding regarding their responsibilities.

Development Objective
The City Of East Lansing desires to encourage a redevelopment project that adheres to the principles of the East Village Master Plan. The project will be a mixed-use “urban village” compatible with the character of the Michigan State campus and include a combination of the following: street level retail, housing (loft-style apartments and condos), professional offices, and a boutique hotel. The urban village will create a high-density neighborhood with a broad mix of uses that is pedestrian-oriented and maximizes use of the Red Cedar River as a green amenity. The intent is to create a new neighborhood that enhances the City of East Lansing, Michigan State University, and existing properties. It is expected that the total project will require $350-$450 million in public and private investment.

Current Conditions
Covering approximately 35 acres, the East Village is predominantly student oriented housing with some suburban strip type retail along Grand River. Key issues with respect to the site include:

- **Property Ownership.** All of the properties are currently under private ownership. The City of East Lansing will partner with the selected Master Developer to develop an effective acquisition strategy. The city has commenced efforts to meet with existing property owners regarding possible acquisition of their properties.

- **Zoning.** Zoning is currently a mix of B2, RM32, and RM54. Efforts are currently underway to rezone this area using form-based coding. The new code will allow for high-density urban redevelopment with zero setbacks, 100% ground coverage, and building heights up to 8 stories.

- **Environmental.** No recent Phase I, Phase II, or Baseline Environmental Assessments have been completed. However, historical assessments identify known contamination on at least one parcel. The city expects to utilize tax increment financing to support necessary environmental costs.
• **Infrastructure Improvements.** Substantial infrastructure improvements are required, including new streets, sewers, runoff control, and parking facilities. The city plans to support infrastructure through tax increment financing.

• **Floodplain.** A substantial portion, estimated to be 16 acres, of the site is located in the 100-year floodplain according to FEMA records. Future analysis will require a complete hydrological study of the area.

**Available Incentives**
The City of East Lansing has the following incentives available for this site:

1. **Acquisition.** The city will partner with developers in order to facilitate the extensive property acquisition required to undertake this project.

2. **Tax Increment Financing.** The use of both Downtown Development Authority and Brownfield Redevelopment Authority TIF will be an essential component to this project. The city will work creatively with developers to utilize these tools.

3. **State and Federal Incentives.** Substantial efforts to secure State and Federal grant dollars and other incentives are already underway. The city will work aggressively to continue to pursue various programs and funding that will enhance the financial feasibility of this project.

**Submission Requirements & Deadline**
The City of East Lansing is requesting that interested developers submit qualifications and a letter of interest. The letter and qualifications shall include the following:

1. **Development Entity.** Identify the development entity that would enter into a Memorandum of Understanding with the City of East Lansing, including all intended partners to the extent known at this time. Please indicate complete listing of names, titles, addresses, and phone numbers, as well as the primary contact person.

2. **Project History.** Provide evidence of at least one substantial mixed-use project that the development entity is currently undertaking or completing. A substantial project is defined as having a minimal private sector investment of $50 million and includes retail, residential, and office use components.

3. **Due Diligence.** Demonstrate your commitment to invest at a minimum $100,000 - $200,000 in pre-project costs that would include, but not limited to, the following items: schematic site plans, color rendering of proposed facilities, market and economic feasibility studies, marketing materials and environmental site assessments.

Submission of qualifications and the letter of interest must be submitted no later than 5:00 p.m. on January 21, 2005. Ten copies of the completed proposal must be submitted. Letters of Intent, proposals, and inquiries should be addressed to Lori Mullins, Senior Project Manager, City of East Lansing, 410 Abbott Rd., East Lansing, MI 48823, (517) 319-6930, lmullin@cityofeastlansing.com.

The City of East Lansing reserves the right to reject or accept any and all proposals received.
Memorandum of Understanding
Between the City of East Lansing And __________, LLC,
a Michigan limited liability company located at ______________
to Proceed with the Master Development and Phase I of the Development of the East Village Project
Located in East Lansing, Michigan

In consideration of their respective undertakings as provided in this Memorandum, the City of East Lansing, hereinafter the "City", and __________, LLC, a Michigan limited liability company, hereinafter referred to as the "Developer"), agree to explore, on the terms and conditions set forth in this Memorandum, in "Phase I" (described below) of the development to be known as the East Village Redevelopment Project (the "Project") located in the City East Lansing.

The Project is to be located on Parking Lot 1 located between __________ and possibly other adjacent property as determined in accordance with paragraph 2(c) in the description of Phase I below. The Project is currently envisioned as a ____________ as further described in the letter dated January 12, 2005, attached hereto for identification.

The approval and execution of this Memorandum by the City represents the formal acceptance by the City of Developer as the Preferred Developer for the Project, and exclusively confers upon the Developer the rights and responsibilities described below for a period of 180 days as represented by this Memorandum, subject to extension of such 180 period as provided below. The approval and execution of this Memorandum by Developer represents its agreement to undertake Phase I as described below as the Preferred Developer, and represents Developer's commitment and obligation to perform Phase I under the terms set forth herein.

The purpose of this Memorandum is to set forth a basic understanding of the responsibilities, agreements and commitments between both parties with respect to specific activities necessary to perform Phase I as the first step toward entering into a development agreement to jointly develop the Project. Both parties agree to undertake their best effort to fulfill all commitments and obligations contained herein. Both parties further agree that the Project is a significant and complex undertaking, and it may, therefore, become necessary from time-to-time to make modifications or otherwise alter some of the actions and/or responsibilities contained within this Memorandum, but no amendment or other modification to this Memorandum shall be valid unless contained in a written document signed by both parties.

This Memorandum contains two parts, hereinafter defined as Phase I and Phase II. Phase I obligates both parties to an initial determination of Project feasibility, and outlines the steps, outcomes and time frames to be achieved. Phase II, which will be the First Addendum to this Memorandum, represents the initial set of agreements and understandings to be accomplished and which are necessary to reach the decision by the City to formally enter into a Joint Development Agreement and begin the Project.
Phase I - Initial Project Feasibility

Both the City and Developer agree that a more specific determination of project feasibility is necessary:

1. The Developer shall have 180 days from the date of this Memorandum to establish preliminary project feasibility and the right to extend the period in which to establish the preliminary project feasibility for an additional 180 days by giving the City written notice of such extension (the initial 180 days as extended by Developer being called the "Phase I Period"). If Developer extends the Phase I Period as provided in the immediately preceding sentence, Developer shall first appear before the City Council of the City of East Lansing, or such other body of the City of East Lansing as the City Council may designate, and advise the Council or such other body of the reasons that, based on Developer's investigation up to that time, it appears to Developer that the Project may be feasible and why Developer has extended the Phase I Period so that Developer may in good faith continue its investigation of whether the Project is feasible.

2. The Phase I preliminary study of the Project shall consist of the following:

   (a) Conducting necessary research and due diligence including but not limited to market studies, traffic impact analysis and parking needs analysis.

   (b) Preparing preliminary financial pro forma to determine the amount of tax increment financing assistance that may be available given estimated project value.

   (c) Making a preliminary determination as to whether the property of any adjacent property owners will be required in order to make the Project feasible.

   (d) Obtaining forward commitments or letters of intent from major retail tenants, a hotel operator, and office users.

   (e) Creating a marketing concept for the sale of residential condominiums.

   (f) The Developer may, at its own expense, obtain the services of an architect to prepare project concepts where it may become necessary to assist in these efforts.

3. The Developer agrees to communicate with the City on a regular basis to review the status of the project development including disclosure of the documents, reports and studies described in paragraph 2 above and copies of materials used in the tenant solicitation and a list of contacts.

4. On or before the end of the Phase I Period, the Developer shall submit its findings and recommendations to the City regarding project feasibility. The recommendation shall be one of the following:

   (a) The Project is feasible as envisioned in the second paragraph of this Memorandum;
if this recommendation is given by Developer, both parties agree to use their mutual good faith efforts to negotiate and enter into the agreement pertaining to Phase II described below, and if such Phase II agreement is entered into, then both parties will proceed with Phase II; or

(b) The Project is not feasible as envisioned in the second paragraph of this Memorandum, but it may be feasible if the Project profile is amended as described in Developer's recommendation under this paragraph (b); if this recommendation is given, and if the parties reach agreement on the redefinition of the Project within 45 days after the date of Developer's recommendation under this paragraph (b), then both parties agree to use their mutual good faith efforts to negotiate and enter into the agreement pertaining to Phase II described below, and if such Phase II agreement is enter into, then both parties will proceed with Phase II; or

(c) The Project is not deemed to be feasible under any circumstances as determined by the Developer, and, therefore, this Memorandum is terminated as of the date of Developer's recommendation.

(d) Both parties agree to negotiate in an expeditious manner on the terms and conditions that are to be included in Phase II. If such an agreement is not entered into within 14 days after the date of Developer's recommendation under paragraph 4(a) or 4(b) of Phase I, each party shall have the right terminate this Memorandum by giving written notice of termination to the other, and neither party shall thereafter have any right under this Memorandum and each party shall be deemed fully released from any and all liability under this Memorandum except for its obligations under the Indemnity.

(e) In the event of termination under Paragraph (c) or (d) above, neither party shall thereafter have any right under this Memorandum, and each party shall be deemed fully released from any and all liability to the other under this Memorandum except for the indemnity (the "Indemnity") contained in the paragraph immediately below.

5. This Memorandum is not intended to nor shall it be construed to create any joint venture, partnership, agency, or other relationship between the parties, but is intended solely to outline the steps that each party agrees to take in order that each party may independently determine the feasibility of the project and decide to enter into a Phase II agreement. No member, officer, employee, or agent of a party shall hold themselves out, represent, or act as an agent of the other, nor have any authority to legally bind the other party to any contract, commitment or accept or assume any legal liability for the other. Each party shall be solely responsible for all costs and expenses incurred by it through the completion of Phase I, and each party shall to the fullest extent permitted by law indemnify and hold the other party harmless from any liability thereon.

Phase II - Design/Development
If the Developer gives the City the recommendation set forth in paragraph 4(a) or 4(b) above, then both parties agree to negotiate in good faith in a mutual effort to enter into a Phase II agreement which shall become a First Addendum to this Memorandum. Phase II will be described as the Design Development phase and shall include, but not be limited to, such matters as the following:

1. Detailed development program to include project square footage, uses and users of the project.
2. The selection of a Project Architect and Parking Ramp Engineer.
3. Preliminary architectural designs and cost estimates.
4. Allocation of project costs between both parties.
5. Identification of all necessary agreements and contracts.
6. Agreement on site disposition.
7. Completion of a financial feasibility analysis.
8. Project schedule and time lines.

This Memorandum has been duly executed this ___ day of March, 2005.

The City of East Lansing

By: Mark Meadows, Mayor

By: ____________, Member, Director of Development
DEVELOPMENT AGREEMENT

This Development Agreement (the “Agreement”) is made this ___ day of __________, 2005, (the “Agreement”) by and between the CITY OF EAST LANSING, a Michigan municipal corporation, with its offices at City Hall, 410 Abbott Road, East Lansing, Michigan 48823 (the “City”), the EAST LANSING BROWNFIELD REDEVELOPMENT AUTHORITY, with offices located at 410 Abbott Road, East Lansing, Michigan 48823 (the “ELBRA”), and HOLIDAY TOWNHOUSE, LLC, a Michigan limited liability company, with principal offices located at 246 East Saginaw St. – Suite 2, East Lansing, Michigan 48823 (the “Developer”).

THE PARTIES RECITE THAT:

WHEREAS, the City is a municipal corporation organized and existing under and pursuant to the Michigan Home Rules Cities Act, 1909 PA 279, as amended (codified at MCL 117.1 et seq), and exercising all of the powers provided for therein and pursuant to East Lansing City Charter, adopted July 11, 1944, and as subsequently amended; and

WHEREAS, the Developer is a Michigan limited liability company organized and existing in good standing under and pursuant to the Michigan Limited Liability Company Act, Public Act 23 of 1993, as amended (codified at MCL 450.4101 et seq), and exercising all of the powers provided for therein; and

WHEREAS, the Developer owns certain parcels of real property located within the City of East Lansing, as specifically listed and legally described on EXHIBIT A1 and desires to proceed with a mixed-use development project to be located on the Development Site; and

WHEREAS, the City owns or has rights to purchase certain parcels of property together with portions of Valley Court and Oakhill Avenue, platted public streets which are to be vacated and conveyed to the Developer described on EXHIBIT B – Parcel A; and
WHEREAS, the combined parcels of property under ownership of the Developer and the City constitute the “Development Site” defined on EXHIBIT A2; and

WHEREAS, the City and Developer have determined that it is in the best public interest to set forth their respective public and private commitments and understandings with regard to developing the Development Site; and

WHEREAS, the City Council has deemed this project to be a substantial public benefit to the City of East Lansing as further described in EXHIBIT C – “Findings of Fact and Conclusions”;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises set forth herein, the City and the Developer agree as follows:

1) THE DEVELOPMENT PROJECT

a) Project Definition. The developer agrees to construct a commercial and residential project (the “Project”) at the Development Site at an estimated cost of $7,000,000. The Project shall contain a mixed-use building of four floors, with the ground floor dedicated to retail space and the three upper floors dedicated for up to nineteen owner-occupied condominium units (the “Mixed-Use Building”). The Project will also contain up to fifteen, three-story, owner-occupied town home style condominiums (the “Town Homes”) and adequate off-street parking to serve the entire Development. The Project will also include relocation of the Board of Water & Light building (the “BW&L Building”) to Valley Court Park.

i) Mixed Use Building. The Developer will construct a mixed use building that includes approximately 9,000 gross square feet of retail space on the 1st floor and three floors of condominium apartments ranging in size from 900 to 1,500 square
feet. Parking will be provided with underground spaces dedicated for condominium owners and at-grade spaces for the retail space.

ii) **Town Homes.** The Developer will construct up to 15 condominium townhouse units. Each unit will range from approximately 1,500 to 2,200 gross square feet in size. Parking for the units will be provided by attached private garages.

iii) **BW&L Building.** The Developer will relocate the BW&L Building from its existing location to a site in Valley Court Park to be determined by the City. The relocation shall adhere to the specifications of the requisite site plan to be approved by the Planning Commission, City Council, and the Historic District Commission. Costs of this relocation will be the responsibility of the developer up to the $310,500 budgeted in the ELBRA Brownfield Plan #4. Prior to commencing relocation, the Developer shall obtain firm quotes for all costs to be incurred in the relocation. The City shall have the right to reject any and all bids or quotes received for the relocation and require the Developer to obtain additional bids or quotes before approving or rejecting the final costs. If costs of relocation exceed the budgeted amount of $310,500, the City shall have the option to accept and agree to pay the additional costs in excess of $310,500 or choose to, if deemed necessary and approved by the East Lansing Historic District Commission, have the Developer demolish the BW&L Building and restore the existing site at the Developer’s sole expense. Costs include actual building relocation and stabilization, site preparation, grading and filling of the existing site, relocation of utility services and related infrastructure costs at the new site, engineering and survey fees and all permit and inspection fees. The City will
inform Developer of its decision to have the BW&L Building relocated or demolished on or before the completion of the decommissioning of the Building by BW&L.

2) TRANSFER OF PROPERTY

a) Former Valley Court Parcel (EXHIBIT B – Parcel B). The City of East Lansing agrees to enter into a purchase agreement with the Developer, attached as EXHIBIT D, for the sale of the Valley Court parcel (the “Valley Ct. parcel”) as described in the said purchase agreement for a price of Twelve Thousand ($12,000) dollars.

b) Board of Water & Light Property. The City of East Lansing agrees to enter into a purchase agreement with the Developer, shown as EXHIBIT E, for the Board of Water & Light property (the “BW&L property”) located along Hillside Avenue and legally defined as referenced in the said purchase agreement for a price of One Hundred Fifteen Thousand ($115,000) dollars, plus reimbursement of decommissioning expenses totaling Ninety Five Thousand ($95,000) dollars, plus actual costs to the City of a Phase I and, if required, Phase II Environmental Site Assessment and Baseline Environmental Assessment.

c) Vacated Right-of-Way. The City of East Lansing agrees to commence proceedings for the vacation of the public right-of-way as legally defined in EXHIBIT B – Parcel A and as required by Public Act 283 of 1967, as amended, and to convey to Developer that portion of the vacated Right-of-Way which vests in the City as hereinafter provided together with Parcel B at the above determined price.

3) INFRASTRUCTURE IMPROVEMENTS

a) Engineering/Design and As-Built Plans. All engineering, drawings, and design for the sewer, water, and road improvements described herein shall be the sole responsibility of
the Developer. All sewer, water, and road improvements shall be constructed in conformance with the City's engineering and design requirements. The Developer shall supply the City with as-built plans of the completed public sanitary sewer lines, storm sewer lines, water main lines and roadways. A CD with an AutoCAD (Version 2000) copy of these plans shall also be included. All effort and costs associated with the construction record keeping, gathering of information and production necessary to complete the as-built plans meeting City approval shall be the sole responsibility of the Developer.

b) Developer's Agreement to Install Improvements. The Developer shall construct or relocate and remove or abandon, as necessary, all on-site and off-site sanitary sewers, water mains, storm drainage, public utilities, cable and telecommunications facilities under permit or franchise issued by the City, and roadway improvements necessary for the project as described herein and as included on the final approved site plan for this project. The Developer shall submit a written estimate of the costs of said construction to the City for approval. The Developer shall be responsible for obtaining and paying the cost of all construction permits for the public improvements from the Michigan Department of Community Health, the Michigan Department of Environmental Quality, and the Michigan Department of Transportation. Prior to commencement of construction of the public improvements, the Developer shall provide to the City a performance bond or irrevocable letter of credit guaranteeing completion of all public improvements to be undertaken by the Developer. Upon completion, all such improvements and appropriated easements shall be dedicated to the City.
c) **Sanitary Sewers.** The existing sanitary sewers in Valley Court west of Delta Street (12-inch and 18-inch) and the existing sanitary sewers running south through the Hillside Court right-of-way and across to the south side of Grand River Avenue (12-inch, 18-inch and 8-inch) shall be consolidated into a single pipe crossing the proposed development site. All existing and proposed public sanitary sewer constructed outside of existing or proposed public right-of-way shall be within a twenty foot public sanitary sewer easement and located no closer than ten feet from any structure or significant surface/landscape feature. The consolidation and construction of the public sanitary sewers shall be accomplished generally as follows:

i) The 12-inch and 18-inch pipe shall be combined in a new manhole immediately west of Delta Street and shall run in a westerly direction within the Valley Court right-of-way to a manhole where the sewer will turn south to connect to the existing sanitary in Grand River Avenue. The 8 inch line that parallels the above sewers to the south shall be abandoned or removed.

ii) The 8 inch line running south along Hillside Court must be connected into the above manhole and a single sanitary sewer line shall run in a southerly direction and cross the site in the shortest manner possible. This new single sanitary sewer line shall extend to the south side of Grand River Avenue and connect to the manhole containing the 24-inch by 30-inch sanitary outlet pipe.

iii) All existing sanitary sewer lines that are no longer required to provide service as a result of the above consolidation shall be removed or abandoned by the Developer according to City specifications.
iv) The proposed sanitary sewer lines required to service the leads for the proposed development shall be a minimum of 8 inches in size and shall be aligned to run down the driving aisles or parking areas of the proposed parking lot to the extent possible.

v) Material testing for all pipe and structure backfill, road base, concrete work and bituminous pavement shall be in accordance with Michigan Department of Transportation (MDOT) and City of East Lansing standards.

d) Water Mains. The water main lines to service the proposed development shall be a minimum of 6 inches in diameter and shall be designed to limit the number of bends to the extent possible. The final alignment and connections points to the existing system shall be determined by the Engineering Department during the detailed plan review process. All existing and proposed public water main constructed outside of existing or proposed public right-of-way shall be within a twenty foot public water main easement and located no closer than ten feet from any structure, sanitary sewer mains, or significant surface/landscape feature. The construction of the public water main shall be accomplished generally as follows:

i) The proposed water main shall be connected at a point along Delta Street and run within the Valley Court and Hillside Court right-of-way. When design considerations dictate that the water main extend outside of the public right-of-way, the water main shall be aligned to run down the driving aisles or parking areas of the proposed parking lot to the extent possible.

ii) The proposed water main on Hillside Court shall be connected to the existing 6-inch water main on Hillcrest Avenue by means of a loop running in an east/west direction on the north side of the northern most building.
iii) All existing water main lines that are removed from service as a result of the proposed project shall be removed or abandoned by the Developer according to City specifications.

iv) Material testing for all pipe, valve and hydrant backfill, road base, concrete work and bituminous pavement shall be in accordance with Michigan Department of Transportation (MDOT) and City of East Lansing standards.

e) Roadway Improvements. Valley Court shall be reconstructed from the intersection with Delta Street through the intersection with Hillside Court. Hillside Court shall be reconstructed from the intersection with Valley Court to the northern most end of the proposed project. Both streets shall be reconstructed to current City standards with the final alignment to be determined by the Engineering Department during the detailed plan review process. The reconstruction shall, at a minimum, include total curb and gutter replacement, sidewalk replacement, storm sewer replacement, utility structure adjustments, utility casting replacements, and bituminous pavement replacement. Depending on design considerations and soil conditions, the project may also include sub-grade undercutting, aggregate base replacement, sand sub-base replacement and edge drain installation. Valley Court shall be reconstructed with a minimum of 19 perpendicular parking spaces.

f) Easements. The Developer shall obtain and dedicate to the City public utility easements, a minimum of twenty feet in width, for all public sanitary sewers, storm sewers and water mains to be constructed and/or relocated outside of existing or proposed City right-of-way. All effort and costs associated with the production and recording of
the utility easements meeting with City approval shall be the sole responsibility of the Developer.

g) **Tap Fees and Connection Fees.** The City shall charge the standard fees for each water main and sanitary sewer connection made on the project in accordance with City Code. Water main tap fees shall be based on the actual size of the service and meter installed.

4) **TIMING**

a) **Project Sequence.** The City and the Developer agree that they will complete each of the following activities in an expeditious manner and that each activity will not take place until all of the previous activities have been completed:

i) The Developer obtains all of the necessary site plan approvals, zoning variances, and/or special use permits, inclusive of historic district commission approval and traffic analysis; as well as approval of the Brownfield Plan Amendment #4.

ii) The execution of the purchase agreement between the City of East Lansing and the Lansing Board of Water & Light for the sale and transfer of the BW&L property and the related decommissioning of the facility located on the BW&L property.

iii) The Developer provides proof satisfactory to the City of adequate financing to complete the Project. Adequate financing includes a loan commitment from a qualified financial institution and/or private investors that demonstrates the availability of $7,000,000 to complete the Project.

iv) The execution by the City and Developer of the necessary purchase agreements for the sale and transfer of the Valley Ct. parcel (including the vacated Rights of Way) and the BW&L property.
v) After the City completes its preliminary environmental due diligence, the City submits payment to the Lansing Board of Water & Light in the amount of $90,000 to commence decommissioning of the facility located on the BW&L property.

vi) City commences the process to vacate the Valley Court and Hillside right-of-way.

vii) The Developer obtains all of the necessary building permits for the Mixed Use Building.

viii) City completes vacation of the Valley Court and Hillside Cour right-of-way.

ix) The City and Developer close on their purchase agreement for the Valley Ct. parcel (including the vacated Rights of Way) according to the terms of sale as detailed in EXHIBIT D.

x) Developer commences construction of the Mixed Use Building.

xi) Upon completion of its environmental due diligence to the satisfaction of the City, the City closes on its purchase agreement with the Lansing BW&L for the BW&L property. The City and Developer close on their purchase agreements for the BW&L property the same day the City acquires the BW&L property. Specific terms of the sale are detailed in EXHIBIT E. The Developer will, at closing, also reimburse the City for the cost of decommissioning the BW&L Building in the amount of $95,000, in addition to the stipulated purchase price for the property.

xii) The Developer completes relocation of the BW&L Building or, if deemed necessary by the City, demolishes the structure within twelve (12) months after acquiring the BW&L property from the City as further outlined in 1(a)(iii).

b) Enforced Delay. In the event of enforced delay in the performance by the City or the Developer of their obligations under this agreement, specifically including, but not limited to, the obligations described in paragraph 4(a) above, due to unforeseeable causes
beyond their control and without fault or negligence, including, but not restricted to, acts of God or of the public enemy; acts of the federal, state or county government; acts of the judiciary, including injunctions, temporary restraining orders and decrees; acts of the other party; strikes or labor unrest; fires; floods; unstable soils; epidemics; environmental contamination; or severe weather; the time for performance of such obligations shall be extended for the period of the enforced delays; provided, however, that the party seeking the benefit of the provisions of this section shall, within ten (10) days after the beginning of such enforced delay, have first notified the other party in writing of the causes thereof and requested an extension for the period of the enforced delay.

5) TAX INCREMENT FINANCING

a) Brownfield Redevelopment Authority. The ELBRA agrees to reimburse the Developer certain eligible expenses associated with development of the Project. The eligible expenses and activities and source of funds for reimbursement are detailed in the Brownfield Plan Amendment #4 shown as EXHIBIT F and reimbursement procedures are defined in the Brownfield Reimbursement Agreement shown as EXHIBIT G.

b) Limitations on Tax Increment Revenue. Nothing contained in this Agreement shall be construed to establish any liability on the part of the City or ELBRA to reimburse the Developer for any costs or expenses associated with the project, except to the extent that such costs and expenses are eligible expenses under one or more tax increment financing plans approved by the City or ELBRA. The City and ELBRA are responsible for reimbursement of eligible activities under any tax increment financing plans only to the extent that tax increment revenues are actually generated from the Project and received by the respective authority.
6) DEFAULT

a) Developer Performance. In the event that the Developer fails to obtain the necessary building permits as set forth in Section 4(a)(vii) for the Mixed Use Building, then, by written notice given by the City to the Developer within three (3) months following such failure by the Developer, the City may, at its option and within its sole discretion terminate this agreement. In the event that this Agreement is terminated by the City or the Developer fails to complete the construction of the mixed use building and receive certificates of occupancy within twelve (12) months following issuance of the building permits, or fails to relocate the BW&L building from its existing location to Valley Court Park within twelve (12) months of the date of the City’s closing with BW&L on the BW&L property, or fails to commence construction on the Town Homes within twenty-four (24) months from the date of the City’s closing with BW&L on the BW&L property; then, by written notice given by the City to the Developer within three (3) months following such failure by the Developer, the City may, at its option and within its sole discretion, require the Developer to reconvey the BW&L property to the City and/or seek any other legal or equitable remedy to the City.

b) Modification or Termination. In the event that the Developer does not obtain from the City all the requisite approvals, including, but not limited to, site plans, zoning variances, tax increment financing plans, and building permits; all the requisite purchase agreements are not executed between and by the City and Developer; and/or the City and/or Developer is unable to commence this project for unforeseen reasons, then the City and Developer may agree to modify or terminate this agreement.

7) INSURANCE AND INDEMNIFICATION.
a) **Insurance.** The Developer shall obtain, and keep in full force and effect until the completion of the development, a single policy of builders risk insurance, effective as of the date of commencement of construction in the amount of $7,000,000, naming as insured the Developer and the City, as their interest may appear from time to time. The Developer shall also prior to the Closing on the Purchase Agreement for the BW&L property obtain and keep in full force and effect throughout the period of construction and thereafter as required by this or a related agreement, a policy of comprehensive general public liability insurance in single implement form issued on an occurrence basis with a limit of not less than $10 million, naming the City, ELBRA and their respective officers, agents and employees as additional named insureds. The City and ELBRA shall each be provided with a certificate of such insurance prior to the Developer commencing any activities on the development site, which certificate shall provide that the certificate holder shall receive thirty (30) days prior written notice of cancellation, non-renewal, or a material change of such insurance coverage. A breach of this requirement shall be deemed a material breach of this Agreement and entitle the City to terminate this Agreement and demand reconveyance of all property conveyed to Developer hereunder.

b) **General Indemnification.** To the extent, and only to the extent, not covered by the proceeds from the insurance policies required to be carried hereunder or under any other agreements between the parties hereto, the City, the Authority and the Developer each agree that they shall indemnify and hold harmless the other against and from any loss, damage, claim of damage, liability or expense to or for any person or property, whether based on contract, tort, negligence or otherwise, arising directly or indirectly out of or in connection with their respective acts or omissions in conjunction with the performance of
this Agreement by the party so indemnifying, its agents, servants, employees or contractors; provided, however, that nothing herein shall be construed to require either party to indemnify the other against such party’s own acts, omissions or neglect.

8) ENTIRE AGREEMENT. This Agreement, the exhibits attached hereto, if any, and the instruments which are to be executed in accordance with the requirements hereof set forth all of the covenants, agreements, stipulations, promises, conditions and understandings between the City, ELBRA, the DDA, and the Developer concerning the Development as of the date hereof, and there are no covenants, agreements, stipulations, promises, conditions or understandings, either oral or written, between them other than as set forth herein.

9) RELATIONSHIP OF THE PARTIES. The relationship of the City, ELBRA and the Developer shall be defined solely by the expressed terms of this Agreement, including the implementing documents described or contemplated herein, and neither the cooperation of the parties hereunder nor anything expressly or implicitly contained herein shall be deemed or construed to create a partnership, limited or general, or joint venture between the City and the Developer, nor shall any party or their agent be deemed to be the agent or employee of any other party to this Agreement.

10) MODIFICATION. This Agreement can be modified or amended only by a written instrument expressly referring hereto and executed by the City, the Authority, and the Developer.

11) MICHIGAN LAW TO CONTROL. This Agreement and the rights and obligations of the parties hereunder shall be construed in accordance with Michigan law.

12) DUE AUTHORIZATION. The City and the Developer each warrant and represent to the others that this Agreement and the terms and condition thereof have been duly authorized and
approved by, in the case of the City, its City Council and all other governmental agencies whose approval may be required as a precaution to the effectiveness hereof, in the case of the Authority by its members and all other applicable governmental agencies, and as to the Developer, by the members thereof, and that the persons who have executed this Agreement below have been duly authorized to do so. The parties hereto agree to provide such opinions of counsel as to the due authorization and binding effect of this Agreement and the collateral documents contemplated hereby as the other party shall reasonably request.

13) ASSIGNMENT. It is contemplated that the Developer may assign all or a portion of its rights and duties hereunder to one or more entities of which an affiliate of the Developer shall own not less than a ten percent (10%) interest.

14) NO PERSONAL LIABILITY. The obligations hereunder of the City, the Authority, and the Developer shall constitute solely the obligations of the respective entities to be satisfied solely from their respective assets, and no officer, agent, employee or partner of any of said entities shall have any personal obligation responsibility or liability for the performance of the terms of this Agreement.

15) CIVIL RIGHTS. The Developer and its contractors and subcontractors shall not discriminate against employee or applicant for employment with respect to hire, tenure, terms and conditions or privileges of employment, including any benefit plan or system or matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, marital status, disability, sexual orientation, student status, or the use by an individual of adapted devices or aids, or in any other manner prohibited by the provisions of the East Lansing Civil Rights Code, being Article II, Chapter 2 of the East
Lansing City Code, which provisions are incorporated herein by reference. A breach of this covenant shall be regarded as a material breach of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first set forth above.

WITNESSES:

CITY OF EAST LANSING

By __________________________

By __________________________
   Mark S. Meadows, Mayor

By __________________________

By __________________________
   Sharon A. Reid, City Clerk

EAST LANSING BROWNFIELD AUTHORITY

By __________________________

By __________________________
   Harry Saites, Vice Chairperson

HOLIDAY TOWNHOUSE, LLC

By __________________________

By __________________________
   Jerome Abood, its Authorized Member

Approved as to Form:

Dennis E. McGinty, City Attorney
## LIST OF EXHIBITS

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REFERENCES


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