



AGENDA
Committee on Development and Planning
Thursday, August 11, 2016 @ 10:00 a.m.
10th Floor Conference Room, City Hall
UPDATED – 8/5/2016 p.m.

Councilmember Jody Washington, Chair
Councilmember Jessica Yorko, Vice Chair
Councilmember Judi Brown Clarke, Member

1. Call to Order

2. Public Comment on Agenda Items

3. Minutes:

July 14, 2016
July 28, 2016

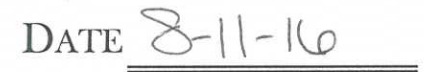
4. Discussion/Action:

- A.) RESOLUTION – License Agreement for Zipline at Riverfront Park; Zip the Grand Inc.
- B.) DISCUSSION – Responsible Bidding Ordinance

5) Place on File

6) Other

7) Adjourn



DRAFT



MINUTES

Committee on Development and Planning
Thursday, July 14, 2016 @ 10:00 a.m.
10th Floor Conference Room, City Hall

CALL TO ORDER

The meeting was called to order at 10:02 a.m.

ROLL CALL

Council Member Jody Washington, Chair
Council Member Jessica Yorko, Vice Chair
Councilmember Judi Brown Clarke, Member

OTHERS PRESENT

Sherrie Boak, Council Staff
Bob Johnson, Planning & Neighborhood Development
Susan Stachowiak, Planning & Neighborhood Development
Adam Hussain, City County Member
Jim Smiertka, City Attorney
Pastor Trevino
Mark Dotson, Deputy City Attorney
Chris Knudstrup, BWL
Anne Rezspecki, BWL
Loretta Stanaway, Resident
Mary Toshach, Resident
Justin Hiddgo, The Bread House
Victor Trevino, The Bread House
Stephen Serkaian, BWL
William Hubbell
Ryan Smith, Cherry Hill Neighborhood Association
Anne Schrader, Resident
Dale Schrader, Resident
Dave Bolan, BWL
Jarl Brey, Capital Zip
Susan Luter, Resident
Bob Ford, BWL
Sharon Burton, Garden Club
Jeff Wood, Resident
Dick Peffley, BWL
Todd Heywood, City Pulse

DRAFT

PUBLIC COMMENT

Council Member Washington noted public comment will be offered during agenda items.

MINUTES

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE MINUTES FROM JUNE 23, 2016. MOTION CARRIED 3-0.

DISCUSSION/ACTION

RESOLUTION – ACT-7-2012; Sale of Former Fire Station #3; 629 W. Hillsdale Street

Mr. Johnson noted this was the 3rd and final fire station sale from the closures in 2010. There is an offer of \$125,000 and it was appraised at \$131,000. Council Member Washington noted there were no comments at the public hearing and there was assurance from the zoning department medical marihuana dispensaries would not be allowed.

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE RESOLUTION FOR ACT-7-2012. MOTION CARRIED 3-0.

RESOLUTION – Set a Public Hearing; SLU-2-2016; Special Land Use Permit, Church in “F” Commercial & “D-1” Professional Office Districts at 5606 S. Martin Luther King, Jr. Blvd.

Ms. Stachowiak noted the property is zoned commercial, and a church in any district requires a SLU. She admitted that in the past the staff has recommended in commercial, however in recent years that has not worked out and Planning Board not recommending approval. If not approved, they will not be able to hold church service, but can still do community outreach services. Mr. Johnson had no comments.

Pastor Trevino and Mr. Hiddgo spoke about the start of the church in that location in 2013, the dedication and upkeep they have performed and the increase of members since that time. They noted all the outreach services they have been providing the residents and members in the area. Mr. Hiddgo noted that once they got the ticket for violation of the use, they went to the City to see what they needed to do and get things started. They have pulled permits; however feel they were misguided. Ms. Stachowiak confirmed PN & D staff told them that staff has consistently recommended not for approval of the use, but there have been cases where they were approved by Council despite that recommendation. She noted to the Committee that there was church representation at the Planning Board when it was recommended denial so the applicants are aware.

Council Member Brown Clarke asked the applicants what their understanding of the property was when they purchased it in 2013. Pastor Trevino stated it was a vacant building, bank owned, and when they talked to the representative that it used to be a teaching center but they did not know the zoning. They were not silent on their intentions and the real estate agenda noted there would be no problem. They also noted they had reached out to the Fire Department to make sure assembly use would be ok with fire code. Council Member Brown Clarke assured the Pastor that the Committee had no question of the work they were doing, but there was a concern with how it relates to the work and master plan. The dilemma is the consistency. Council Member Yorko added that Council has a concern there have been issues with SLU's granted for churches in commercial zones before and then with the results they have struggled with those decisions.

Council Member Washington acknowledged the work they had been doing; however there have been complaints about their church in Fabulous Acres and the lack of outreach to the neighborhood. She too reminded them they can continue doing their outreach without it being a church under SLU approval. Ms. Stachowiak confirmed they can continue to do classes, tutor,

DRAFT

counseling, but cannot hold church services without the approval of a SLU. Council Member Washington then admitted they have acquired a niche for what they can offer, but they need to find a more appropriate site for the church, and she offered her assistance in helping them locate a site.

Mr. Hiddgo outlined their difference and asked for clarification on church services. Council Member Washington reiterated the support of the work, but the question before the Committee is the zoning and future of the avenue.

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR SLU- 2-2016. MOTION FAILED 1-2.

Council Member Brown Clarke reminded the group that the Master Plan was not just created by leadership, but created by a process of a blue print by the community and community leaders.

Council Member Yorko stepped away from the meeting at 10:34 a.m.

RESOLUTION – License Agreement for Zip line at Riverfront Park; Zip the Grand Inc.

Mr. Brey informed the Committee he had been working with Law on the lease for 2 sides of Grand River for a period of 10 years. Mr. Brey acknowledged he was now asking for Council acceptance, at which point he can pursue funding. This will provide funds back to Parks and Recreation in addition to rental fees on the land. Council Member Washington asked Mr. Smiertka if he had reviewed the document. Mr. Smiertka admitted he had looked at it but was asking for more time to review it.

Council Member Yorko returned to the meeting at 10:38 a.m.

Council Member Washington asked Ms. Stachowiak if the application had been before the Planning Board, which Ms. Stachowiak confirmed and also noted the Planning Board recommended approval.

Mr. Smiertka noted he wanted to review it for financing, government immunity, to name a few.

MOTION BY COUNCIL MEMBER BROWN CLARKE TO TABLE THE REQUEST UNTIL THE AUGUST 11, 2016 MEETING. MOTION CARRIED 3-0.

Communication; Ingham County Treasurer Schertzing; Local Purchase option on Tax Foreclosed Properties

Mr. Johnson acknowledged the City had no interest in any of the properties listed. Council Member Brown Clarke asked about any interest in 3827 Burchfield which was recommended by the Council Internal Auditor. Mr. Johnson showed no interest, and pointed out that if the Land Bank takes possession of those properties they would be demolished.

MOTION BY COUNCIL MEMBER YORKO TO PLACE ON FILE. MOTION CARRIED 3-0.

RESOLUTION- Set a Public Hearing; SLU-3-2016; 125 W. Malcom X; LBWL Central Substation Project

RESOLUTION – Set a Public Hearing; Design Lansing Comprehensive Plan Amendment; 125 W. Malcom X; LBWL Central Substation Project

Council Member Washington asked the question of if the sale of the home to Habitat has to be separate and if the house should or must go before a vote of people, also noted that Habitat is not a City agency. Mr. Smiertka clarified that the City received it in 2003 which included Scott

DRAFT

Park and the house and/or center. The resolution removes the real estate and the house from the designation of a park. So the Committee decision to amend the Comprehensive Plan would remove both from the Resolution of 2003. Council Member Washington noted that Council's understanding was the they didn't remove the land off a "park designation" was because the only issue was with the house, and Council Member Brown Clarke noted that on Monday, July 11, 2016 Council was informed the park would maintain "park" status. Mr. Smiertka clarified his earlier statement, not he misspoke, and the house/center was being removed and the land was going for approval of a SLU. These resolutions will also be asking to undedicated the house/center. Mr. Peffley noted they need to remove the house to build on the site. Council Member Washington asked if Council sells the house if they are circumventing the Charter, and Mr. Smiertka noted Council has to remove the house from the 2003 Resolution. Council Member Yorko asked if the City can move the house to the Hillsdale parcel, then put it on the ballot to decide if they want the house to be designated "park" property or not. Mr. Smiertka stated yes, but the original property will stay "park" property. Council Member Yorko suggested putting the sale of the house on the ballot for the property on Hillsdale Street. Council Member Washington then suggested to Mr. Smiertka to redo the resolution to move it forward so everything is done property. Mr. Smiertka left the meeting to amend resolution.

Council Member Yorko stepped away from the meeting at 10:52 a.m.

Council Member Washington outlined the amendment to the BWL representatives and asked if they would still be interested to move the house, and Mr. Peffley confirmed they would.

Council Member Yorko returned to the meeting at 10:54 a.m.

Council Member Washington asked Mr. Johnson if the relocation can occur without the ACT. Mr. Johnson stated they can move the house without approval because the house would be moved from City property to another City property.

Council Member Washington informed all present that at this time the Committee will set the public hearings for SLU-3-2016 and the Design Amendment.

The discussion then lead into other options and a discussion had with BWL on other parcels in an industrial area which appeared to be in the same area a block south of another site BWL had admitted they had considered. Mr. Peffley acknowledged he had been approached on this suggestion and had engineers do a cursory look at this proposed site. There are other costs associated as part of the \$100 million project, such as distribution costs, sub costs and area used to figure into the base. Not including the cost of removing houses, currently it is \$7.75 million and since the suggested site was a larger amount they did not do any more due diligence. The proposed industrial lot does put BWL further from the distribution cable. BWL would have to cross the river to tie into the 18 circuits and would not able to complete by 2020. Based on the recent suggestion, which is south of the Reo plant, it would take \$18.8 million of relocation cost over the base of the center substation with a bulk of the cost caused for running further for the distribution cost and crossing the river to the 2 acre site. A timeline for the suggested site would allow cause them to miss the 2020 closing and therefore they would have to re-power Eckert. In addition the suggested site is further away from the downtown customers so more line loss is involved. Mr. Knudstrop added to the discussion that the further you go the more power you use. BWL will have to buy power to replace and that will go back into the rates of the users. With the figures estimated in a short amount of time, the base side for the substation is \$20 million which was a \$6 million savings but the transmission distribution cost

DRAFT

sky rocketed. Council Member Washington acknowledged their efforts and noted she was researching for unintended consequences.

Mr. and Mrs. Schrader distributed photo renderings of the site and asked what increased cost would be to each user. Mr. Peffley noted it would be 4% every year, over 7 years which would come to every customer rate base, in addition to any other rate increases coming from the new plant. There have not been any rate increases in 2 years but there will be once the Eckert plant is replaced. Ms. Schrader noted there appears to be no back up plan. Mr. Peffley noted that all areas will see an increase in that vicinity.

Council Member Washington asked if there is currently an infrastructure underground at the site, and Mr. Peffley noted there was none, and they will have to run from Eckert to GM to a corridor to 496, then in to the smaller circuits. When a substation is installed, they feed from the power source, and that feed goes around the whole City. There is no underground infrastructure at the suggested location that would feed downtown. To get to the suggested site it would take \$1.5 million. A substation takes a large supply and makes it usable.

Mr. Heywood asked if they are going from Eckert to a co-generation plant. Mr. Peffley stated there are 138,000 volts. Mr. Heywood then asked if that line is connected to downtown, which Mr. Peffley noted it does not. The power station at Eckert comes off to make power then it goes underground. This then goes around town to 14 substations; therefore that line cannot be tied into that is just output. Mr. Knudstrup noted that there is a cost to that and there is a transmission line along tracks between Eckert and REO that they would tap into just like they will tap into a line at Scott Park. If they used the suggested industrial site and it would cap into the Eckert to REO line, and cross the tracks twice, and that is all if they get the easements to do so. There are large industries to work around to get into the sub stations. That is one of the reasons they do not go up and down streets because it is to expense to work around businesses and turn corners. Mr. Peffley added that once you leave the substation the costs is higher when you have to go underground.

Council Member Washington asked about the recent 4 substation work. Mr. Peffley stated those were remodels at existing locations with no rezoning's needed, or locations in parks.

Ms. Stanaway spoke in opposition of the use of Scott Park, and gave her opinion that the REO Town Board had changed their opinion and no longer supports the project. In addition stated she also heard that the Garden Club will continue to support the park, but if the garden is moved they will not. Ms. Stanaway went on to note her opinion that the plan is in contradiction to the Master Plan and City Mission Statement. She did support placing the sale of the house on the ballot for the voters, but not moving it to the Hillsdale lot first. Lastly Ms. Stanaway asked a few questions, such as information on a timeline, what will happen to Cooley Gardens, and what the difference is between a trail in the flood plains and the proposed substation.

Ms. Luter asked why BWL has not spoken about 2 substations as they have presented in the past, asked if other parks are in jeopardy of substations, asked what happens if BWL no longer funds maintenance of the park, and spoke in opposition to the proposed wall because of her belief you will still be able to see the metal.

Mr. Peffley tried to answer some of the questions, noting that there are substations in current parks such as Washington Park, Wood Street Park and Frandor. The wall height will be determined, but they only have to build it to 8'. They are interested in the suggestions from the

DRAFT

Community. He admitted they will hear and see the wires, but they are there now, and a higher wall doesn't look good but they can try to be accommodating.

Ms. Luter asked again about the two substation plan. Mr. Knudstrop acknowledged there had been discussion from the Planning Board about two sites, but engineering had difficulty finding two workable sites. In addition two sites would have a larger footprint combined and larger than 2 acres. The BWL has never had two sites; they will not be feeding the Lansing customers and GM from this new substation. When GM builds they will have to find their own location.

Council Member Washington wanted to remind the public that if it moves out of Committee on this date it is to set the public hearing, not that it is an affirmative vote at Council. The hearing allows for another opportunity for public input. The BWL engineers were also asked for information on other sites.

Mr. Johnson outlined his research on the parcels in questions, their history, transactions and involvement of the City and GM. This information was provided at the Committee of the Whole meeting on July 11, 2016.

Mr. Schrader spoke in support of saving the property and distributed additional renderings.

Mr. Smith stated his opinion that BWL is searching for loop holes in the City Charter and law to take the rights away from the people. Mr. Smith then asked why was there no discussion in the past when the City was working on the Master plan. Lastly Mr. Smith spoke in support of keeping it dedicated park land and placing the decision in the hands of the voters. Council Member Washington acknowledged Mr. Smith's comments and stated again Council needs to consider all the unintended consequences, then asked Mr. Smiertka if the Council has the ability to put the land on the ballot. Mr. Smiertka reminded the group that the people did adopt the Charter by a public vote, he would need to review the transcripts from the Charter Commission to determine if there was discussion and their thoughts when putting together the Charter. This includes provisions that the BWL uses all City owned property and they have the ability to use all public spaces. The designation of a park land can be changed from time to time, and in this case it is not embedded in the title for the property. Mr. Smith acknowledged he understood that BWL has the right to use the property, but still held his opinion that they were circumventing the Charter by not looking at the right of the voter.

Council Member Brown Clarke asked BWL representatives if they considered flipping the location of the substation on the site, making it flush with the GM industrial site. Mr. Peffley noted it had been considered, and Council Member Brown Clarke asked they address that at the public hearings.

Ms. Toshach spoke in opposition to the substation at the proposed site, and stated that BWL has never come to her neighborhood, Printers Row Condos, for their inputs.

Council Member Washington asked Mr. Peffley to work with Council for the sufficient information at the public hearing.

Ms. Stanaway challenged BWL to not look at this project as controversy, but a look at what the public wants.

Council Member Brown Clarke asked BWL to provide a diagram, mapping where the services fan out, and boundaries along with how BWL will tap in before it branches off.

DRAFT

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR AUGUST 22, 2016 FOR SLU-3-2016 125 W. MALCOM X; LBWL CENTRAL SUBSTATION PROJECT. MOTION CARRIED 3-0.

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR AUGUST 22, 2016 FOR DESIGN LANSING COMPREHENSIVE PLAN AMENDMENT; 125 W. MALCOM X; LBWL CENTRAL SUBSTATION PROJECT WITH THE CHANGES MADE BY CITY ATTORNEY SMIERTKA ADDING IT IS SUBJECT TO THE APPROVAL OF THE SALE OF THE SCOTT CENTER BUILDING BEING APPROVED BY THE ELECTORATE. MOTION CARRIED 3-0.

RESOLUTION - ACT-7-2016; Authorize Construction of LBWL Central Substation Project
RESOLUTION – ACT-9-2016; Sale of 1020 W. Hillsdale Street to Habitat For Humanity
Capital Region (HFHCR); Relocation and Renovation of Scott Center

Council Member Washington stated the two items, which are the ACT for sale and authorization for construction cannot be acted upon until the public hearings for the SLU and Plan Amendment have been heard and acted upon. Therefore they will appear on the Committee agenda on August 25th, when the other two return to Committee.

Mr. Serkaian asked all citizens present to take his business card and email him questions and they will prepare responses at the public hearing. It was also offered that the public can meet with him beforehand also.

Placed on File

- Communication from Hank Frechtling of Locke Township: RE: Scott Sunken Garden
- Community from Judy Scott Teegardin; RE: Scott Sunken Garden

OTHER

Ms. Burton with the Garden Club distributed photos and spoke in opposition to the proposal.

Mr. Wood spoke in support of keeping the garden as it is./

Adjourn at 12:13p.m.

Submitted by,

Sherrie Boak, Recording Secretary,

Lansing City Council

Approved by the Committee on _____

DRAFT



MINUTES

Committee on Development and Planning
Thursday, July 28 2016 @ 10:00 a.m.
10th Floor Conference Room, City Hall

CALL TO ORDER

The meeting was called to order at 10:02 a.m.

ROLL CALL

Council Member Jody Washington, Chair
Council Member Jessica Yorko, Vice Chair
Councilmember Judi Brown Clarke, Member-excused

OTHERS PRESENT

Sherrie Boak, Council Staff
Bob Johnson, Planning & Neighborhood Development
Susan Stachowiak, Planning & Neighborhood Development
Jim Smiertka, City Attorney
Mark Mello
Kathy Miles
Jon Miles
Amy Kraus
Don Kulhanek, Planning & Neighborhood Development
Council Member Wood
Mikki Droste, Capital Area Housing Partnership
Sage Hales-Ho, Capital Area Housing Partnership
Barb Kimmel, Planning & Neighborhood Development
Amy Kraus, Capital Area Housing Partnership

PUBLIC COMMENT

Council Member Washington stated all comments will be taken at the agenda item.

MINUTES

Action will be taken at the next meeting.

DISCUSSION/ACTION:

DISCUSSION – Responsible Bidding Ordinance

Council Member Washington informed the group of the process that has taken place thus far, which included meetings with union representatives, Lansing Chamber and LEAP. Council Member Wood recapped the history of the ordinance which was before the Committee in the

DRAFT

past, then failed on the floor when setting a public hearing. When it came back to Committee at that time, there were pending outstanding issues and the ordinance went into a holding pattern. Council Member Washington asked the Committee and the City Attorney to review the draft ordinance for discussion at the next meeting. August 10th. At that time it will be reviewed to be introduced and set a public hearing at the August 22, 2016 Council meeting. She did note that the Chamber and LEAP have already stated they will have to say they do not support it, however she confirmed all their suggestions have been incorporated into the ordinance.

RESOLUTION – Set a Public Hearing; SLU-2-2016; Special Land Use Permit, Church in “F” Commercial & “D-1” Professional Office Districts at 5606 S. Martin Luther King, Jr. Blvd.

Council Member Washington acknowledged that at the last Committee meeting a public hearing should have been set, as required for a SLU.

MOTION BY COUNCIL MEMBER YORKO TO SET THE PUBLIC HEARING FOR SLU-2-2016 FOR AUGUST 29, 2016. MOTION CARRIED 2-0.

ORDINANCE - Z-5-2016; 2918 N East Street; AVMM, LLC Marco’s Pizza; “A” Residential District to “F” Commercial District

Council Member Washington confirmed that there were no comments at the public hearing on July 25th, and this rezoning will bring the property into compliance with the surrounding commercial district.

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE ORDINANCE FOR Z-5-2016. MOTION CARRIED 2-0.

SkyVue Development Question and Answers

Council Member Washington informed the Committee she had invited Mr. Marshall with RISE, the SkyVue developer, to attend the meeting and he was unable to attend. She in turn forwarded questions to Mr. Marshall, and she then referenced and distributed his response letter (attached). Council Member Washington outlined the questions and hoped the Committee could put something in place to provide a better understanding of all projects in the future. The questions included:

- How was it determined how much clean-up was necessary?
- How is the dollar amount and length of the brownfield determined?
- Who is notified when the cleanup is finished?
- Who does an inspection to verify the cleanup is complete?
- Is a report done regarding the entire process- beginning to end?
- Where is the report of the completed cleanup kept?
- How does an individual/group access that report to ensure that the cleanup was complete?

Council Member Wood asked Council Member Washington to consider a special Committee meeting if that is necessary to get Mr. Marshall in attendance.

Council Member Washington stated her concerns with the projects include that the developer decides the process, they inspect and they determine the steps to be taken.

Council Member Wood spoke on a concern with subcontractors not paying City taxes. Ms. Kraus a former City Treasurer acknowledged that at one time there was a process of tracking

DRAFT

the status, but she was unsure of the process currently adding that it is difficult to track workers that are non-residents. She offered to work with the current Treasurer on a plan if the Committee invites her to.

Mr. Mello stated his opposition to the process at SkyVue, his frustration with obtaining information he is requesting, and noted a May 16th FOIA request to the Law has yet to be answered. Mr. Mello then stated his concern with a block on Michigan Avenue that was demolished during the week that did not have permits, inspections or safety measures in place.

Mr. Johnson noted that the area on Michigan, area 24 quadrant, is fenced, the building official was on site during the demolition, they have applied and been granted their DEQ permits, and have followed the State and City regulations on demolition. The City does not regulate the environmental compliance; however the Building Official was on site the whole time. Council Member Washington acknowledged Mr. Johnson for his information and added that the Committee needs to consider putting steps in place so all process are known.

Council Member Wood asked if the residents were notified prior to the demolition. Mr. Johnson confirmed that the permit requires it and it was performed.

OTHER

Council Member Washington added a Resolution to the agenda which would be approving the language to be placed on the November Ballot for the sale of a portion of Scott Park, the physical structure. The language will state "Shall the City of Lansing be authorized to sell a portion of the Scott Park Property that is the physical structure known as Scott Center Building to Habitat for Humanity Capital Region".

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE RESOLUTION AS PRESENTED. MOTION CARRIED 2-0.

Council Member Yorko asked why the standard statement of "authorize to market for sale" was not included, and if it was because there was already a buyer. Mr. Smiertka confirmed she was correct.

Ms. Miles asked questions on SkyVue, such as if the construction was on schedule, Mr. Johnson stated yes; if they were only renting to students, and Council Member Washington stated anyone can rent there, but students are not excluded, and lastly Ms. Miles asked if it was only for Chinese, and Council Member Washington acknowledged that would be illegal. Ms. Miles then asked Ms. Stachowiak if there were any businesses determined, and Ms. Stachowiak stated no.

Presentation – Capital Area Housing (Amy Kraus)

Ms. Kraus introduced Ms. Droste and Ms. Sales-Ho as the Director and Executive Director of the non-profit organization that offers home ownership counseling, potential rehabilitation of residences, and down payment funding. Ms. Droste distributed information packets that outlined their progress currently in East Lansing and their intentions as they move into Lansing. They have three certified counselors who work with all applicants, and offer counseling. They have partnered with Franklin Street Community Housing Corporation (FSCHC). In the past year MSHDA has dissolved their homeownership funding; therefore it is getting difficult to get assistance since there are no Federal or State groups that assist in the program. The organization is currently looking at an area of homes near and around Eastern High School as their next project and are open to any ideas.

DRAFT

Council Member Washington asked the how they were different from Habitat for Humanity, and if their primary focuses is affordable home ownership. Ms. Droste acknowledged that there was a time when homes were being overtaken by students. While there has always been a desire to do home ownership, it depends on the market and where funding is available. In regards to the comparison to Habitat, Ms. Droste stated that Habitat is national and have stronger restrictions for income on ownership. Ms. Kraus added to the presentation that this Organization is working not just with the homeless, but families who qualify for assistance on homes and don't realize they do even though they are working. This is addressed with rentals, buildings or rehabilitation depending on what is available and who wants to fund. The City Planning and Neighborhood Development Department is involved with these projects as well, and the organization is doing outreach to the neighborhoods. Council Member Washington asked if they were looking at median income, and Ms. Droste stated that it is the home values, and appraised values. They look at the end value of the property.

Council Member Washington invited the organization to her East Side Residents meeting in October.

Ms. Kraus noted three addresses in the City they have already been involved in, and encouraged the Committee to drive by. Those addresses were 307 N Hayford, 231 Lathrup and one on Owen that is already done. They recently received a grant for Ingham County and will be working in Leslie, Williamston and Mason.

Mr. Johnson referenced a report he had delivered to the Committee over the last couple months that listed the 177 homes currently under rehab in the City. They will be tracking these homes. Council Member Wood asked if the tracking includes numbers on when a house is rehabilitated, how long the owners occupy it. Ms. Kimmel clarified that the program has deed restrictions for 20 years, and if they sell the City collects on the loan. If it slides into a rental they cannot collect. Council Member Wood asked for the tracking information. Council Member Washington asked if they track how many people default. Ms. Droste confirmed their organization does track that, and no one has defaulted in four (4) years, and before that the percentage was lower than the average default rate.

Adjourn at 10:52 a.m.

Submitted by,

Sherrie Boak, Recording Secretary,

Lansing City Council

Approved by the Committee on _____

RECEIVED
JUL 14 2016
LANSING CITY COUNCIL

LICENSE AGREEMENT
BETWEEN CITY OF LANSING
AND
ZIP THE GRAND, INC.

1.1 THIS LICENSE AGREEMENT made this _____ day of _____ 2016 by and between the **CITY OF LANSING, (Licensor)**, a municipal corporation with offices at 124 W. Michigan Avenue, Lansing, Michigan 48933 and **ZIP THE GRAND, INC., dba CAPITOL ZIP (Licensee)**, with offices at 4718 Norfolk Circle, Portage, Michigan 49024, agree as follows:

PREMISES

2.1 Licensor conveys by license the Premises described below to Licensee who has inspected the Premises and is satisfied with the condition of the Premises, in the present "as is" condition, and Licensee shall, at its sole cost and expense, make all repairs necessary to maintain the Premises, at a minimum, in its current condition as of the Commencement Date during the term of this License. This obligation of the Licensee shall include, but not be limited to all improvements, modifications or alterations to or on the Premises approved in writing by the Licensor; said Premises generally described as:

Parcel 33-01-01-09-453-082 (West side) and Parcel 33-01-01-09-452-004 (East side)

THIS LICENSE AGREEMENT WILL BE AMENDED TO INCLUDE THE COMPLETE LEGAL DESCRIPTION OF THE SUBJECT PROPERTY UPON A SURVEY BEING CONDUCTED BY THE LICENSEE WITH ALL COSTS FOR OBTAINING SUCH SURVEY TO BE THE RESPONSIBILITY OF THE LICENSEE.

TERM

3.1 The Term of this License will commence on the date of signing and, unless sooner terminated or extended in accordance with the provisions of this License, terminate on the Termination Date.

3.2 On the Termination Date, this License shall automatically terminate without any

further action by either Party, except that either party may cancel this License with or without cause, upon giving the other party sixty (60) days advance written notice of the intent to cancel. Upon giving the required notice, this License shall terminate. However, claims for unpaid license fees or other liability arising out of Licensee's possession and use of the premises shall survive any termination. After termination of this License, the Licensor shall take full possession of the property in accordance with Sec. 20.1 of this License.

3.3 The Termination Date shall be ten (10) years from the execution of this License or sooner if either party provides notice in accordance with Sec. 3.2 of this License.

LICENSE FEE

4.1 Licensee shall pay to Licensor the Annual Base License Fee. The Annual Base License Fee shall be pro-rated for any partial year in which the Annual Base License Fee is owed. In the event of a termination of this License by either Party, the Licensee shall not be entitled to a partial refund of the Annual Base License Fee paid by Licensee to Licensor. The Annual Base License Fee for year 2016 shall be paid to the Licensor on or before the Commencement Date, but thereafter shall be due the first of each month. Any payment thirty (30) days late will be assessed a late fee of \$50.00.

4.2 Licensee will pay the total sum of \$6,000 annually in monthly payments of Five Hundred and 0/100 Dollars (\$500.00) per month for a period of ten (10) years with the option to renew for two (2) consecutive five (5) year periods at the same rate. This monthly fee reflects use of the 5,000 sq. ft. open park space on the East side of the Grand River as well as the 100 sq. ft. of open park space located on the West side of the Grand River along E. Saginaw Street, as per the attached parcel descriptions.

4.3 In addition, to the annual license fee, Licensee, will pay 2.5% of gross gate regular admissions directly to the Licensor's Parks and Recreation Department for the same period. Special events, souvenir sales, corporate outings and revenue generated in conjunction with school field trips to Capitol Zip will not be subject to this fee paid to the Licensor. Annual review/audit of gate admission sales will be conducted between Capitol Zip and the City Parks and Recreation Board for computation of the gross receipts. *The percentage of the gross gate receipts will be renegotiated after each five (5) year term not to be less than 2.5%.*

PARKING AREAS

5.1 Licensee will have access to the existing on-site parking area located on the grounds on the East side of the Grand River. In addition, Licensee will provide approximately Fifty (50) parking spaces and bathroom facilities at the adjacent retail location of 711 Center Street for patrons.

DATES AND HOURS OF OPERATION

6.1 Anticipated months of downtime include December, January and February. However, Licensee reserves the right to operate twelve (12) months a year (weather permitting). Hours of operation will be Sunday through Thursday until 11:00 p.m. and Friday and Saturday until 12:00 a.m. Exceptions to the evening hours would be permitted during special events such as July 4th, with written permission by the Licensor.

TAXES AND ASSESSMENTS

7.1 The Parties acknowledge that these Premises are not currently subject to real property tax. However, should the taxable status of the Premises change and otherwise be subject to real property taxation, Licensee shall be responsible for all real property taxes, including but not limited to ad valorem taxes, assessments (general, special, ordinary or extraordinary), sewer rents, rates and charges, taxes based upon the receipt of rent (other than federal, state and local income taxes), and any other federal, state or local charge (general, special, ordinary or extraordinary) which may now or hereafter be imposed, levied or assessed against the Premises.

7.2 Licensee shall pay such taxes, assessments, and other charges which shall become due and payable before the same become subject to penalties, and shall produce evidence of payment of such taxes and assessments to Licensor in the form of the paid receipt from the municipal taxing and assessing authorities at least ten (10) days prior to the date on which such taxes and assessments are due.

7.2 Licensee shall pay in full to the appropriate taxing authority, before becoming delinquent, all municipal, county and state taxes assessed, levied or imposed upon Licensee's interest and all furniture, fixtures, machinery, equipment, apparatus, systems and all other personal property of any kind located at, placed in, or used in connection with the Premises or

its operation, and Licensee shall produce evidence of the payment of such taxes to Licensor in the form of the paid receipt from the municipal taxing and assessing authorities at least ten (10) days prior to the date on which such taxes are due.

UTILITIES

8.1 Licensee shall pay, as they become due, all charges directly related to the applicable service provider for water, gas, heat, electricity, sewer, refuse collection, janitorial services, phone and other utilities used upon or furnished to the Premises. Any and all security deposits required by the companies providing such utilities shall be the sole responsibility of Licensee.

USE OF PREMISES

9.1 The Premises shall be used and occupied by Licensee for the primary purpose of operating a zip line from a 40' tower on the west side of the Grand River along E. Saginaw Street to a tower located at the NE corner of E. Saginaw Street and the Grand River and for no other purpose without the prior written consent of Licensor. Any request by the Licensee to use the Premises for any other purpose other than the Designated Use stated above shall be made in writing to the Director of Parks and Recreation for the City of Lansing.

9.2 Licensee also intends to construct a 6' – 8' safety fence around the parameter of the 50' x 100' East side of Premises in conformance with all construction and zoning codes of the City of Lansing. The area surrounding the West side structure is self-contained and will stay locked and secured on a twenty-four hours a day, seven days a week (24/7) basis unless required access is needed for employee entrance or maintenance.

9.3 Licensee shall be expressly prohibited from charging any form of fee for persons parking on the Premises without the prior written consent of the Licensor. Any request by the Licensee to charge any form of parking fee on the Premises shall be made in writing to the Director of Parks and Recreation for the City of Lansing.

9.4 Licensee shall not use or permit any person to use the Premises in any manner which violates or would create liability under federal, state or local laws, ordinances, rules, regulations or policies. Licensee shall not (either with or without negligence) cause or permit the escape, disposal or release of any biologically or chemically active or other hazardous substances or materials in violation of applicable laws. Licensee shall not allow the

storage or use of such substances or materials in any manner not sanctioned by law, or allow to be brought into or onto the Premises any such materials or substances except to use in the ordinary course of Licensee's business. Without limitation, hazardous substances and materials shall include those described in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601 et seq., the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901 et seq., any applicable state or local law and the regulations adopted under these acts. In all events, Licensee shall indemnify Licensor in the manner elsewhere provided in this License against any liability resulting from any release of hazardous substances or materials on the Premises caused by Licensee or persons acting under or for Licensee. Licensee shall obtain and maintain any permits, licenses, authorizations, and approvals required by applicable statutes, codes, ordinances, and rules and regulations for the use and occupancy of the Premises for the Designated Use.

ENVIRONMENTAL DISCHARGE OR RELEASE

10.1 Any "Response Action" or remediation required due to a release, discharge, disposal, or exacerbation of a previous release, caused by the acts or omissions of Licensee or Licensee's agents, employees, representatives, contractors, guests or invitees shall be completed at the sole cost and expense of Licensee. Licensee shall indemnify, hold harmless and defend Licensor against any and all claims whether they are made by a government agency with jurisdiction over the Premises or a third party arising from or related to a release, discharge, disposal, or exacerbation of a previous release at the Premises.

CONSTRUCTION ON PREMISES

11.1 Licensee intends to construct a 40' – 45' ropes course on the East side of the Grand River and a 40' zip line tower on the West side of the Grand River along E. Saginaw Street and utilize a 50' x 100' parcel of park land at the NE corner of E. Saginaw Street and the Grand River, along with a 10' x 10' area at the NW corner of E. Saginaw Street and the Grand River. All construction will meet applicable set back requirements and federal, state and local codes.

11.2 Licensee acknowledges that any permits or approval needed related to wetlands or

flood plains will be obtained from the Department of Environmental Quality and any other necessary agencies as required by law prior to beginning construction/development.

LIGHTING

12.1 Licensors will permit a lighted sign to be affixed to the West side zip line tower that complies with the local sign ordinance. In addition, the Licensee will provide all necessary lighting for the safety of the public during evening and night hours.

SECURITY DEPOSIT

13.1 Licensee shall be required to tender the Security Deposit of Fifteen Thousand Dollars (\$15,000.00) on or before the Commencement Date of this License. The Security Deposit shall be paid to the Licensor and held in a separate account by the Parks and Recreation Department of the City of Lansing. The City shall not access the Security Deposit unless this License is terminated, for any reason, and the Premises require repair, maintenance, deconstruction or remediation. Licensor shall only return that portion of the Security Deposit that remains after the Premises are restored to the condition prior to the commencement of this License.

FIRE DAMAGE OR CASUALTY

14.1 Licensee shall give immediate notice to Licensor of fire or other casualty at the Premises. If fifty percent (50%) or more of the Buildings or Premises are damaged or destroyed by fire or other casualty, Licensor shall have the right, but not the obligation, to terminate this License by giving written notice to Licensee of its election to terminate, notice to be given within ninety (90) days after the occurrence.

Any license fee or other charges owing shall be paid through such date. If Licensor terminates this License due to such damage to the Buildings or Premises, Licensee shall assign the insurance proceeds applicable to the Building and all other improvements on the Premises to Licensor.

If less than fifty percent (50%) of the Buildings or Premises are damaged or destroyed by fire or other casualty or Licensor does not terminate this License as set forth above, Licensee shall promptly repair or restore the Premises in a manner and to a condition equal to that existing prior to the occurrence of the damage or casualty, in which case any applicable insurance proceeds shall be used for such repair or restoration. There shall be no abatement of the license fee or other charges in the event of any fire or other casualty.

Notwithstanding the foregoing, each party shall look first to any insurance coverage that

it carries or any insurance coverage that such party would have if it met the requirements of this License before making any claim against the other party for recovery for loss or damage resulting from fire or other casualty. And to the extent that such insurance, or the insurance required by this License, if in force, would have paid the claim, Licensor and Licensee each release and waive all right of recovery against the other or anyone claiming through or under each of them by way of subrogation or otherwise. Licensee acknowledges that Licensor will **n o t** carry insurance on the Premises or on Licensee's personal property, fixtures, and improvements, and agrees that Licensor will not be obligated to repair any damage or replace same.

REPAIRS AND MAINTENANCE

15.1 Licensee shall, at its own expense, maintain, repair and replace the Premises and every part to the satisfaction of Licensor. Licensor agrees to mow all grass areas and clear snow from parking lots and sidewalks where applicable, excluding 711 Center Street, Lansing. Licensee shall, at its own expense, maintain the Premises in a clean and safe condition in accord with all federal, state and local laws, ordinances and regulations and comply with all directions of any health officer, fire marshal, building inspector or other governmental agency having jurisdiction over the Premises.

15.2 Licensee shall repair all damage to the Premises caused by any activity of Licensee, including but not limited to the negligence or willful acts of Licensee, its agents or invitees. All repairs shall be of quality equal to the original construction.

15.3 There shall be no reduction in the Annual Base License Fee or other charges nor shall there be any liability on the part of Licensor by reason of inconvenience, annoyance or injury to Capitol Zip arising from Licensee or others making or failing to make any repairs, alterations, additions or improvements to any portion of the Premises.

15.4 Licensee shall keep the Premises free of liens for work claimed to have been done for, or materials furnished to Licensee and will hold Licensor harmless from any liens which may be placed on the Premises except those attributable to the acts of Licensor. In the event a construction or other lien shall be filed against the Premises or Licensee's interest as a result of any work undertaken by Licensee, or as a result of any repairs or alterations made by Licensee, or any other act of Licensee, Licensee shall, within thirty (30) clays after receiving notice of the lien, discharge the lien. In the event Licensee shall fail to discharge such lien,

Licensors shall have the right, but not the obligation, to terminate this Licensee or procure such discharge, and Licensee shall pay the cost of procuring such discharge to Licensors as an additional fee within thirty (30) days of Licensors receiving such discharge.

INSURANCE AND INDEMNITY

16.1 Licensee shall maintain in full force and effect policies of broad form general liability insurance providing coverage for the Premises, including without limitation all parking areas, with policy limits of not less than \$1,000,000.00 per occurrence, and a \$3,000,000.00 limit in excess or umbrella liability coverage, exclusive of defense costs, and without any provision for a deductible or self-insured retention. In the event any policy or policies of insurance which Licensee is required to maintain shall be written on a "claims made" insurance form, each policy shall have a "retroactive date" which is not later than the Commencement Date. Furthermore, should insurance coverage be written on a "claims made basis", Licensee's obligation to provide insurance shall be extended beyond the termination date for an additional period equal to the statute of limitations for such claims in the State of Michigan.

16.2 Licensee shall maintain in full force and effect through the Term of this License policies of all risk property insurance covering its personal property, fixtures and improvements to their full replacement cost, without deduction for depreciation. Such insurance shall provide the broadest coverage then available, including coverage for loss of profits or business income or reimbursement for extra expense incurred as the result of damage or destruction to all or a part of the Premises.

16.3 Licensee shall also maintain in full force and effect through the Term of this License insurance against fire, vandalism, malicious mischief and such other perils as are included from time to time in a standard extended coverage endorsement and special extended coverage endorsements, insuring the Premises and all improvements in an amount equal to the full replacement cost of the Building and all other improvements on the Premises.

16.4 All insurance policies which Licensee is required to maintain shall, in addition to any of the foregoing, be written: By carriers authorized to write such business in the State of Michigan reasonably acceptable to Licensors; Name Licensors and Licensee's lender as additional named insured; Be endorsed to provide that they shall not be canceled or changed

materially in any manner adverse to Licensor for any reason except on thirty (30) days prior written notice to Licensor and Licensee's lender; and, Provide coverage to Licensor whether or not the event or occurrence giving rise to the claim is alleged to have been caused in whole or in part by the acts or omissions or negligence of the Licensee. All insurance coverages required shall be primary and non-contributing to any comparable liability insurance (including self-insurances) carried by the Licensor. Licensee shall deliver certificates of insurance evidencing the coverage and endorsements required and copies of the original policies to Licensor within ten (10) business days of the License Date, together with receipts evidencing payment of the premiums. Licensee shall deliver certificates of renewal for such policies to Licensor not less than thirty (30) days prior to the expiration dates.

16.5 If Licensee fails to provide any of the insurance or subsequently fails to maintain the insurance in accordance with the requirements of this License, Licensor may, but is not required to, procure or renew such insurance to protect its own interests only, and any amounts paid by Licensor for such insurance will owed by Licensee to Licensor, due and payable on or before thirty (30) days of the effective date of such policy. Licensor and Licensee agree that any insurance acquired by Licensor shall not cover any interest or liability of Licensee.

ASSIGNMENT

18.1 Licensee shall not assign this License or sublet the Premises, without the prior written consent of Licensor. Any attempted assignment or subletting without consent shall be invalid.

INSPECTION OF PREMISES

19.1 Licensee shall permit Licensor or Licensor's authorized agency, agent, representative or employee to enter the Premises during normal business hours for the purpose of inspecting the Premises.

NOTICE

20.1 All bills, notices, statements, communications or demands (collectively "Notices") required under this License must be in writing. Any Notices from Licensor to Licensee will be deemed to have been duly delivered if a copy has been personally delivered, or mailed by United States mail, postage prepaid, or sent via courier service to Licensee at the address of the Premises or other address as Licensee may later designate in writing. Any Notices from Licensee to Licensor

will be deemed to have been duly and sufficiently given if delivered to Licensor in the same manner as provided above at the Licensor's Office, care of the Mayor of the City of Lansing with a copy to the Director of Parks and Recreation, City of Lansing, or at such other address as Licensor may designate in writing.

DEFAULT

21.1 Each of the following shall be deemed an event of default: (i) Licensee's failure to make payment of the License Fee due within ten (10) days after Licensee's receipt of written notice of such failure from Licensor; or (ii) Licensee's failure to perform any of the covenants of this License for more than ten (10) days after Licensee's receipt of written notice of such failure from Licensor; or (iii) if Licensee shall petition for relief under the bankruptcy laws, or shall make an assignment for the benefit of creditors, or if a receiver of any property of the Licensee be appointed in any action, suit or proceeding by or against Licensee, or if Licensee shall admit to any creditor or to Licensor that it is insolvent, or if the interest of Licensee in the Premises shall be sold under execution or other legal process, or if Licensee shall abandon the Premises.

21.2 Upon the occurrence of an event of default, Licensor shall have the right to terminate the Licensee and shall be entitled to immediate possession of the Premises. Licensor may make its election to terminate known to Licensee by delivery of a notice of termination. Such termination shall be immediately effective and Licensor shall be entitled to commence an action in summary proceedings to recover possession of the premises. Licensee waives all notice in connection with such termination, including by way of illustration but not limitation notice of intent to terminate, demand for possession or payment, and notice of re-entry.

21.3 No receipt of money by the Licensor from the Licensee after the termination of this License shall reinstate, continue or extend the term, nor affect or waive any notice given by the Licensor to the Licensee prior to receipt of such money.

21.4 If Licensor at any time terminates this License, in addition to any other remedies it may have, it may recover from Licensee all damages it may incur by reason of any default, including the cost of recovering the Premises, reasonable attorneys' fees, and damages equal to unpaid License Fees, all of which amounts shall be immediately due and payable from Licensee to Licensor.

21.5 The Licensor's rights, remedies and benefits provided by this License shall be

cumulative, and shall not be exclusive of any other rights, remedies and benefits allowed by law.

21.6 Licensors and Licensees agree that they shall rely solely upon the terms of this License to govern their relationship. They further agree that reliance upon any representation, act or omission outside the terms of this License shall be deemed unreasonable, and shall not establish any rights or obligations on the part of either party.

21.7 One or more waivers of any covenant of the License by either party shall not be construed as a waiver of a subsequent breach of the same covenant and the consent or approval by Licensors to or of any act by Licensees requiring Licensors' consent or approval shall not be deemed a waiver of Licensors' consent or approval to or of any subsequent similar act by Licensees. No breach of a covenant of this License shall be deemed to have been waived by Licensors, unless such waiver: (i) is in writing signed by Licensors; (ii) identifies the breach, and (iii) expressly states that it is a waiver of the identified breach.

21.8 Notwithstanding anything to the contrary, Licensees acknowledge and agree that its obligation to pay the License Fee under this License is an independent covenant, and that such obligation to pay is not subject to setoff or recoupment in connection with any action for summary proceedings to recover possession of the Premises.

21.9 Licensors and Licensees waive trial by jury in connection with any action for summary proceedings to recover possession of the Premises. Further, Licensors and Licensees waive trial by jury in connection with any action arising out of or relating to the covenants of this License, with the exception of actions for personal injury or property damage.

21.10 In the event that Licensors are required to bring an action arising out of the covenants of this License, or in the event Licensors undertake an action for summary proceedings to recover possession of the Premises, Licensees agree to pay Licensors such reasonable costs and attorneys' fees as Licensors may incur in connection with such action.

21.11 Licensees shall not be entitled to surrender the Premises to avoid liability for the License fee due to the condition of the Premises, nor shall any purported consensual surrender be effective unless expressly agreed to in a writing signed by the Licensors.

21.12 Licensors and Licensee represent that in the event an action for summary proceedings to recover possession of the Premises is commenced, the amount set forth in this License shall be deemed a reasonable license fee for the Premises.

SURRENDER OF PREMISES

22.1 Upon termination Licensee shall surrender the Premises clean and in the same condition as on the Commencement Date, except for any improvements allowed to remain by Licensor, and promptly deliver all keys for the Premises to Licensor. Any damage to the Premises resulting from removal of trade fixture, personal property or similar items shall be repaired at Licensee's expense. All expenses incurred by Licensor in connection with repairing or restoring the Premises to the designated condition, together with the costs, if any, of removing any property of Licensee shall be invoiced to Licensee and be payable within ten (10) days after receipt of invoice. If payment is not made on the invoice, Licensor shall be entitled to access the Security Deposit to pay the invoice.

PERFORMANCE COVENANTS

23.1 If Licensee fails to pay any money or to perform any covenant required by this License, Licensor shall have the right, but not the obligation, to make such payment or access the Premises and perform such acts. All sums so paid or incurred by Licensor and all incidental costs, including without limitation the cost of repair, maintenance or restoration of the Premises, shall be deemed additional fees and shall be due and payable within thirty (30) days of Licensee's receipt of any invoice.

HOLDING OVER

24.1 If Licensee remains in possession of the Premises after the Termination Date, it will be deemed to be occupying the Premises as a month to month Licensee, subject to all the covenants of this License to the extent that they can be applied to a month to month Licensee, except that the monthly installment of the base license fee for each month will be Ten Thousand Dollars and 00/cents (\$10,000.00) payable on the first day of each month Licensee holds over.

INDEMNIFICATION

25.1 Licensee shall, at its expense, indemnify, defend, and hold harmless Licensor, its licensees, servants, agents, employees and contractors, from any loss, damage, claim, liability or expense, (including reasonable attorney fees) of any kind, type or description, including without limitation, claims for bodily injury, disease, death, property damage or environmental clean-up arising directly or indirectly out of or in connection with the acts or omissions of Licensee, its licensees, servants, agents, employees, guests, invitees or contractors, or the failure of Licensee to comply with any covenant of this License.

NON - DISCRIMINATION

26.1 Licensee shall not discriminate in the hiring of any employees or contractors, in its use of the Premises or in any activities conducted or permitted on the Premises, directly or indirectly on the basis of age, race, color, religion, national origin, sex, height, weight, handicap, marital status, sexual orientation, political orientation or any other illegal basis.

ADDITIONAL PROVISIONS

27.1 Time is of the essence in all provisions of this License.

27.2 Any waiver, alternation, modification or amendment of this License shall not be effective unless in writing and signed by all parties.

27.3 This License shall be binding upon and the benefits shall inure to the heirs, successors, representatives and assigns of the parties.

27.4 Any failure of either party to enforce at any time any term or condition of this License shall not be construed to be a waiver of such term or conditions or of right or either party to enforce such term or condition.

27.5 This License constitutes the entire agreement between the parties and there are no agreements or understandings concerning the subject matter of this License which are not fully set forth.

27.6 If any provision of this License is invalid or unenforceable, the other enumerated provisions shall be liberally construed to effectuate the purpose and intent of this License.

27.7 Any notice, demand, request or other instrument which may be or is required to be given under this License shall be sent by United States mail, certified, return receipt requested, postage prepaid and shall be address, if to the Licensor, to the Parks and Recreation Department, 200 N. Foster Avenue, Lansing, MI 48912 with a copy to the City Attorney's Office, 5th Floor, City Hall, 124 W. Michigan Avenue, Lansing, MI 48933, or such other address as Licensor may designate by written notice and if to Lessee, to Capitol Zip Inc., 565 Comstock Avenue, NE, Grand Rapids, MI 49505, or at

such other address that Licensee shall designate by written notice.

27.8 The parties represent that their respective signatories execute this Lease with the requisite authority to sign and bind the parties and that each party respectfully has complied in all respects with their applicable by-laws, charters, articles and constitutions and have passed all necessary resolutions before executing this License.

27.9 All questions with respect to the construction of this License shall be determined in accordance with applicable Michigan law.

27.10 Reference in this License to persons, entities and items have been generalized. Licensor or Licensee may mean one person, entity or thing whenever such usage is appropriate or a group of persons acting as a single entity. Similarly, pronouns of one gender should be considered interchangeable with pronouns of the other gender.

CONDITIONS PRECEDENT

28.1 This License is conditioned upon the Licensee obtaining financing within Three Hundred and Sixty-Five Days (365) from the date of execution of this agreement. Furthermore, Licensee is committed to repaying any financing obtained for this business enterprise within five (5) years of the date of signing this License.

IN WITNESS WHEREOF, Licensor and Licensee have executed this License as of the date below.

LICENSOR:

The City of Lansing
a Michigan municipal corporation

By _____

Name: Virgil Bernero
Its: Mayor

LICENSEE:

Zip the Grand, INC.
DBA: Capitol Zip

By _____

Name:
Its: Authorized Agent

Approved as to form:

James D. Smiertka
Lansing City Attorney

Chris Swope
Lansing City Clerk

DRAFT

LICENSE AGREEMENT
BETWEEN CITY OF LANSING
AND
ZIP THE GRAND, INC.

1.1 THIS LICENSE AGREEMENT made this _____ day of _____ 2016 by and between the **CITY OF LANSING, (Licensor)**, a municipal corporation with offices at 124 W. Michigan Avenue, Lansing, Michigan 48933 and **ZIP THE GRAND, INC., dba CAPITOL ZIP (Licensee)**, with offices at 565 Comstock Avenue, NE, Grand Rapids, Michigan 49505 agree as follows:

PREMISES

2.1 Licensor licenses the Premises described below to Licensee who has inspected the Premises and is satisfied with the condition of the Premises, in the present "as is" condition, Licensee understands that this license is personal and exclusive to it and does not convey an interest in land to licensee. Furthermore, Licensee shall, at its sole cost and expense, make all repairs necessary to maintain the Premises, at a minimum, in its current condition as of the Commencement Date during the Term of this License. This obligation of the Licensee shall include, but not be limited to all improvements, modifications or alterations to or on the Premises approved in writing by the Licensor; said Premises generally described as:

Parcel 33-01-01-09-453-082 (West side) and Parcel 33-01-01-09-452-004 (East side) and as further depicted in attachment A to this agreement.

THIS LICENSE AGREEMENT WILL BE AMENDED TO INCLUDE THE COMPLETE LEGAL DESCRIPTION OF THE SUBJECT PROPERTY UPON A SURVEY BEING CONDUCTED BY THE LICENSEE WITH ALL COSTS FOR OBTAINING SUCH SURVEY TO BE THE RESPONSIBILITY OF THE LICENSEE.

TERM

3.1 The Term of this License will commence on _____ ("hereafter known as the effective date"), unless sooner terminated or extended in accordance with the provisions of

this License, terminate on the Termination Date.

3.2 On the Termination Date, this License shall automatically terminate without any further action by either Party, except that either party may cancel this License with or without cause, for any reason or for no reason, upon giving the other party sixty (60) days advance written notice of the intent to cancel. Upon giving the required notice, this License shall terminate. However, claims for unpaid license fees or other liability arising out of Licensee's possession and use of the premises shall survive any termination. After termination of this License, the Licensor shall take full possession of the property in accordance with Sec. 20.1 of this License.

3.3 The Termination Date shall be ten (10) years from the execution of this License or sooner if either party provides notice in accordance with Sec. 3.2 of this License.

LICENSE FEE

4.1 Licensee shall pay to Licensor the Annual Base License Fee. The Annual Base License Fee shall be pro-rated for any partial year in which the Annual Base License Fee is owed. In the event of a termination of this License by either Party, the Licensee shall not be entitled to a partial refund of the Annual Base License Fee paid by Licensee to Licensor. The Annual Base License Fee for year 2016 shall be paid to the Licensor on or before the Commencement Date, but thereafter shall be due the first of each month. Any payment thirty (30) days late will be assessed a late fee of \$50.00.

4.2 Licensee will pay the total sum of \$6,000 annually in monthly payments of Five Hundred and 0/100 Dollars (\$500.00) per month for a period of ten (10) years with the option to renew for two (2) consecutive five (5) year periods at the same rate. The right to renew is conditioned on the Licensee providing Licensor written notice of the intent to renew at least 90 days before the expiration of the current license term. The monthly fee reflects the right to use the 5,000 sq. ft. open park space on the East side of the Grand River as well as the 100 sq. ft. of open park space located on the West side of the Grand River along E. Saginaw Street, as per the attached parcel descriptions.

4.3 In addition, to the annual license fee, Licensee, will pay 2.5% of gross gate admissions directly to the Licensor's Parks and Recreation Department for the same period. Gross gate receipts are the revenue received from regular ticket sales. Special events, souvenir sales, corporate outings and revenue generated in conjunction with school field trips to Capitol Zip will not be subject to the

fee paid to the Licensor. Annual review/audit of gate admission sales will be conducted between Capitol Zip and the City Parks and Recreation Board for computation of the gross receipts. *The percentage of the gross gate receipts will be renegotiated after each five (5) year term not to be less than 2.5%.* Regardless of the amount of the license fee, it represents a fair value for the issuance of the license and its collection by the Licensee does not create an agency, partnership or any other business relationship beyond what is specifically described in this agreement.

PARKING AREAS

5.1 During hours of operation Licensee will have non-exclusive access to the existing on-site parking area located on the grounds on the East side of the Grand River. In addition, Licensee will provide approximately Fifty (50) parking spaces and bathroom facilities at the adjacent retail location of 711 Center Street for patrons.

DATES AND HOURS OF OPERATION

6.1 Anticipated months of downtime include December, January and February. However, Licensee reserves the right to operate twelve (12) months a year (weather permitting). The expected hours of operation will be Sunday through Thursday until 11:00 p.m. and Friday and Saturday until 12:00 a.m. Exceptions to the evening hours would be permitted during special events such as July 4th, with written permission by the Licensor. Start times will be determined by the Licensee but in no circumstance will the operations begin before 8:00 a.m.

TAXES AND ASSESSMENTS

7.1 The Parties acknowledge that these Premises are not currently subject to real property tax. However, should the taxable status of the Premises change and otherwise be subject to real property taxation, Licensee shall be responsible for all personal and real property taxes, including but not limited to ad valorem taxes, assessments (general, special, ordinary or extraordinary), sewer rents, rates and charges, taxes based upon the receipt of rent (other than federal, state and local income taxes), payments in lieu of taxes and any other federal, state or local charge (general, special, ordinary or extraordinary) which may now or hereafter be imposed, levied or assessed against the Premises.

7.2 Licensee shall pay in full to the appropriate taxing authority, before becoming delinquent, all municipal, county and state taxes assessed, levied or imposed upon Licensee's interest and all furniture, fixtures, machinery, equipment, apparatus, systems and all other

personal property of any kind located at, placed in, or used in connection with the Premises or its operation, and Licensee shall produce evidence of the payment of such taxes to Licensor in the form of the paid receipt from the municipal taxing and assessing authorities at least ten (10) days prior to the date on which such taxes are due.

UTILITIES

8.1 Licensee shall pay, as they become due, all charges directly related to the applicable service provider for water, gas, heat, electricity, sewer, refuse collection, janitorial services, phone and other utilities used upon or furnished to the Premises. Any and all security deposits required by the companies providing such utilities shall be the sole responsibility of Licensee.

USE OF PREMISES

9.1 The Premises shall be used and occupied by Licensee for the primary purpose of operating a zip line from a 40' tower on the west side of the Grand River along E. Saginaw Street to a tower located at the NE corner of E. Saginaw Street and the Grand River and for no other purpose without the prior written consent of Licensor. Any request by the Licensee to use the Premises for any other purpose other than the Designated Use stated above shall be made in writing to the Director of Parks and Recreation for the City of Lansing.

9.2 Licensee also intends to construct a 6' – 8' safety fence around the parameter of the 50' x 100' East side of Premises in conformance with all construction and zoning codes of the City of Lansing. The area surrounding the West side structure is self-contained and will stay locked and secured on a twenty-four hours a day, seven days a week (24/7) basis unless required access is needed for employee entrance or maintenance.

9.3 Licensee shall be expressly prohibited from charging any form of fee for persons parking on the Premises without the prior written consent of the Licensor. Any request by the Licensee to charge any form of parking fee on the Premises shall be made in writing to the Director of Parks and Recreation for the City of Lansing.

9.4 Licensee shall not use or permit any person to use the Premises in any manner which violates or would create liability under federal, state or local laws, ordinances, rules, regulations or policies. Licensee shall not (either with or without negligence) cause or permit the escape, disposal or release of any biologically or chemically active or other

hazardous substances or materials in violation of applicable laws. Licensee shall not allow the storage or use of such substances or materials in any manner not sanctioned by law, or allow to be brought into or onto the Premises any such materials or substances except to use in the ordinary course of Licensee's business. Without limitation, hazardous substances and materials shall include those described in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601 et seq., the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901 et seq., any applicable state or local law and the regulations adopted under these acts. In all events, Licensee shall indemnify Licensors in the manner elsewhere provided in this License against any liability resulting from any release of hazardous substances or materials on the Premises caused by Licensee or persons acting under or for Licensee. Licensee shall obtain and maintain any permits, licenses, authorizations, and approvals required by applicable statutes, codes, ordinances, and rules and regulations for the use and occupancy of the Premises for the Designated Use.

ENVIRONMENTAL DISCHARGE OR RELEASE

10.1 Any "Response Action" or remediation required due to a release, discharge, disposal, or exacerbation of a previous release, caused by the acts or omissions of Licensee or Licensee's agents, employees, representatives, contractors, guests or invitees shall be completed at the sole cost and expense of Licensee. Licensee shall indemnify, hold harmless and defend Licensors against any and all claims whether they are made by a government agency with jurisdiction over the Premises or a third party arising from or related to a release, discharge, disposal, or exacerbation of a previous release at the Premises.

CONSTRUCTION ON PREMISES

11.1 Licensee intends to construct a 40' -- 45' ropes course on the East side of the Grand River and a 40' zip line tower on the West side of the Grand River along E. Saginaw Street and utilize a 50' x 100' parcel of park land at the NE corner of E. Saginaw Street and the Grand River, along with a 10' x 10' area at the NW corner of E. Saginaw Street and the Grand River. All construction will meet applicable set back requirements and federal, state and local codes.

11.2 Licensee acknowledges that any permits or approval needed related to wetlands or flood plains will be obtained from the Department of Environmental Quality and any other necessary agencies as required by law.

LIGHTING

12.1 Licensors will permit a lighted sign to be affixed to the West side zip line tower that complies with the local sign ordinance. In addition, the Licensee will provide all necessary lighting for the safety of the public during evening and night hours.

SECURITY DEPOSIT

13.1 Licensee shall be required to tender the Security Deposit of Twenty Thousand Dollars (\$20,000.00) on or before the Commencement Date of this License. The Security Deposit shall be paid to the Licensor and held in a separate account by the Parks and Recreation Department of the City of Lansing. The City shall not access the Security Deposit unless this License is terminated, for any reason, and the Premises require repair, maintenance, deconstruction or remediation. Licensor shall only return that portion of the Security Deposit that remains after the Premises are restored to the condition prior to the commencement of this License.

FIRE DAMAGE OR CASUALTY

14.1 Licensee shall give immediate notice to Licensor of fire or other casualty at the Premises. If fifty percent (50%) or more of the Buildings or Premises are damaged or destroyed by fire or other casualty, Licensor shall have the right, but not the obligation, to terminate this License by giving written notice to Licensee of its election to terminate, notice to be given within ninety (90) days after the occurrence.

Any license fee or other charges owing shall be paid through such date. If Licensor terminates this License due to such damage to the Buildings or Premises, Licensee shall assign the insurance proceeds applicable to the Building and all other improvements on the Premises to Licensor.

If less than fifty percent (50%) of the Buildings or Premises are damaged or destroyed by fire or other casualty or Licensor does not terminate this License as set forth above, Licensee shall promptly repair or restore the Premises in a manner and to a condition equal to that existing prior to the occurrence of the damage or casualty, in which case any applicable insurance proceeds shall be used for such repair or restoration. There shall be no abatement of the license fee or other charges in the event of any fire or other casualty.

Notwithstanding the foregoing, each party shall look first to any insurance coverage that

it carries or any insurance coverage that such party would have if it met the requirements of this License, before making any claim against the other party for recovery for loss or damage resulting from fire or other casualty, and to the extent that such insurance, or the insurance required by this License, if in force, would have paid the claim, Licensor and Licensee each release and waive all right of recovery against the other or anyone claiming through or under each of them by way of subrogation or otherwise. Licensee acknowledges that Licensor will **n o t** carry insurance on the Premises or on Licensee's personal property, fixtures, and improvements, and agrees that Licensor will not be obligated to repair any damage or replace same.

REPAIRS AND MAINTENANCE

15.1 Licensee shall, at its own expense, maintain, repair and replace the Premises and every part to the satisfaction of Licensor. Licensor agrees to mow all grass areas and clear snow from parking lots and sidewalks where applicable, excluding 711 Center Street, Lansing. Licensee shall, at its own expense, maintain the Premises in a clean and safe condition in accord with all federal, state and local laws, ordinances and regulations and comply with all directions of any health officer, fire marshal, building inspector or other governmental agency having jurisdiction over the Premises.

15.2 Licensee shall repair all damage to the Premises caused by any activity of Licensee, including but not limited to the negligence or willful acts of Licensee, its agents or invitees. All repairs shall be of quality equal to the original construction.

15.3 There shall be no reduction in the Annual Base License Fee or other charges nor shall there be any liability on the part of Licensor by reason of inconvenience, annoyance or injury to Capitol Zip arising from Licensee or others making or failing to make any repairs, alterations, additions or improvements to any portion of the Premises.

15.4 Licensee shall keep the Premises free of liens for work claimed to have been done for, or materials furnished to Licensee and will hold Licensor harmless from any liens which may be placed on the Premises except those attributable to the acts of Licensor. In the event a construction or other lien shall be filed against the Premises or Licensee's interest as a result of any work undertaken by Licensee, or as a result of any repairs or alterations made by Licensee, or any other act of Licensee, Licensee shall, within thirty (30) days after receiving notice of the lien, discharge the lien. In the event Licensee shall fail to discharge such lien,

Licensors shall have the right, but not the obligation, to terminate this Licensee or procure such discharge, and Licensee shall pay the cost of procuring such discharge to Licensors as an additional fee within thirty (30) days of Licensors receiving such discharge.

INSURANCE AND INDEMNITY

16.1 Licensee shall maintain in full force and effect policies of broad form general liability insurance providing coverage for the Premises, including without limitation all parking areas, with policy limits of not less than \$1,000,000.00 per occurrence, and a \$3,000,000.00 limit in excess or umbrella liability coverage, exclusive of defense costs, and without any provision for a deductible or self-insured retention. In the event any policy or policies of insurance which Licensee is required to maintain shall be written on a "claims made" insurance form, each policy shall have a "retroactive date" which is not later than the Commencement Date. Furthermore, should insurance coverage be written on a "claims made basis", Licensee's obligation to provide insurance shall be extended beyond the termination date for an additional period equal to the statute of limitations for such claims in the State of Michigan.

16.2 Licensee shall maintain in full force and effect through the Term of this License policies of all risk property insurance covering its personal property, fixtures and improvements to their full replacement cost, without deduction for depreciation. Such insurance shall provide the broadest coverage then available, including coverage for loss of profits or business income or reimbursement for extra expense incurred as the result of damage or destruction to all or a part of the Premises.

16.3 Licensee shall also maintain in full force and effect through the Term of this License insurance against fire, vandalism, malicious mischief and such other perils as are included from time to time in a standard extended coverage endorsement and special extended coverage endorsements, insuring the Premises and all improvements in an amount equal to the full replacement cost of the Building and all other improvements on the Premises.

16.4 All insurance policies which Licensee is required to maintain shall, in addition to any of the foregoing, be written: By carriers authorized to write such business in the State of Michigan reasonably acceptable to Licensors; Name Licensors and Licensee's lender as additional named insured; Be endorsed to provide that they shall not be canceled or changed

materially in any manner adverse to Licensor for any reason except on thirty (30) days prior written notice to Licensor and Licensee's lender; and, Provide coverage to Licensor whether or not the event or occurrence giving rise to the claim is alleged to have been caused in whole or in part by the acts or omissions or negligence of the Licensee. All insurance coverages required shall be primary and non-contributing to any comparable liability insurance (including self-insurances) carried by the Licensor. Licensee shall deliver certificates of insurance evidencing the coverage and endorsements required and copies of the original policies to Licensor within ten (10) business days of the License Date, together with receipts evidencing payment of the premiums. Licensee shall deliver certificates of renewal for such policies to Licensor not less than thirty (30) days prior to the expiration dates.

16.5 If Licensee fails to provide any of the insurance or subsequently fails to maintain the insurance in accordance with the requirements of this License, Licensor may, but is not required to, procure or renew such insurance to protect its own interests only, and any amounts paid by Licensor for such insurance will owed by Licensee to Licensor, due and payable on or before thirty (30) days of the effective date of such policy. Licensor and Licensee agree that any insurance acquired by Licensor shall not cover any interest or liability of Licensee.

ASSIGNMENT

18.1 Licensee shall not assign this License or sublet the Premises, without the prior written consent of Licensor. Any attempted assignment or subletting without consent shall be invalid.

INSPECTION OF PREMISES

19.1 Licensee shall permit Licensor or Licensor's authorized agency, agent, representative or employee to enter the Premises during normal business hours for the purpose of inspecting the Premises.

NOTICE

20.1 All bills, notices, statements, communications or demands (collectively "Notices") required under this License must be in writing. Any Notices from Licensor to Licensee will be deemed to have been duly delivered if a copy has been personally delivered, or mailed by United States mail, postage prepaid, or sent via courier service to Licensee at the address of the Premises or other address as Licensee may later designate in writing. Any Notices from Licensee to Licensor

will be deemed to have been duly and sufficiently given if delivered to Licensor in the same manner as provided above at the Licensor's Office, care of the Mayor of the City of Lansing with a copy to the Director of Parks and Recreation, City of Lansing, or at such other address as Licensor may designate in writing.

DEFAULT

21.1 Each of the following shall be deemed an event of default: (i) Licensee's failure to make payment of the License Fee due within ten (10) days after Licensee's receipt of written notice of such failure from Licensor; or (ii) Licensee's failure to perform any of the covenants of this License for more than ten (10) days after Licensee's receipt of written notice of such failure from Licensor; or (iii) if Licensee shall petition for relief under the bankruptcy laws, or shall make an assignment for the benefit of creditors, or if a receiver of any property of the Licensee be appointed in any action, suit or proceeding by or against Licensee, or if Licensee shall admit to any creditor or to Licensor that it is insolvent, or if the interest of Licensee in the Premises shall be sold under execution or other legal process, or if Licensee shall abandon the Premises.

21.2 Upon the occurrence of an event of default, Licensor shall have the right to terminate the License and shall be entitled to immediate possession of the Premises. Licensor may make its election to terminate known to Licensee by delivery of a notice of termination. Such termination shall be immediately effective and Licensor shall be entitled to commence an action in summary proceedings to recover possession of the premises. Licensee waives all notice in connection with such termination, including by way of illustration but not limitation notice of intent to terminate, demand for possession or payment, and notice of re-entry.

21.3 No receipt of money by the Licensor from the Licensee after the termination of this License shall reinstate, continue or extend the term, nor affect or waive any notice given by the Licensor to the Licensee prior to receipt of such money.

21.4 If Licensor at any time terminates this License, in addition to any other remedies it may have, it may recover from Licensee all damages it may incur by reason of any default, including the cost of recovering the Premises, reasonable attorneys' fees, and damages equal to unpaid License Fees, all of which amounts shall be immediately due and payable from Licensee to Licensor.

21.5 The Licensor's rights, remedies and benefits provided by this License shall be

cumulative, and shall not be exclusive of any other rights, remedies and benefits allowed by law.

21.6 Licensors and Licensees agree that they shall rely solely upon the terms of this License to govern their relationship. They further agree that reliance upon any representation, act or omission outside the terms of this License shall be deemed unreasonable, and shall not establish any rights or obligations on the part of either party.

21.7 One or more waivers of any covenant of the License by either party shall not be construed as a waiver of a subsequent breach of the same covenant and the consent or approval by Licensors to or of any act by Licensees requiring Licensors' consent or approval shall not be deemed a waiver of Licensors' consent or approval to or of any subsequent similar act by Licensees. No breach of a covenant of this License shall be deemed to have been waived by Licensors, unless such waiver: (i) is in writing signed by Licensors; (ii) identifies the breach, and (iii) expressly states that it is a waiver of the identified breach.

21.8 Notwithstanding anything to the contrary, Licensees acknowledge and agree that its obligation to pay the License Fee under this License is an independent covenant, and that such obligation to pay is not subject to setoff or recoupment in connection with any action for summary proceedings to recover possession of the Premises.

21.9 Licensors and Licensees waive trial by jury in connection with any action for summary proceedings to recover possession of the Premises. Further, Licensors and Licensees waive trial by jury in connection with any action arising out of or relating to the covenants of this License, with the exception of actions for personal injury or property damage.

21.10 In the event that Licensors are required to bring an action arising out of the covenants of this License, or in the event Licensors undertake an action for summary proceedings to recover possession of the Premises, Licensees agree to pay Licensors such reasonable costs and attorneys' fees as Licensors may incur in connection with such action.

21.11 Licensees shall not be entitled to surrender the Premises to avoid liability for the License fee due to the condition of the Premises, nor shall any purported consensual surrender be effective unless expressly agreed to in a writing signed by the Licensors.

21.12 Licenser and Licensee represent that in the event an action for summary proceedings to recover possession of the Premises is commenced, the amount set forth in this License shall be deemed a reasonable license fee for the Premises.

SURRENDER OF PREMISES

22.1 Upon termination Licensee shall surrender the Premises clean and in the same condition as on the Commencement Date, except for any improvements allowed to remain by Licenser, and promptly deliver all keys for the Premises to Licenser. Any damage to the Premises resulting from removal of trade fixture, personal property or similar items shall be repaired at Licensee's expense. All expenses incurred by Licenser in connection with repairing or restoring the Premises to the designated condition, together with the costs, if any, of removing any property of Licensee shall be invoiced to Licensee and be payable within ten (10) clays after receipt of invoice. If payment is not made on the invoice, Licenser shall be entitled to access the Security Deposit to pay the invoice.

PERFORMANCE COVENANTS

23.1 If Licensee fails to pay any money or to perform any covenant required by this License, Licenser shall have the right, but not the obligation, to make such payment or access the Premises and perform such acts. All sums so paid or incurred by Licenser and all incidental costs, including without limitation the cost of repair, maintenance or restoration of the Premises, shall be deemed additional fees and shall be due and payable within thirty (30) days of Licensee's receipt of any invoice.

HOLDING OVER

24.1 If Licensee remains in possession of the Premises after the Termination Date, it will be deemed to be occupying the Premises as a month to month Licensee, subject to all the covenants of this License to the extent that they can be applied to a month to month Licensee, except that the monthly installment of the base license fee for each month will be Ten Thousand Dollars and 00/cents (\$10,000.00) payable on the first day of each month Licensee holds over.

INDEMNIFICATION, RELEASE OF LIABILITY AND WAIVER

25.1 Licensee shall, at its expense, indemnify, defend, and hold harmless Licensor, its licensees, servants, agents, employees and contractors, from any loss, damage, claim, liability or expense, (including reasonable attorney fees) of any kind, type or description, including without limitation, claims for bodily injury, disease, death, property damage or environmental clean-up arising directly or indirectly out of or in connection with the acts or omissions of Licensee, its licensees, servants, agents, employees, guests, invitees or contractors, or the failure of Licensee to comply with any covenant of this License.

25.1 Licensee shall require that each participant in activities provide by the Licensee execute a release and waiver agreement as set forth in Attachment B to this agreement.

NON - DISCRIMINATION

26.1 Licensee shall not discriminate in the hiring of any employees or contractors, in its use of the Premises or in any activities conducted or permitted on the Premises, directly or indirectly on the basis of age, race, color, religion, national origin, sex, height, weight, handicap, marital status, sexual orientation, political orientation or any other illegal basis.

ADDITIONAL PROVISIONS

27.1 Time is of the essence in all provisions of this License.

27.2 Any waiver, alternation, modification or amendment of this License shall not be effective unless in writing and signed by all parties.

27.3 This License shall be binding upon and the benefits shall inure to the heirs, successors, representatives and assigns of the parties.

27.4 Any failure of either party to enforce at any time any term or condition of this License shall not be construed to be a waiver of such term or conditions or of right of either party to enforce such term or condition.

27.5 This License constitutes the entire agreement between the parties and there are no agreements or understandings concerning the subject matter of this License which are not fully set forth.

27.6 If any provision of this License is invalid or unenforceable, the other enumerated provisions shall be liberally construed to effectuate the purpose and intent of this License.

27.7 Any notice, demand, request or other instrument which may be or is required to be given under this License shall be sent by United States mail, certified, return receipt requested, postage prepaid and shall be address, if to the Licensor, to the Parks and Recreation Department, 200 N. Foster

Avenue, Lansing, MI 48912 with a copy to the City Attorney's Office, 5th Floor, City Hall, 124 W. Michigan Avenue, Lansing, MI 48933, or such other address as Licensor may designate by written notice and if to Lessee, to Capitol Zip Inc., 565 Comstock Avenue, NE, Grand Rapids, MI 49505, or at such other address that Licensee shall designate by written notice.

27.8 The parties represent that their respective signatories execute this Lease with the requisite authority to sign and bind the parties and that each party respectfully has complied in all respects with their applicable by-laws, charters, articles and constitutions and have passed all necessary resolutions before executing this License.

27.9 All questions with respect to the construction of this License shall be determined in accordance with applicable Michigan law.

27.10 Reference in this License to persons, entities and items have been generalized. Licensor or Licensee may mean one person, entity or thing whenever such usage is appropriate or a group of persons acting as a single entity. Similarly, pronouns of one gender should be considered interchangeable with pronouns of the other gender.

CONDITIONS PRECEDENT

28.1 This License is conditioned upon the Licensee obtaining financing within Three Hundred and Sixty-Five Days (365) from the date of execution of this agreement. Furthermore, Licensee is committed to repaying any financing obtained for this business enterprise within five (5) years of the date of signing this License.

IN WITNESS WHEREOF, Licensor and Licensee have executed this License as of the date below.

LICENSOR:

The City of Lansing
a Michigan municipal corporation

By _____

Name: Virgil Bernero
Its: Mayor

LICENSEE:

Zip the Grand, INC.
DBA: Capitol Zip

By _____

Name:
Its: Authorized Agent

Approved as to form:

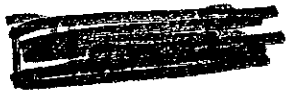
James D. Smiertka
Lansing City Attorney

Chris Swope
Lansing City Clerk

DRAFT

1

DRAFT



ATTACHMENT A



PARTICIPANT'S NAME: _____

**RELEASE OF LIABILITY, WAIVER OF CLAIMS, INDEMNIFICATION,
AND ARBITRATION AGREEMENT**

Notice – By signing this document you may be waiving certain legal rights, including the right to sue.

Release and Waiver of Claims; Indemnification Agreement

In consideration of being allowed to use the facilities and participate in programs and events ("Programs") at operated by ___ (the "Host"), the Participant, and the Participant's parent(s) or legal guardian(s) if the Participant is a minor, do hereby agree, to the fullest extent permitted by law, as follows:

- 1) **TO WAIVE ALL CLAIMS** that they have or may have against the Host arising out of the Participant's participation in the Programs or the use of any equipment provided by the Host ("Equipment"). The Participant and his/her Parents or legal guardian(s) specifically understand that they are releasing any and all claims that arise or may arise from any **negligent** acts or conduct of the Host, its owners, affiliates, operators, employees, agents, and officers, to the fullest extent permitted by law. However, nothing in this Agreement shall be construed as a release for conduct that is found to constitute gross negligence or intentional conduct;
- 2) **TO ASSUME ALL RISKS** of participating in the Programs and using the Equipment, even those caused by the **negligent** acts or conduct of the Host, its owners, affiliates, operators, employees, agents, and officers. The Participant and his/her Parents or legal guardian(s) understand that there are inherent risks of participating in the Programs and using the Equipment, which may be both foreseen and unforeseen and include serious physical injury and death;
- 3) **TO RELEASE** the Host, its owners, affiliates, operators, employees, agents, and officers from all liability for any loss, damage, injury, death, or expense that the Participant (or his/her next of kin) may suffer, arising out of his/her participation in the Programs and use of the Equipment, including while receiving instruction and/or training; and
- 4) **TO INDEMNIFY** the Host, its owners, affiliates, operators, employees, agents, and/or officers, from all liability for any loss, damage, injury, death, or expense that the Participant (or his/her next of kin) may suffer, arising out of participation in Programs and use of the Equipment.

Arbitration

The Participant, and the Participant's parent(s) or legal guardian(s), if Participant is a minor, hereby agrees to submit any dispute arising from participation in the Programs, for which Participant intends to seek damages in excess of \$75,000.00, to binding arbitration. Submission shall be unlimited. For such disputes, there shall be a three-member arbitration panel, consisting of two party-appointed arbitrators (one arbitrator to be appointed by each party) and one neutral arbitrator (collectively, the "Panel"), to be chosen by the party-appointed arbitrators. The neutral arbitrator shall be an officer or director of any entity that operates a rock climbing guide service in the United States. In the event that the two party-appointed arbitrators are not able to agree on a third, neutral arbitrator, the neutral arbitrator shall be appointed by the United States District Court, utilizing the selection criteria for the neutral as set forth above. Each party shall pay its own costs, including the costs associated with the party-appointed arbitrators, and the parties shall share equally the costs associated with the neutral arbitrator. The arbitration proceeding shall proceed in the county and state in which the Programs occurred and shall be governed by the Federal Rules of Evidence. The Panel shall establish a reasonable and appropriate discovery schedule to expeditiously resolve this matter. In the event that Participant, or the Participant's parent(s) or legal guardian(s), if Participant is a minor, files a lawsuit in any court relating to, and/or arising from, Participant's participation in the Programs, Participant and/or Participant's parent(s)

or legal guardian(s), by signing this document, stipulate to a cap on Participant's damages of \$75,000.00, exclusive of interest and costs. As a threshold matter, the Panel, or the Court (if a lawsuit is filed), shall confirm whether the Waiver and Release contained in this Agreement are enforceable under applicable law.

Photography/Videography Release

Participant hereby grants to the Host, its representatives, and employees the right to take **photographs and video of Participant** in connection with Participant's participation in the Programs. Participant hereby authorizes the Host to copyright, use, and publish the same in print and/or electronically. Participant hereby agrees that the Host may use such photographs and video of Participant for any lawful purpose, including but not limited to publicity, illustration, advertising, and Web content.

Personal Responsibility

The Participant certifies that he/she has no physical or mental condition that precludes him/her from participating in the Programs and that he/she is not participating against medical advice.

If helmets are recommended for use while participating in the Programs, and Participant chooses not to wear a helmet, he/she does so at his/her own risk and accepts full responsibility for any injury that results.

The Participant understands that his/her participation in the Programs is voluntary and further understands that he/she has the opportunity to inspect the Host's equipment and location before any participation.

The Participant understands that he/she is obligated to follow the rules of the Programs and that he/she can minimize his/her risk of injury by doing so and through the exercise of *common sense* and by being aware of his/her surroundings.

If, while participating in the Programs, the Participant observes any unusual hazard, which he/she believes jeopardizes his/her personal safety or that of others, he/she will remove himself/herself from participation in the Programs and immediately bring said hazard to the attention of the Host.

I, _____ (parent/legal guardian), hereby agree that I will explain to my child that the risk of injury while participating in the Programs can be reduced by following the rules and through the use of *common sense* and *good judgment*.

To the extent that any portion of this Agreement is deemed to be invalid under the law of the applicable jurisdiction, the remaining portions of the Agreement shall remain binding and available for use by the Host and its counsel in any proceeding.

I HAVE READ AND UNDERSTAND THIS AGREEMENT AND I AM AWARE THAT BY SIGNING THIS AGREEMENT I MAY BE WAIVING CERTAIN LEGAL RIGHTS, INCLUDING THE RIGHT TO SUE.

Parents or Guardians must also sign if the Participant is UNDER 18.

Participant's Signature: _____

Date: _____

Parent/Guardian Signature: _____

Date: _____

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF LANSING, MICHIGAN, TO ADD SECTION 206.25 TO CHAPTER 206 OF THE LANSING CODIFIED ORDINANCES BY REQUIRING TRANSPARENCY IN THE BIDDING AND OPENING OF BIDS FOR PROJECTS THAT RECEIVE CERTAIN ECONOMIC INCENTIVES APPROVED BY THE LANSING CITY COUNCIL.

THE CITY OF LANSING ORDAINS:

Section 1. That Section 206.25 be added to Chapter 206 of the Codified Ordinances of the City of Lansing, Michigan to read as follows:

(A) PURPOSE. THE PURPOSE OF THIS SECTION IS TO PROMOTE FAIRNESS IN BIDDING ON PROJECTS THAT RECEIVE ECONOMIC INCENTIVES BY ENSURING TRANSPARENCY IN DISTRIBUTION, OPENING, AND AWARDING OF BIDS. THIS ORDINANCE EXCLUDES THE DEVELOPERS CHOICE OF A CONSTRUCTION MANAGEMENT FIRM OR GENERAL CONTRACTOR. THE INTENT OF THE ORDINANCE IS TO CREATE A TRANSPARENT AND FAIR BIDDING PROCESS FOR ALL SUBCONTACTING OF CONSTRUCTION. ANY CONSTRUCTION WORK INCLUDED IN THE RESPONSIBILITIES OF A GENERAL CONTRACTOR OR CONSTRUCTION MANAGEMENT FIRM IS NOT EXCLUDED FROM THE ORDINANCE. ANY CONTRACT AT OR BELOW \$10,000 SHALL NOT BE SUBJECT TO THE ORDINANCE.

(B) DEFINITIONS. AS USED IN THIS SECTION:

1 (1) "APPLICANT" MEANS A PERSON, CORPORATION, PARTNERSHIP, OR OTHER
2 ENTITY THAT HAS APPLIED FOR AND RECEIVED ECONOMIC INCENTIVES
3 APPROVED BY LANSING CITY COUNCIL, INCLUDING THE APPLICANT'S
4 CONTRACTORS OR SUBCONTRACTORS, ON A PROJECT.

5 (2) "BID" MEANS A SEALED OFFER TO PROVIDE SERVICES PURSUANT TO A
6 PERMIT.

7 (3) "BID QUOTE" MEANS THE TOTAL BID AMOUNT IN DOLLARS AS READ ALOUD
8 AND RECORDED AT THE BID OPENING.

9 (4) "ECONOMIC INCENTIVES" MEANS ANY OF THE FOLLOWING: PAYMENT IN
10 LIEU OF TAXES (PILOT) LOW INCOME HOUSING TAX CREDITS (LIHTC); A TAX
11 ABATEMENT ISSUED UNDER PUBLIC ACT 328 OF 1998; A BROWNFIELD
12 APPROVED UNDER PUBLIC ACT 381 OF 1996; OR, AN OBSOLETE PROPERTY
13 REHABILITATION ACT ABATEMENT ISSUED UNDER PUBLIC ACT 146 OF 2000.

14 (5) "PERMIT" MEANS A BUILDING PERMIT, MECHANICAL PERMIT, ELECTRICAL
15 PERMIT, OR PLUMBING PERMIT, ISSUED BY THE LANSING BUILDING SAFETY
16 OFFICE.

17 (6) "PROJECT" MEANS THE WORK WHICH WILL BE DONE PURSUANT TO A
18 REQUIRED PERMIT ON THE DEVELOPMENT WHICH IS RECEIVING THE ECONOMIC
19 INCENTIVE.

20 (7) "PUBLICLY ACCESSIBLE LOCATION" MEANS ONE OF THE FOLLOWING
21 LOCATIONS: LETTS COMMUNITY CENTER; ALFREDA SCHMIDT COMMUNITY
22 CENTER, GIER COMMUNITY CENTER, FOSTER COMMUNITY CENTER, LANSING

CITY HALL CITY COUNCIL CHAMBERS, OR A CITY OWNED BUILDING DURING
REGULAR BUSINESS HOURS.

(8) “PUBLICLY ADVERTISED” MEANS:

I. ADVERTISED AT A TIME AND LOCATION CUSTOMARY IN THE RELEVANT
TRADE; AND,

II. PUBLISHED ONCE IN A NEWSPAPER.

(9) “RESPONSIBLE BIDDER” MEANS A PERSON WHO HAS THE CAPABILITY IN ALL
RESPECTS TO PERFORM FULLY THE CONTRACT REQUIRMENTS SET FORTH IN
THE INVITATION FOR BIDS. A RESPONSIBLE BIDDER MUST NOT BE IN DEFAULT
OF THE PAYMENT OF ANY TAXES, LICENSES, FEES, PERMITS OR ANY OTHER
MONEY DUE TO THE CITY OR IN ANY OTHER RESPECT DISQUALIFIED
ACCORDING TO ANY FEDERAL OR STATE LAW OR ANY CITY ORDINANCE
PROVISION, AND SHALL HAVE OR PROCURE:

A. A VALID FEDERAL TAX IDENTIFICATION NUMBER, OR IF AN INDIVIDUAL, A
VALID SOCIAL SECURITY NUMBER;

B. ALL REQUIRED LICENSES;

C. CERTIFICATION OF INSURANCE SHOWING THE FOLLOWING COVERAGE IF
NECESSARY FOR THE PROJECT:

I. GENERAL LIABILITY;

II. WORKERS’ COMPENSATION; AND

III. AUTOMOBILE LIABILITY.

1 (10) DEVELOPER, GENERAL CONTRATCTOR OR CONSTRUCTION MANAGEMENT
2 FIRM SHALL BE RESPONSIBLE FOR THE INVITATION FOR BIDS.

3 (C) INVITATION FOR BIDS. WHEN AN APPLICANT USES INVITATIONS FOR BIDS,
4 THE INVITATIONS WILL BE PUBLICLY ADVERTISED AND BIDS SHALL BE
5 SOLICITED FROM A REASONABLE NUMBER OF SUPPLIERS, REGARDLESS OF
6 LABOR ORGANIZATION AFFILIATION, PROVIDING PROSPECTIVE BIDDERS
7 REASONABLY SUFFICIENT TIME TO RESPOND ON OR PRIOR TO THE DATE AND
8 TIME SET FOR RECEIVING ALL BIDS. THE INVITATION FOR BIDS WILL INCLUDE
9 THE TIME, DATE AND LOCATION FOR THE OPENING OF THE BIDS. A LIST OF ALL
10 BIDDERS INVITED TO SUBMIT BIDS WILL BE PROVIDED BY THE APPLICANT UPON
11 REQUEST TO THE CITY OF LANSING.

12 (D) BID OPENING. APPLICANT AGREES TO OPEN ALL BIDS AT THE DATE, TIME
13 AND PUBLICLY ACCESSIBLE LOCATION PRESCRIBED IN THE INVITATION FOR
14 BIDS. AS EACH BID IS OPENED THE NAME OF THE BIDDER AND BID QUOTE
15 AMOUNT SHALL BE READ ALOUD AND RECORDED BY THE APPLICANT. AT THE
16 END OF THE BID OPENING EVENT, A COPY OF THE LIST OF BIDDERS AND BID
17 AMOUNTS SHALL BE MADE AVAILABLE TO ALL WHO ARE PRESENT. A COPY
18 WILL ALSO BE PROVIDED TO THE CITY OF LANSING UPON ITS REQUEST. THE
19 APPLICANT IS NOT REQUIRED TO AWARD A CONTRACT FOR THE JOB AT THE
20 TIME OF BID OPENINGS.

21 (E) AFTER AWARDING A CONTRACT TO A BIDDER WHOSE BID QUOTE FOR
22 SERVICE WAS NOT THE LOWEST BID AS RECORDED AT THE BID OPENING,

1 APPLICANT AGREES TO NOTIFY IN WRITING WITHIN THIRTY (30) DAYS ALL
2 BIDDERS WHOSE PREVIOUSLY RECORDED BID WAS LESS THAN THE CHOSEN
3 BIDDER.

4 (F) A COPY SHALL BE PROVIDED TO THE CITY OF LANSING UPON ITS REQUEST.

5 (G) APPLICATION. THIS ORDINANCE SHALL ONLY APPLY TO THE PROJECT FROM
6 THE TIME THE ECONOMIC INCENTIVE IS APPROVED BY THE LANSING CITY
7 COUNCIL UNTIL PROJECT COMPLETION AS DEFINED BY: A DEVELOPMENT
8 AGREEMENT BETWEEN THE APPLICANT AND THE CITY OF LANSING OR IF NO
9 AGREEMENT EXISTS, BY THE ISSUANCE OF A CERTIFICATE OF OCCUPANCY BY
10 THE CITY OF LANSING. THIS ORDINANCE SHALL NOT APPLY TO ECONOMIC
11 INCENTIVES INITIATED BY THE INGHAM COUNTY LAND BANK OR THE DEWITT
12 CHARTER TWP. – CITY OF LANSING NEXT MICHIGAN DEVELOPMENT
13 CORPORATION. THIS ORDINANCE SHALL NOT APPLY TO ANY ECONOMIC
14 INCENTIVE OR PROJECT APPROVED PRIOR TO THE EFFECTIVE DATE OF THIS
15 ORDINANCE.

16 (H) NOTHING IN THIS ORDINANCE SHALL BE INTERPRETED TO PROHIBIT OR
17 REQUIRE AN APPLICANT, OR ANY CONTRACTOR OR SUBCONTRACTOR OF AN
18 APPLICANT, FROM REQUIRING IN BID SPECIFICATIONS THAT A SUCCESSFUL
19 BIDDER ENTER INTO A PROJECT LABOR AGREEMENT OR OTHER COLLECTIVE
20 BARGAINING AGREEMENT AS A CONDITION OF CONTRACT AWARD.

21 (I) CITY COUNCIL MAY WAIVE THE REQUIREMENTS OF THIS ORDINANCE BY
22 RESOLUTION UNDER A POLICY DEVELOPED BY THE LANSING CITY COUNCIL.

(J) IN THE EVENT AN APPLICANT VIOLATES THE REQUIREMENTS OF THIS
ORDINANCE, THE CITY MAY TAKE WHATEVER ACTION LEGALLY PERMISSIBLE
TO REVOKE ECONOMIC INCENTIVES GRANTED UNDER THE ENFORCEMENT
POLICY DEVELOPED BY THE LANSING CITY COUNCIL, AND THE APPLICANT WILL
NOT BE ELIGIBLE FOR FUTURE ECONOMIC INCENTIVES.

Section 2. All ordinances, resolutions or rules, parts of ordinances, resolutions or rules
inconsistent with the provisions hereof are hereby repealed.

Section 3. Should any section, clause or phrase of this ordinance be declared to be
invalid, the same shall not affect the validity of the ordinance as a whole, or any part thereof
other than the part so declared to be invalid.

Section 4. This ordinance shall take effect on the 30th day after enactment, unless given
immediate effect by City Council.

Approved as to form:

City Attorney

Dated: _____

City Attorney Draft One

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF LANSING, MICHIGAN, TO ADD
SECTION 206.25 TO CHAPTER 206 OF THE LANSING CODIFIED ORDINANCES BY
REQUIRING TRANSPARENCY IN THE BIDDING AND OPENING OF BIDS FOR
PROJECTS THAT RECEIVE CERTAIN ECONOMIC INCENTIVES APPROVED BY
THE LANSING CITY COUNCIL.

THE CITY OF LANSING ORDAINS:

Section 1. That Section 206.25 be added to Chapter 206 of the Codified Ordinances of
the City of Lansing, Michigan to read as follows:

(A) **PURPOSE.** THE PURPOSE OF THIS SECTION IS TO PROMOTE FAIRNESS IN
BIDDING ON DEVELOPMENTS AND CONSTRUCTION PROJECTS THAT RECEIVE
ECONOMIC INCENTIVES FROM THE CITY OF LANSING BY ENSURING
TRANSPARENCY IN THE DISTRIBUTION, OPENING, AND AWARDED OF BIDS. THE
ORDINANCE ADOPTING THIS SECTION CONSTITUTES A PUBLIC PURPOSE OF THE
CITY OF LANSING

(B) **DEFINITIONS.** AS USED IN THIS SECTION:

(1) **"APPLICANT"** MEANS A PERSON, CORPORATION, PARTNERSHIP, OR OTHER
ENTITY THAT HAS APPLIED FOR AND RECEIVED ECONOMIC INCENTIVES
APPROVED BY LANSING CITY COUNCIL

(2) **"BID"** MEANS A SEALED OFFER TO PROVIDE SERVICES PURSUANT TO A
SOLICITATION FOR BIDS.

(3) **"BID QUOTE"** MEANS THE TOTAL BID AMOUNT IN DOLLARS AS READ ALOUD
AND RECORDED AT THE BID OPENING.

City Attorney Draft One

(4) **“ECONOMIC INCENTIVE(S)”** MEANS ANY OF THE FOLLOWING: PAYMENT IN LIEU OF TAXES (PILOT) LOW INCOME HOUSING TAX CREDITS (LIHTC); A TAX ABATEMENT ISSUED UNDER PUBLIC ACT 328 OF 1998; A BROWNFIELD APPROVED UNDER PUBLIC ACT 381 OF 1996; OR, AN OBSOLETE PROPERTY REHABILITATION ACT ABATEMENT ISSUED UNDER PUBLIC ACT 146 OF 2000.

(5) **“PERMIT”** MEANS A BUILDING PERMIT, MECHANICAL PERMIT, ELECTRICAL PERMIT, OR PLUMBING PERMIT, ISSUED BY THE LANSING BUILDING SAFETY OFFICE.

(6) **“PROJECT”** MEANS A REAL ESTATE DEVELOPMENT IN THE CITY OF LANSING WHICH IS RECEIVING AN ECONOMIC INCENTIVE AND THE CONSTRUCTION WORK THAT WILL BE DONE ON THE DEVELOPMENT PURSUANT TO A PERMIT.

(7) **“PUBLICLY ACCESSIBLE LOCATION”** MEANS ONE OF THE FOLLOWING LOCATIONS: LETTS COMMUNITY CENTER; ALFREDA SCHMIDT COMMUNITY CENTER, GIER COMMUNITY CENTER, FOSTER COMMUNITY CENTER, LANSING CITY HALL CITY COUNCIL CHAMBERS, OR A CITY-OWNED BUILDING DURING REGULAR BUSINESS HOURS.

(8) **“PUBLICLY ADVERTISED”** MEANS:

(a) ADVERTISED AT A TIME AND LOCATION CUSTOMARY IN THE RELEVANT TRADE; AND,

(b) PUBLISHED ONCE IN A NEWSPAPER.

(9) **“TRANSPARENT AND FAIR BIDDING PROCESS”** MEANS: A BIDDING PROCESS THAT INCLUDES:

City Attorney Draft One

- OPENESS AND TRANSPARENCY;
- BID OPENINGS AT PUBLICLY ACCESSIBLE LOCATIONS;
- PUBLIC ADVERTISEMENTS OF BIDS WITH THE DATE, TIME, AND LOCATION FOR RESPONSE AND BID OPENING;
- SOLICITAION OF BIDS FROM A REASONABLE NUMBER OF SUPPLIERS REGARDLESS OF LABOR ORGANIZATION AFFILIATION;
- A REASONABLY SUFFICIENT TIME TO RESPOND FOR PROSPECTIVE BIDDERS;
- PUBLIC DISCLOSURE OF ALL BIDDERS AND BID AMOUNTS; AND
- NOTIFICATION TO BIDDERS NOT SELECTED OF THE BIDDER SELECTED AND THE AMOUNT OF THE SUCCESSFUL BID.

(C) REQUIREMENTS.

EVERY PROJECT SUBMITTED TO THE LANSING CITY COUNCIL FOR APPROVAL OF AN ECONOMIC INCENTIVE REQUESTED BY AN APPLICANT SHALL INCLUDE THE WRITTEN AGREEMENT OF THE APPLICANT CONSISTING OF, AND INCLUDING, THE FOLLOWING:

- (1) THAT THE APPLICANT WILL ABIDE BY THE PRINCIPLES OF A TRANSPARENT AND FAIR BIDDING PROCESS AS DEFINED IN THIS SECTION; AND
- (2) THAT ANY ECONOMIC INCENTIVES AWARDED TO THE APPLICANT'S PROJECT ARE SUBJECT TO REVOCATION OR OTHER PENALTIES OR

City Attorney Draft One

SANCTIONS ALLOWED BY THE AUTHORIZING STATUTE FOR THE

PARTICULAR ECONOMIC INCENTIVE; AND

(3) A CERTIFICATION UNDER OATH BY THE APPLICANT THAT THE APPLICANT

IS NOT IN FINANCIAL DEFAULT TO THE CITY OF LANSING RELATING TO

TAXES, LICENSES, PERMITS, OR FEES; AND

(4) PROOF OF A VALID TAX IDENTIFICATION NUMBER, REQUIRED LICENSES,

AND CERTIFICATES OF INSURANCE NECESSARY FOR THE PROJECT; AND

(5) THE SPECIFIC PLAN OF THE APPLICANT TO ABIDE BY THE PRINCIPLES OF A

TRANSPARENT AND FAIR BIDDING PROCESS, INCLUDING ANY

CONSTRUCTION WORK INCLUDED WITHIN THE RESPONSIBILITIES OF A

GENERAL CONTRACTOR.

(D) APPLICATION. THIS SECTION SHALL ONLY APPLY TO A PROJECT FROM THE TIME THE ECONOMIC INCENTIVE IS APPROVED BY THE LANSING CITY COUNCIL UNTIL PROJECT COMPLETION AS DEFINED BY: A DEVELOPMENT AGREEMENT BETWEEN THE APPLICANT AND THE CITY OF LANSING; OR, IF NO AGREEMENT EXISTS, BY THE ISSUANCE OF A CERTIFICATE OF OCCUPANCY BY THE CITY OF LANSING. THIS SECTION SHALL NOT APPLY TO ECONOMIC INCENTIVES INITIATED BY THE INGHAM COUNTY LAND BANK OR THE DEWITT CHARTER TWP. – CITY OF LANSING NEXT MICHIGAN DEVELOPMENT CORPORATION. THIS ORDINANCE SHALL NOT APPLY TO ANY ECONOMIC INCENTIVE OR PROJECT APPROVED PRIOR TO THE EFFECTIVE DATE OF THE ORDINANCE ADOPTING THIS SECTION.

1 **(E) PROJECT LABOR AGREEMENTS.** NOTHING IN THIS SECTION SHALL BE
2 INTERPRETED TO PROHIBIT OR REQUIRE AN APPLICANT, OR ANY CONTRACTOR
3 OR SUBCONTRACTOR OF AN APPLICANT, FROM REQUIRING IN BID
4 SPECIFICATIONS THAT A SUCCESSFUL BIDDER ENTER INTO A PROJECT LABOR
5 AGREEMENT OR OTHER COLLECTIVE BARGAINING AGREEMENT AS A
6 CONDITION OF CONTRACT AWARD.

7 **(F) WAIVER.** CITY COUNCIL MAY WAIVE ANY REQUIREMENT OF THIS SECTION
8 BY RESOLUTION IN ANY CASE WHERE IT FINDS THE APPLICANT WILL SUFFER
9 UNDUE HARDSHIP OR PRACTICAL DIFFICULTIES COMPLYING WITH SUCH
10 REQUIREMENT.

11 **(J) VIOLATIONS.** IN THE EVENT AN APPLICANT VIOLATES THE REQUIREMENTS
12 OF THIS ORDINANCE, THE CITY MAY TAKE WHATEVER ACTION LEGALLY
13 PERMISSIBLE TO REVOKE ANY ECONOMIC INCENTIVE GRANTED.

14 Section 2. All ordinances, resolutions or rules, parts of ordinances, resolutions or rules
15 inconsistent with the provisions hereof are hereby repealed.

16 Section 3. Should any section, clause or phrase of this ordinance be declared to be
17 invalid, the same shall not affect the validity of the ordinance as a whole, or any part thereof
18 other than the part so declared to be invalid.

19 Section 4. This ordinance shall take effect on the 30th day after enactment, unless given
20 immediate effect by City Council.

21
22 Approved as to form:
23
24
25

City Attorney

City Attorney Draft One

1
2
3

Dated: _____

4