

CITY OF LANSING, MICHIGAN

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE (hereinafter the "Agreement") is made as of this _____ day of _____ 2011, by and between City of Lansing, a Michigan municipal corporation, whose address is 124 W. Michigan Avenue, Lansing, Michigan 48933, hereinafter referred to as ("Seller") and 313 East Grand River, LLC, a Michigan limited liability corporation, (hereinafter referred to as "Buyer").

RECITALS

- A. Seller is the owner of that certain real property and improvements (hereinafter referred to as "Property") located in the city of Lansing, Ingham County, State of Michigan, more particularly described on Exhibit A attached hereto.
- B. Subject to the contingencies set forth below, Buyer desires to purchase the Property from Seller in an "AS IS" condition, which property is described in Exhibit A attached hereto, in accordance with the terms and conditions of this Agreement.
- C. Seller, by acceptance of this Agreement, desires to sell the property to Buyer.

NOW, THEREFORE, in consideration of the mutual covenants and promises of the parties, the parties hereto agree as follows:

- i. **Purchase and Sale.** Seller agrees to sell the Property to Buyer and Buyer agrees to buy the Property from Seller together with all improvements located on the Property, (all of which shall be deemed included in the term "Property"), upon the terms and conditions hereinafter set forth.

Additional items:

Seller Acknowledgments

- 1. There is an existing lease obligation with Los Alamos Technologies (LAT) for an antenna and radio system located on the roof of the structure, which is used to control the areas' storm water system.
- 2. No other existing tenants occupy this property.
- 3. Plaques in the name of Fredith Taylor and Thelma Joyce Osteen are displayed on the front of the building, and said plaques are considered historically significant to the building and community.

LANSING CITY CLERK

2011 SEP 13 PM 4: 27

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4. Seller makes no representation as to the condition of the property or that the premises comply with local, county, state or federal ordinances and statues. Buyer must obtain certificates of occupancy and all other municipal certificates. Seller will not provide the buyer with a Certificate of Occupancy, Lead Paint Inspection, if applicable, or any other municipal certificate from the municipality in connection with the transfer. By signing this contract, Buyer has made the necessary investigation concerning the obtainment of the Certificate of Occupancy or any other municipal certificate required by the municipality in a transfer of property within this municipality.
5. A Phase I environmental assessment of the property revealed the presence of asbestos containing materials, lead-based paint, and the possible contamination from above and below ground storage tanks on the subject property as well as adjacent property, and that Seller is selling property "AS IS".
6. Survey completed in November of 2008, by Ledy Survey Group indicates some existing encroachments.

Buyer Acknowledgments

1. Buyer shall acquire, complete a capital needs assessment for the structure, make needed code related repairs pursuant to the assessment, and in compliance with Americans with Disabilities Act (ADA) requirements, maintain the character of the building, preserve the historic façade of the building, and make the facility reasonably available for a broad base of uses.
2. Buyer agrees to maintain and preserve the plaques in the name of Fredith Taylor and Thelma Joyce Osteen in substantially the same manner that they currently exist on the property, and agrees to retain the name of the building as the "Thelma Joyce Osteen Comfort Station". If the plaques are ever removed for any reason by the Buyer, they shall be returned to the City of Lansing.
3. Buyer acknowledges and will assume any existing lease obligations with Los Alamos Technologies (LAT), if any, subject to securing an amendment reasonably acceptable to Buyer for the Seller where the Seller is referenced therein.
4. An Earnest Money Deposit in the amount of **Three Thousand and 00/100 Dollars (\$3,000.00)** is due upon execution of this document, and shall be applied against the purchase price at closing. Subject to the contingencies set forth herein, if the Buyer and Seller fail to close, at no fault of, or breach by, the Seller, then the Buyer shall have no recourse in regards to the earnest money deposit and all funds shall remain with Seller.

5. Buyer acknowledges existing environmental conditions of property and holds Seller harmless.
6. Buyer acknowledges existence of property encroachments as reflected in the Survey.

II. **Purchase Price.** Subject to adjustments and proration as hereinafter provided, the purchase price for the Property is **Sixty Thousand and 00/100 Dollars (\$60,000.00)** hereinafter referred to as the "Purchase Price."

III. **Terms of Payment.** The Purchase Price shall be paid by Buyer to Seller at closing, in cash or cash equivalents. Such payment of cash shall be in funds which are legal tender for the payment of public and private debts in the United States of America.

IV. **Evidence of Title, Title Examination, and Survey.** Buyer has or will obtain, at Buyer's expense, a commitment for an Owner's policy of title insurance in favor of Buyer in the amount of the Purchase Price, covering the Property. Seller hereby agrees to furnish to Buyer, upon request, such other evidence of title as may be acceptable to Buyer indicating that Seller holds free and clear title to the Property subject only to Permitted Encumbrances.

Seller has provided Buyer a certified property survey.

Buyer shall have thirty (30) days following execution of this Agreement to notify Seller in writing of any objections to the condition of the Property as reflected in said title commitment or other evidence. In the event Buyer notifies Seller of any objection to the condition of the Property, Seller shall be obligated to cure such objections prior to the Closing Date in a manner satisfactory to Buyer.

In the event said objections have not been cured by Seller at the Closing Date, Buyer shall have the option either to accept the Property subject to such exceptions, or to refuse to accept the Property. If Buyer refuses to accept the Property, this Agreement shall automatically terminate and become null and void and Seller shall return the earnest money deposit.

V. **Environmental.**

Seller discloses and Buyer acknowledges that a Phase I environmental assessment was completed by NTH Consultants in December 2008, and PM Environmental on September 7, 2011, and a Phase II is now being completed by PM Environmental and will be provided to Buyer within three (3) days after receipt thereof by the City. Any additional environmental testing and remediation will be at the sole expense of Buyer, and must be completed by time of Closing.

Prior to closing the Buyer will work with the Lansing Brownfield Redevelopment Authority (LBRA) and EPA to confirm that the Property is eligible for the use of United State Environmental Protection Agency (EPA) Brownfield Clean Up

Funding to address the lead and asbestos clean up costs associated with the redevelopment of the property in an amount estimated to be \$25,000.00 to \$30,000.00. Provided the Property is eligible for use of such funding, the City agrees to use reasonable efforts to cause such funding to be released to fully abate the lead and asbestos at the Property. If the City, LBRA or EPA determines that the Property is not eligible, then the Buyer may elect to void this contract and have its Earnest Money Deposit returned.

VI. **Access to Property and Inspection Contingency**

Prior to Closing, Buyer and representatives of Buyer shall have access to Property at all reasonable times during normal business hours for visual inspection, and upon prior notice for the purposes of obtaining data and conducting at Buyer's sole cost and expense survey, tests and studies concerning Property to carry out this Agreement. Buyer's testing and studying shall not block, impede the use of, or excavate any part of Property without prior consent of Seller, which shall not be unreasonable withheld. Buyer shall be responsible for correcting or restoring Property to its previous condition whenever Buyer's tests necessitate excavating or removal of material.

Buyer shall have a period of thirty (30) days to review the results of such inspections, tests and studies (the "Inspection Period"). At any time during the Inspection Period, Buyer may terminate this Agreement if, in its sole discretion, it is not satisfied with the results of such inspections, tests or studies or otherwise, and receive a full refund of the Earnest Money Deposit.

VII. **Risk of Loss.** The Seller agrees that loss or damage to the Property shall be at the risk of Seller until Closing or until possession of the Property has been surrendered to Buyer, whichever occurs earlier. In the event of such loss or damage, Buyer may, without liability, refuse to accept conveyance to title to the Property and receive a full refund of its Earnest Money Deposit, or may elect to accept conveyance of title, in which case there shall be an equitable adjustment of the Purchase Price appropriate to cover such loss or damage.

VIII. **Closing.**

1. The purchase and sale provided for in this Agreement shall be closed at a time, date and place to be agreed upon by the parties hereto, but in no event later than NOVEMBER 11, 2011 ("Closing Date").
2. Conditions precedent to closing:

The Buyer's obligation to purchase is subject to fulfillment of the conditions and inspections provided for herein to the Buyer's satisfaction:

- A. Lansing City Council (Council) has, by ordinance or resolution, approved the acquisition.

- B. The Planning Board has completed and submitted to Council a review pursuant to the Municipal Planning Act (P.A. 33 of 2008 as amended), which supports the proposed acquisition, provided that Council has not rejected such review.
- C. The Mayor and City Council approve this Purchase Agreement, including the Purchase Price herein.
- D. Buyer's Board of Directors has provided written notice to the Seller's City Attorney's Office that it has approved this Agreement, on or before Closing.
- E. Acceptable environmental condition of the property as set forth in Section V of this document.
- F. Acceptable title, pursuant to Section IV.

Prior to the Closing Date, to afford the Buyer reasonable time for inspection, Seller shall furnish to Buyer the proposed Warranty Deed and all necessary conveyance documents for the Buyer's review.

- 3. On the Closing Date, Seller shall:
 - A. Execute and deliver a Quit-claim Deed in a form acceptable to the title company conveying title to the Property described in Exhibit A to Buyer.
 - B. Deliver possession of the Property to Buyer (exceptions to this statement are shown under Section I – Purchase and Sale).
 - C. Pay all Michigan transfer taxes on the sale (if any) and, except for the instrument of conveyance, the cost of recording instruments necessary to give Buyer clear marketable title.
 - D. Pay all general and special real estate taxes which are due and payable (if any), and reimburse Buyer for those portions of any real estate taxes or assessments not yet due and payable, which are attributable to Seller's period of ownership, which is up to the Closing Date, pursuant to Section IX hereof.
 - E. Execute and deliver to Buyer a copy of a Closing Statement, showing the computation of funds payable to Seller pursuant to this Agreement. The Closing Statement shall be in a form prepared by the Title Insurance Company if it acts as closing agent for the transaction.

F. Provide a list of all personal property currently located on, but not affixed to, the Property of which the Seller shall maintain ownership and possession of.

4. On the Closing Date, Buyer shall:

- A. Cause the Total Purchase Price to be paid to Seller as provided in Section II.
- B. Reimburse the Seller for the current real estate taxes attributable to Buyer's period of ownership, if any, in accordance with Section IX hereof.
- C. Execute and deliver to Seller a copy of a Closing Statement showing the computation of the funds payable to Seller pursuant to this Agreement.
- D. Pay the expenses of Closing to the extent same are not the responsibility of Seller pursuant to the terms hereof, including the costs of preparing and recording the instruments of conveyance, and Title Insurance Company fee, if it acts as the closing agent in the transaction.

IX. **Proration of Real Estate Taxes and Payment of Special Assessments and Utilities.** Current real estate taxes, if any, shall be prorated between the parties hereto based upon the due date of the respective taxing authorities; provided, however, it is agreed that, for purposes of proration, taxes shall be deemed paid prospectively. All special assessments which have become a lien upon the Property shall be paid by Seller. Buyer shall be responsible for all real estate taxes which become due after the Closing Date and any special assessments which become a lien after the Closing Date in accordance herewith, shall be prorated as of the Closing Date. Any and all deposits collected by Seller shall be transferred to Buyer without proration. Buyer and Seller acknowledge that this is a voluntary sale.

The Buyer and Seller agree to prorate the following expenses as of the date of closing: municipal water and sewer charges, and electrical charges. The Buyer and Seller may require that any person with a claim or right affecting the property be paid off prior to closing.

X. **Seller Warranty.**

- 1. Seller represents and warrants that Seller has no knowledge of any circumstance, event or condition, past or present, which may have caused or may potentially cause environmentally hazardous materials to be disposed, released or otherwise found on or about the Property other than

has already been disclosed to Buyer in writing and in the Phase I assessment.

2. Seller represents and warrants that there are no proceedings pending which would result in a special assessment against the Property.

XI. **Seller's Actions Regarding Property.** From and after the date this Agreement shall be executed, Seller shall not make any physical change in the character of the Property without first procuring the prior written consent of Buyer.

XII. **Acknowledgment of Opportunity to Review Written Appraisals.** Seller hereby acknowledges, on behalf of Seller and/or Seller's attorney, that Seller has the opportunity to review during regular business hours, all written appraisals made for Buyer of the Property.

XIII. **Notices.** All notices required to be given pursuant to this Agreement or otherwise desired to be delivered by one party to the other shall be effective only if the same shall be in writing and shall be either personally served or sent by certified or registered mail with postage prepaid; return receipt requested, to the following addresses: For the Seller, City Attorney's Office, 124 W. Michigan Avenue, 5th Floor, Lansing, MI 48933. For the Buyer, 107 E. Grand River Avenue, Lansing, MI 48906. Any such notice given by mail shall be deemed effective upon the date posted by the United States Postal Services.

XIV. **Seller's Default.** In the event of any default hereunder by Seller, Buyer shall have the right to:

1. Terminate this Agreement by written notice to Seller and receive such damages as it may be entitled to as a result of such default; or
2. Specifically enforce Seller's obligations under this Agreement.

Each of the foregoing rights and remedies shall be in addition to any other right or remedy available to Buyer at law or in equity.

In the event of any default hereunder by Buyer, Seller shall have the right to:

1. Terminate this Agreement by written notice to Buyer and receive such damages as it may be entitled to as a result of such default;
2. Specifically enforce Seller's obligations under this Agreement; and
3. Retain the Earnest Money Deposit, which shall be credited against any damages awarded, if any.

XV. **Entire Agreement.** This Agreement shall constitute the entire agreement between the parties hereto; all prior agreements between the parties, whether

written or oral, are merged herein and shall be of no force or effect. This Agreement cannot be changed, modified or released orally, but only by an agreement in writing signed by the party against whom enforcement of said change, modification or discharge is sought.

- XVI. **Assignability.** This agreement shall not be assignable by the Buyer without the Seller's written consent.
- XVII. **Miscellaneous.** Each and every term, provision and condition of this Agreement shall be governed and construed in all respects, whether as to matters of validity, capacity, performance or otherwise, in accordance with the laws of the State of Michigan. Each term, condition and provision of this Agreement is severable and if any term, condition or provision shall be determined to be illegal, invalid and/or unenforceable for any reason whatsoever, this Agreement shall thereafter be read, construed and enforced as though such illegal, invalid and/or unenforceable term, condition or provision were not included herein.
- XVIII. **Binding Upon Parties.** This Agreement shall be binding upon the parties hereto and their respective heirs, administrators, personal representatives, successors and assigns; **PROVIDED, HOWEVER, IT SHALL NOT BE BINDING UPON BUYER UNTIL AND UNLESS THE LANSING CITY COUNCIL BY FINAL ACTION AND RESOLUTION APPROVES THE SALE AND UNTIL AFTER THE OFFER IS EXECUTED BY THE BUYER'S DULY AUTHORIZED OFFICER OR AGENT AND IS DELIVERED TO SELLER.**
- XVIX. **Acknowledgment of Receipt of Consideration and Copy of Agreement.** By execution of this Agreement, the Seller(s) acknowledges the receipt of the sum of One Dollar (\$1.00) as binding consideration for this Agreement and further acknowledges the receipt of an executed copy of this Agreement.

[signature pages follow]

IN WITNESS WHEREOF, each of the parties hereto have executed this Agreement of Purchase and Sale as of the day and year set forth immediately beneath their respective signatures.

SELLER
City of Lansing

Virg Bernero, Mayor

Date of Execution _____

STATE OF MICHIGAN)
)
COUNTY OF INGHAM)

On this _____ day of _____, 2011, before me appeared Virg Bernero, to me known, who being by me duly sworn, did say that he is the Mayor of the City of Lansing, and that said instrument was signed on behalf of said City by authority of its City Council, and said Mayor acknowledged the same to be the free act and deed of said City.

Notary Public _____ County, MI
Acting in Ingham County, MI
My commission expires:

[signature pages follow]

BUYER

313 East Grand River, LLC

By: Nancy M. Finegood
Nancy M. Finegood
Its: Authorized Agent

By: EXECUTIVE DIRECTOR
Its:

Date of Execution: September 23, 2011

STATE OF MICHIGAN)
)
COUNTY OF INGHAM)

On this 23rd day of September, 2011, before me appeared Nancy M. Finegood, to me known, who being by me duly sworn, did say that she is the Authorized Agent of the 313 East Grand River, LLC, and that said instrument was signed on behalf of 313 East Grand River, LLC, and acknowledged the same to be the free act and deed.

Dana C. Givens
Dana C. Givens, Acting in Ingham County
Notary Public Ingham County, MI
My commission expires: 11-29-2011

Approved as to form:

I hereby certify that funds are available
in Account # N/A

City Attorney

City Controller

EXHIBIT A

Description of Subject Property

Location: 313 E. Grand River Avenue, Lansing, MI

Legal Description of Property:

LOT 23 ASSESSORS PLAT NO 31 OF BLOCK 6 ORIG PLAT

Parent Parcel Permanent Parcel No.: 33-01-01-09-257-121



Virg Bernero, Mayor

DEPARTMENT OF PLANNING AND NEIGHBORHOOD DEVELOPMENT

316 N. CAPITOL AVENUE • LANSING, MI 48933-1236 • (517) 483-4066 • FAX: (517) 483-6036

PLANNING OFFICE
316 N. CAPITOL AVE., SUITE D-1

December 9, 2009

Honorable Mayor Virg Bernero
Ninth Floor City Hall
Lansing, MI 48933-1694

RE: Act-5-09, 313 E. Grand River Avenue, Thelma Joyce Osteen Comfort Station,
Market for Sale

Dear Mayor Bernero:

The Planning Board, at its meeting on September 15, 2009, voted (4-0) to recommend approval of Act-5-09, to reaffirm its earlier recommendation (Act-21-01) to market the Thelma Joyce Osteen Comfort Station, 313 E. Grand River Avenue, for sale, with conditions. However, since marketing the property for non-profit use has not been successful, the Board now recommends that the property be placed on the open market.

The Comfort Station is a vacant, two-story building located within the North Lansing Historic Commercial District on the National Register of Historic Places. The property is zoned "F-1" Commercial District, which allows for a variety of uses, including commercial, office, and residential uses. The property has no on-site parking, but a public parking lot at Grand River Avenue and Turner Street provides ample parking.

The Planning Board held a public hearing regarding this matter at its July 21, 2009 meeting. Two members of the public spoke, both members of the North Lansing Community Association, both in opposition to the proposal. The public hearing minutes are attached.

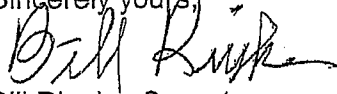
The Planning Board found, based on its review of the location, character and extent of Act-5-09 in accordance with its Act 285 Review procedures, that:

1. the building has historic character and significance, and located within the North Lansing Historic District.
2. the building has a legacy worth protecting, including its historic character and Thelma Osteen's service to the community..
3. the building's suitability as a public facility is poor.

4. funds are unavailable to renovate the building for use as a City facility,
5. the building is located close to two existing community centers, and is considered to be excess property,
6. no public purpose has been identified that would require that the City retain ownership of the building,
7. marketing the building exclusively to community-based non-profit organizations has not yielded a willing buyer.

Attached is a copy of the staff report pertaining to this case. Following your review of this matter, please refer it to the City Council for their action.

Sincerely yours,



Bill Rieske, Secretary
Lansing Planning Board

GENERAL INFORMATION

APPLICANT: City of Lansing
Planning & Neighborhood Development Dept.
316 N. Capitol Ave. #D2
Lansing, MI 48933

STATUS OF APPLICANT: Owner

REQUESTED ACTION: To place the Comfort Station property at 313 E. Grand River for sale on the open market.

EXISTING LAND USE: Building, now currently vacant

EXISTING ZONING: "F-1" Commercial

PROPERTY SIZE & SHAPE: 17' wide x 80' deep (1,360 sq. ft.), 2 stories
(2,720 sq. ft. total floor area)

SURROUNDING LAND USE
N: Parking lot & Conrail Railroad tracks
S: Commercial
E: Railroad tracks and commercial
W: Commercial

SURROUNDING ZONING
N: "H" Light Industrial
S: "F-1" Commercial District
E: "F-1" Commercial District
W: "F-1" Commercial District

MASTER PLAN DESIGNATION: *The Central Lansing Comprehensive Plan Future Land Use Map*, designates this property for "Retail/Commercial w/ Upper Floor Mixed-Use".

APPLICANT'S PROPOSAL: The City of Lansing is proposing to market the Comfort Station for sale on the open market.

ANALYSIS

AGENCY RESPONSES:

Agency Referrals were distributed by e-mail on Friday, July 17, 2009, with responses requested by Wednesday, July 29, 2009.

Assessor	The property is presently off the tax roll, and would become taxable if owned by a private entity.
Board of Water & Light (LBWL)	Approved, no Comment.
Building Safety Office, Code Compliance	Under normal circumstances, any change of use (from its previous prior to its vacancy) would require a building permit and barrier-free requirements. This may be difficult due to the proximity to the property lines at railroad and the size of the building. This property, however, is exempt from this requirement due to its status on the National Register of Historic Places.
City Attorney	No response received.
Development Office	Recommend: (1) retaining permission for Sharp Technology's continued use, (2) retaining historic façade! (3) sale on the open market as surplus property. RFP has been unsuccessful in the past.
Economic Development Corporation	The Lansing EDC recommends the sale of the Comfort Station Building. Over the past 3 ½ years the EDC has been involved with well over a dozen property redevelopments in the Old Town neighborhood, including adjacent properties 317 and 319 East Grand River. Over the past two years interest has been relatively high for the redevelopment of the Comfort Station as it is one of the very few buildings on the prominent East Grand River corridor in the Old Town neighborhood that is not actively in use. There have been several requests by the Old Town Commercial Association, the Old Town Arts and Business Development Association, and the private development community to make this building available for redevelopment. The building appears to be in good condition but will need significant improvements to be viable as a residential, commercial, or retail building.

Given the current economic climate and the interest in historic rehabilitation in the Old Town area the Lansing EDC feels this is an appropriate time to sell this historic Lansing structure. The EDC will work aggressively with the City to utilize any tools and incentives available to preserve the historic nature of the building and put the building to the most appropriate use given the Old Town environment.

Fire Marshall	The Fire Marshall's Office does not have any issue relating to ACT-5-09.
Lansing Neighborhood Council:	No response received.
Management Services	No response received.
North Lansing Community Association (NLCA)	See attached. Opposes sale. The NLCA invested a lot of money and volunteer efforts into that building over the years. NLCA has a vested interest in the building. NLCA needs a permanent home. The City should return the building to NLCA occupancy and community use. The building contains asbestos and mold (since being empty) and needs to be made safe before use.
Old Town Main Street	No response received.
Old Town Commercial Association	No response received.
Parks and Recreation Dept.	Forestry and Grounds: We have completed our in-house administrative 285 Review of the mentioned project and have found that it doesn't impact any arboricultural or grounds management aspects of our operation.
Police Department	No response received.

Principal Shopping District I support the sale of this building for private use as long as the owner preserves the historic integrity of the exterior of the building and any exterior facade alteration(s) compliment the adjacent buildings.

Public Service Department The Public Service Department has no issues with the sale of the property. This property is located in a separated sewer area. The lead for the sewer is connected behind the building to the alley sewer.

Transportation and Parking Office No comments or requirements regarding this issue.

BACKGROUND INFORMATION

This is a request to consider whether the City should market the property for sale on the open market, as opposed to restricting the building's reuse to community based nonprofits. It is not to consider a specific offer to purchase the building.

The Act-5-09 application itself was submitted by the Planning and Neighborhood Development Department on behalf of the City.

History of the Building

The building at 313 E. Grand River Avenue, was built early in the 1900s as a rest stop for train passengers, though the train reportedly never stopped there. The building served as a community center during the heyday of the North Lansing community. As a "Comfort Station" the structure had a women's lounge and men's rest room and included an office for the city gas inspector. The building was deeded to the City of Lansing by Mary Hart Southwick in 1913. It deteriorated over the years through disuse. The Community Design Center leased the station from the City in 1975 with the agreement to bring it up to city building codes in lieu of rent and to use it as a community facility.

The Comfort Station was leased by the City of Lansing to the North Lansing Community Association for 22 years (from 1979 - 2001). It received only sporadic use since then, and has been vacant most of this period.

The City Council, at the recommendation of the Memorial Review Board and the General Services Committee, renamed the Comfort Station to "Thelma Joyce Osteen Comfort Station" according to Resolution #077 of 1999 (see attached).

Previous Planning Board Action:

~~The Planning Board reviewed this item some seven years ago (Act-27-01), held a public hearing on November 20, 2001, and made the following finding and recommendation:~~

Previous Finding:

The Planning Board found, based on its review of the location, character and extent of Act-27-01 in accordance with its Act 285 Review procedures, that:

1. the building has historic character, and is on the National Register of Historic Places,
2. the building has a long history of community use,
3. funds are unavailable to renovate the building for use as a City facility,
4. the license for Sharp Technologies' equipment will need to be accommodated in any transaction regarding the property,
5. the building is located close to two existing community centers, and is considered to be excess property,
6. no public purpose has been identified that would require that the City retain ownership of the building; and

Previous Recommendation:

The Planning Board, at its meeting on May 21, 2002, voted (4-1) to recommend approval of Act-27-2001, a proposal to sell the Thelma Joyce Osteen Comfort Station, 313 E. Grand River Avenue, reserving historic facade easements in perpetuity, and accommodating the current license for equipment owned by Sharp Technologies and currently located on the site.

The Board also recommended that the property be marketed preferably to community group or groups for broad-based community use, and that the name of the building remain as "Thelma Joyce Osteen Comfort Station" as designated by City Council Resolution #077 of 1999.

Current Status.

Since then the property was pretty aggressively marketed for sale to community organizations, but no serious purchase offers have been received, and the building has since been vacant.

ANALYSIS

Evaluation

Lansing's Act 33 Review process requires that the character, location and extent of requests involving the acquisition and disposition of property for public facilities be evaluated.

Location

The subject property, located at 313 E. Grand River Avenue, is in the heart of this commercial area commonly known as Old Town. The area surrounding the Comfort Station is predominantly commercial in nature. Some residences exist above store fronts along E. Grand River Avenue. The zoning is also primarily commercial in the "F-1" Commercial District. Some industrial zoning to the north of the Comfort Station along the railroad tracts exists to the north. E. Grand River Avenue is classified as a principal arterial.

Character and Extent

The "F-1" Commercial Zoning designation allows for a variety of uses, including office and commercial use. A "private club, fraternal organization or lodge hall" is also included in the various principal uses permitted in the zoning district.

The building is located on a relatively small parcel with the building taking up most of the property. The building on the east end of a continuous, historically significant commercial block, and is flanked on the east by a set of railroad tracks. On-site parking is therefore not available. A public alley runs E-W along the north side of the building.

In its current state, the building is not barrier-free. The street entrance is raised above the grade of the sidewalk. The doors are narrow, and there's no elevator. The building covers virtually 100% of the parcel on which it sits. Any attempts to make the building barrier free would likely be involve encroachments into the ROW or into the adjacent property. Even if the building is exempt from the barrier-free requirements, the building's suitability as a public facility is poor.

A public parking lot, available at Grand River and Turner Street, provides plenty of parking for this and other properties within the Old Town commercial district.

The building is located within the North Lansing Historic Commercial District on the National Register of Historic Places. Such a designation does not protect the building from demolition, but does afford it some flexibility with the Building Code, and some tax incentives for rehabilitation through preservation tax credits.

Public comment

The Planning Board held a public hearing regarding this matter at its July 21, 2009 meeting. Two members of the public spoke, both members of the North Lansing

Community Association, both in opposition to the proposal. The public hearing minutes are attached.

STAFF RECOMMENDATION

~~Staff recommends the following finding and recommendation:~~

Recommended Finding:

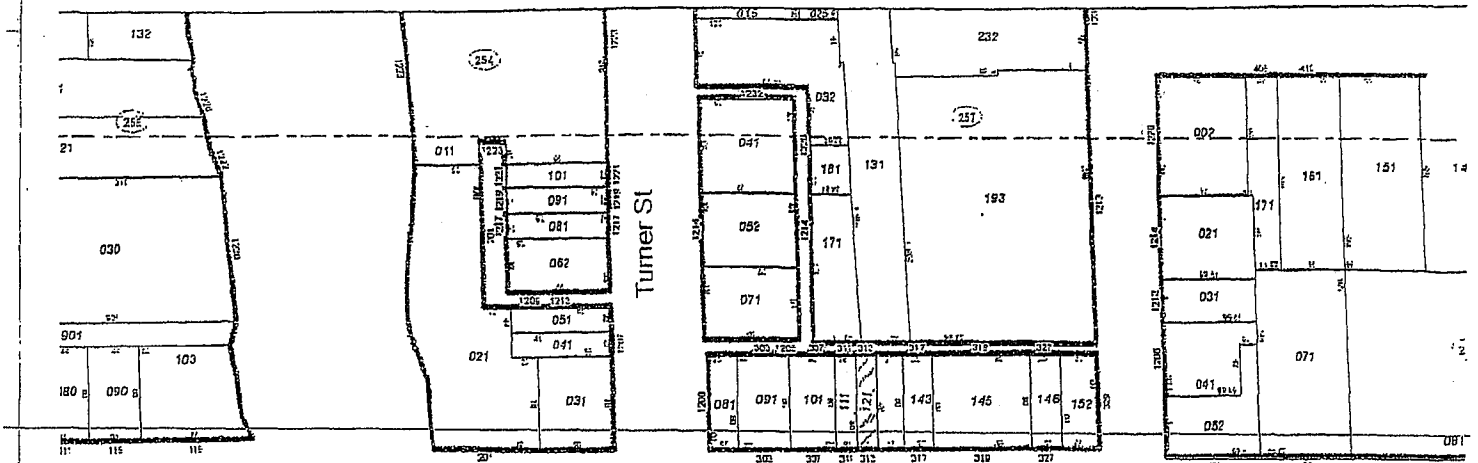
The Planning Board found, based on its review of the location, character and extent of Act-5-09 in accordance with its Act 285 Review procedures, that:

1. the building has historic character and significance, and located within the North Lansing Historic District.
2. the building has a legacy worth protecting, including its historic character and Thelma Osteen's service to the community..
3. the building's suitability as a public facility is poor.
4. funds are unavailable to renovate the building for use as a City facility,
5. any license for Sharp Technologies' equipment will need to be accommodated in any transaction regarding the property,
6. the building is located close to Gier Community Center, and is considered to be excess property,
7. no public purpose has been identified that would require that the City retain ownership of the building,
8. marketing the building exclusively to community-based non-profit organizations has not yielded a willing buyer.

Staff Recommendation:

Staff recommends approval of Act-5-09, a proposal to sell the Thelma Joyce Osteen Comfort Station, 313 E. Grand River Avenue, *on the open market*, reserving historic facade easements in perpetuity, retaining the name of the building as "Thelma Joyce Osteen Comfort Station" as designated by City Council Resolution #077 of 1999, and accommodating the current license for equipment owned by Sharp Technologies and currently located on the site.

The effect of this recommendation is to make the building available to any willing buyer with the resources to purchase and rehabilitate the building, while protecting the legacy of the building.



E. GRAND RIVER AVE.



E Kilborn St

Adams St

Center St

ver

Image/Sketch for Parcel: 33-01-01-09-257-
121
Caption: JPG

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Main > Assessing > Property and Land Search > Results > Details > Image/Sketch

- Additional Pages
- General/Sales
- Buildings
- Images/Sketches

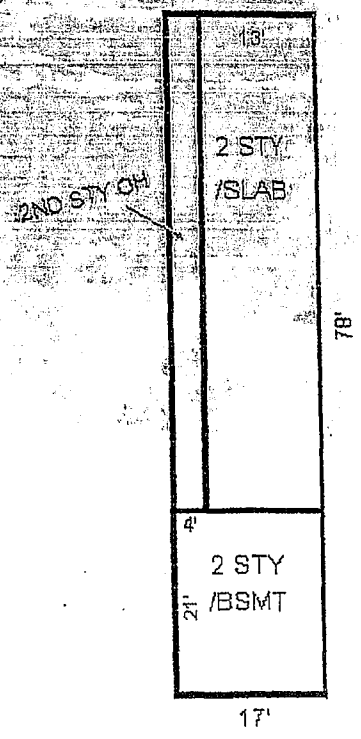
Image/Sketch for Parcel: 33-01-01-09-257-121
Caption: C001

- Related Details...
- Tax Information
- Sp. Assessment
- Miscellaneous
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E GRAND RIVER AVE



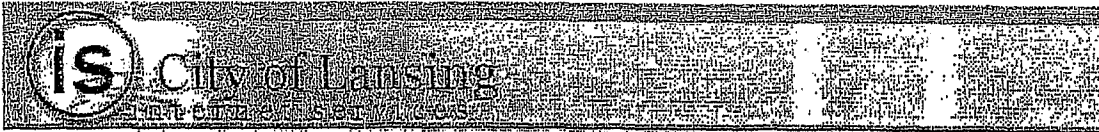
Building Information

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Parcel: 33-01-01-09-257-121

1 building(s) found.			
<u>Description</u> ↑		<u>Floor Area</u>	<u>Yr Built</u>
Commercial/Industrial Building 1 - <i>Store, Retail</i>		2424 Sq. Ft.	1915
General Information			
Floor Area:	2424 Sq. Ft.	Estimated TCV:	N/A
Occupancy:	Store, Retail	Class:	C
Stories Above Ground:	2	Average Story Height:	10
Basement Wall Height:	N/A	Year Remodeled:	0
Year Built:	1915	Heat:	Forced Air Furnace
Percent Complete:	100%	Functional Percent Good:	100%
Physical Percent Good:	37%	Effective Age:	45 yrs.
Economic Percent Good:	100%		

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Image/Sketch for Parcel: 33-01-01-09-257-121
Caption: L001

Related Details...

- Tax Information
- Sp. Assessment
- Miscellaneous
- Receivables

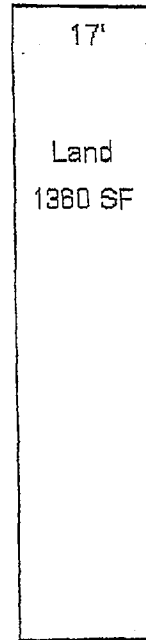
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GRAND RIVER AVE



ALLEY

Sketch by Apex IV™

General Property Information

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Parcel: 33-01-01-09-257-121

Property Address	[collapse]
313 E GRAND RIVER AVE LANSING, MI 48906	

Owner Information	[collapse]
CITY OF LANSING 124 W MICHIGAN AVE - 8TH FLR LANSING, MI 489331206	Unit: 33

Taxpayer Information	[collapse]
CITY OF LANSING FINANCE DEPT TOM KORKOSKI 124 W MICHIGAN AVE LANSING, MI 48933	

General Information for Tax Year 2010				[collapse]
Property Class:	099	Assessed Value:	\$0	
School District:	33020 - LANSING	Taxable Value:	\$0	
State Equalized Value:	\$0	Map #	AP-0031 -0050	
User Number Indx:		Date of Last Name Chg:	06/25/2008	
Date Filed:	12/30/1997			
Principal Residence Exemption (2009 May 1):	0.0000 %			
Principal Residence Exemption (2009 Final):	0.0000 %			
Principal Residence Exemption (2010 May 1):	0.0000 %			
Previous Year Info	MBOR Assessed	Final S.E.V.	Final Taxable	
2009	\$0	\$0	\$0	
2008	\$0	\$0	\$0	

Land Information				[collapse]
Acreage:	0.03	Frontage:	17.00 Ft.	
Zoning Code:	N/A	Depth:	80.00 Ft.	
Land Value:	\$4,967	Mortgage Code:	00805	
Land Improvements:	\$0	Lot Dimensions/Comments:		
Renaissance Zone:	NO			
ECF Neighborhood Code:	W220			

Legal Information for 33-01-01-09-257-121	[collapse]
LOT 23 ASSESSORS PLAT NO 31 OF BLOCK 6 ORIG PLAT	

Sales Information

To Bill Rieske - Lansing Planning Board
"Secretary"

This is a note from the "North
Lansing Community Association" and
some of the neighborhood citizens
concerning "The Comfort Station" located
at 313 E Grand River in North Lansing.

The Comfort Station had been
acquired by the association around
1975 when the city wanted it for demolition
overall the years the building was
renovated by funds from the Block Grant
and match funds of the Association.

The city of Lansing over all
these years has not put one dime in
the place nor have they had to.

According to Emil Winegar employ of city
NLCA HAS A VESTED INTEREST IN THIS
BUILDING. IT WAS RENTED TO NLCA
BY THE CITY OF LANSING FOR 1 DOLLAR A
YEAR IN 5 YEAR INTERVALS IN WHICH
IT WAS USED AS A MEETING PLACE
AND VARIOUS ACTIVITIES AS THE
"HERITAGE FESTIVAL."

The building is empty because
we were forced to vacate it in
2003 or 2004.

The NLCA believe we have a vested interest in this Building and if the building is sold we should be compensated for it.

This building has been dedicated by the City twice and this and all its history will be lost if its sold. It was not built for purpose of living quarters. It was a train stop station for the railroad. It was meant to be a comfort station. We believe the City should keep it and turn it into a meeting place for organizations and a Community Center for citizens of North Lansing. The only center open here is Gier Street Center. Please keep the historical ambience of the building. Don't let it become just another store front or loft for living. Please keep its history.

The building contains asbestos and "Mold since being empty" and needs to be made safe before use.

**Minutes of the Regular Meeting
LANSING PLANNING BOARD
6:30 p.m., Main Level
Fire Station #1, Community Room
120 E. Shiawassee Street
Tuesday, July 21, 2009**

1. OPENING SESSION

The meeting was called to order at 6:30 p.m. by Chairman Frederick

- A. Roll call: Present: Frederick, Williams, Graham, Tobe & Cox
- B. Staff Attending: Rieske, Stanley
- C. Excused Absences:

Mr. Williams made a motion, seconded by Ms. Tobe to approve an excused absence for Mr. Ruge. On a voice vote, the motion carried (5-0).

2. APPROVAL OF AGENDA

Mr. Williams made a motion, seconded by Ms. Grahams to approve the agenda as printed. On a voice vote, the motion carried unanimously (5-0).

3. COMMUNICATIONS - none

4. HEARINGS

- A. **Act-5-2009, 313 E. Grand River Ave., Comfort Station - Market for Sale**

This is a request to consider whether the City should market the property at 313 E. Grand River Avenue for sale, or retain ownership. It is not to consider a specific offer to purchase the building. The application itself was submitted by the Planning and Neighborhood Development Department on behalf of the City. The Planning Board reviewed this item some seven years ago (Act-27-01), held a public hearing on November 20, 2001, and recommended approval of Act-27-2001, reserving historic facade easements in perpetuity, and accommodating the current license for equipment owned by Sharp Technologies and currently located on the site. The Board also recommended that the property be marketed preferably to community group or groups for broad-based community use, and that the name of the building remain as "Thelma Joyce Osteen Comfort Station" as designated by City Council Resolution #077 of 1999.

Since then the property was pretty aggressively marketed for sale to community organizations, but no serious purchase offers have been received.

Mr. Frederick asked why the Planning Board has to hold another public hearing.

Mr. Rieske said that the city's marketing efforts to sell the building to a community based organization have been unsuccessful.

Mr. Frederick opened the public hearing.

Beverly Miller, 413 Pearl Street, provided written comments to the Board on behalf of the North Lansing Community Association (NLCA). She said that the city should keep this building and use it as a meeting place. She also said that she believes that a vote of the people would be required in order for the city to sell the building. Ms. Miller stated that the building needs to have mold and asbestos removed and the historical character needs to be preserved.

Ms. Miller said that it is not fair to sell this building because the neighbors have volunteered their own time to clean up this building and she asked if they would be reimbursed for all their efforts. She stated that the neighborhood has a vested interest in the property and she questioned why no one from Old Town was at the meeting.

Mr. Frederick said that there will be future meetings that others can attend. He also said that the Planning Board has no authority over reimbursing the neighbors.

Sherry Shaw, 403 Beaver Street, stated that the Comfort Station has always been a community building and it should stay that way. She said that her brother-in-law was going to buy the building, if the price was right, and give it back to the NLCA. Ms. Shaw said that the building facade needs to be preserved. She stated that there is no other building like this in the north end.

Mr. Williams asked where the NLCA meets now.

Ms. Shaw said that they have met at the North Precinct, the Old Town Diner, etc., but they have no regular meeting place. She said that 2-3 years ago the organization was very strong.

Ms. Miller said that the last meeting was in the fall of 2008 and they still had about 7-8 members. She also said that the utilities have been turned off in the building and that has contributed to its deterioration.

Mr. Williams said that the building is on the National Register of Historic Places and he asked if that offers any protection with regard to preservation of the building.

Mr. Rieske said that it makes the building potentially eligible for tax credits.

Mr. Frederick closed the public hearing.

5. COMMENTS FROM THE AUDIENCE

Beverly Miller asked why the city doesn't zone everything in the north end single family. She said that across from the Spiral Bar, there is a parking lot on residential property. She also said that the City of Lansing appears to be the only city that red tags houses.

Sherry Shaw said that the man who bought the property at 430 Beaver Street had his zoning changed to single family and lost his ability to continue using the property as a duplex. Ms. Shaw said that he had taken good care of the property.

6. RECESS was not taken by the Board.

7. BUSINESS SESSION

A. Consent Items

1. Minutes for Approval: July 7, 2009

The minutes of July 7, 2009 were approved without objection.

B. Committee Reports

1. ZONING AND ORDINANCE COMMITTEE

2. URBAN DEVELOPMENT COMMITTEE

3. COMMITTEE OF THE WHOLE

4. EXECUTIVE COMMITTEE

C. Old Business

1. Capital Improvements Program - Discussion

**Minutes of the Regular Meeting
LANSING PLANNING BOARD
6:30 p.m., Main Level
Fire Station #1, Community Room
120 E. Shiawassee Street
Tuesday, September 15, 2009**

1. OPENING SESSION

The meeting was called to order at 6:50 p.m. by Chairman Frederick

- A. Roll call: Present: Frederick, Williams, Cox, Ruge
- B. Staff Attending: Stachowiak, Rieske, Stanley
- C. Excused Absences: Tobe, Graham

Mr. Williams moved, seconded by Mr. Ruge to approve an excused absence for Ms. Graham. On a voice vote (4-0), the motion carried.

2. APPROVAL OF AGENDA

Mr. Williams made a motion, seconded by Mr. Ruge to approve the agenda with the following changes:

- 1. Move Act-5-09 to the consent agenda.
- 2. Move SLU-2-09 to New Business.

On a voice vote, the motion carried unanimously (4-0).

3. COMMUNICATIONS

Letter of support for SLU-2-09

4. HEARINGS

A. SLU-2-2009, 119 E. Barnes Avenue - Neighborhood Resource Center

This is a request by Marcus Brown for a Special Land Use permit to utilize the building/property at 119 E. Barnes Avenue for a neighborhood resource center. The facility would provide free tutoring and a borrowing center for tools, books, etc. The property is zoned "C" Residential District

A. Consent Items

1. **Minutes for Approval:** August 4, 2009

The minutes of August 4, 2009 were approved without objection.

2. **Act-6-2009, 3725 Canal Road - Grant LBWL Easement**

Act-6-2009, 3725 Canal Road - Grant LBWL Easement was approved without objection.

3. **Act-5-2009, 313 E. Grand River Avenue - Comfort Station - Market for Sale**

Act-5-2009, 313 E. Grand River Avenue - Comfort Station - Market for Sale was approved without objection.

B. Committee Reports -None

1. ZONING AND ORDINANCE COMMITTEE
2. URBAN DEVELOPMENT COMMITTEE
3. COMMITTEE OF THE WHOLE
4. EXECUTIVE COMMITTEE

C. Old Business

D. Pending Items: Future action required

1. Zoning and Ordinance Committee
2. Urban Development Committee
 - a. Master Plan Project
3. Committee of the Whole
 - a. SLU-5-2008, 528 N. Pine Street
4. Planning Board

8. NEW BUSINESS

- A. **SLU-2-2009, 119 E. Barnes Avenue - Neighborhood Resource Center**