

CITY OF EAST LANSING
EAST LANSING CITY COUNCIL

RESOLUTION OF NECESSITY

WHEREAS, the City of East Lansing has undertaken a redevelopment project for the 600 block of Virginia Avenue with assistance from the U.S. Department of Housing and Urban Development to acquire multiple properties and complete infrastructure improvements in order to construct 30 new single family owner occupied homes under a Neo-traditional Neighborhood Redevelopment Site Plan approved by the City Council (the "Project");

WHEREAS, in order to provide adequate ingress and egress to the new homes pursuant to the approved preliminary site plan for the project, it is necessary to extend the existing north-south public alley in the 600 block of Virginia Avenue from Snyder Road north through to Burcham Drive; and

WHEREAS, the City is in need of acquiring 20 feet of additional public alley right-of-way from the property owners of 607 Virginia Avenue in order to extend the existing public alley that begins at Snyder Road north through to Burcham Road;

WHEREAS, an offer of just compensation, attached hereto as Exhibit A, was made by the City of East Lansing by certified mail on January 17, 2008 to the owner of the property located at 607 Virginia Avenue, which the City needs to acquire in order to complete the Virginia Avenue New Homes Project; and

WHEREAS, the property owner has not accepted the City's good faith offer of just compensation and negotiations have otherwise failed to result in agreement for the voluntary purchase of the property;

NOW THEREFORE, be it hereby resolved, that pursuant to the authority granted to the City of East Lansing by subsection 5.3e of the East Lansing City Charter, by 1911 PA 149 being MCL 213.23, and by 1929 PA 190 being MCL 213.221, the City Council for the City of East Lansing deems it advisable and necessary to acquire a fee simple interest subject to easements of record in the parcel of property legally described in Exhibit A attached hereto by condemnation proceedings for the purpose of extending the existing north-south alley in the 600 block of Virginia Avenue.

BE IT FURTHER RESOLVED that the City Attorney for the City of East Lansing is hereby authorized and directed to institute necessary proceedings on behalf of the City of East Lansing in the Circuit Court for the County of Ingham pursuant to the provisions of the Michigan Uniform Condemnation Procedures Act, 1980 PA 87, and take all incidental actions necessary thereto, for the purpose of acquiring the necessary property described in Exhibit A to this Resolution.

BE IT FURTHER RESOLVED that the City Finance Director is authorized to deposit the sum of \$5,000.00 with the City Treasurer to be set aside and held in the City's Trust and Agency Account in escrow for the benefit of the owner of said property to be disbursed by order of the Court pursuant to Section 8 of the Michigan Uniform Condemnation Procedures Act.

Moved by Council member: _____

Supported by Council member: _____

ADOPTED: Yeas: _____

Nays: _____

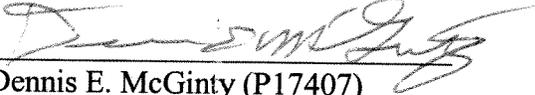
Absent: _____

Victor W. Loomis, Jr., Mayor
Adopted:

CLERKS CERTIFICATION: I hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the East Lansing City Council at its regular meeting held on _____ at Courtroom No. 2, 101 Linden Street, East Lansing, Michigan at 7:00 p.m., the original of which is part of the Council's minutes.

Sharon A. Reid, City Clerk
City of East Lansing
Ingham County, Michigan

Drafted by and approved as to form:


Dennis E. McGinty (P17407)
East Lansing City Attorney
601 Abbott Road
East Lansing, MI 48823

**GOOD FAITH OFFER
REAL ESTATE BUY-SELL AGREEMENT**

1. The undersigned, City of East Lansing, a Michigan Municipal Corporation, with its offices at 410 Abbot Road, East Lansing, Michigan 48823 (hereinafter called "Buyer"), hereby agrees to purchase from Gary Baird and Catherine Baird, husband and wife, whose address is 3720 Hulett Road, Okemos, Michigan (hereinafter called "Seller"), the following property (hereinafter called the "Property") located in the City of East Lansing, Ingham County, Michigan, and legally described as:

A parcel of land in the Northeast 1/4 of Section 18, T4N, R1W, City of East Lansing, Ingham County, Michigan, being the West 12 feet of Lot 253 and the East 1/2 of the vacated alley adjacent to said Lot 253 of Avondale, City of East Lansing, according to the recorded plat thereof as recorded in Liber 4 of Plats, Page 46, Ingham County Records, described as: Commencing at the Southeast corner of Lot 252 of said Avondale; thence N00°00'00"E along the West line of Virginia Avenue 39.97 feet to the Southeast corner of said Lot 253; thence N89°31'54"W along the South line of said Lot 253 a distance of 115.01 feet to the point of beginning of this description; thence N89°31'54"W continuing along said South line as extended 20.00 feet to the centerline of the vacated alley adjacent to said Lot 253; thence N00°02'54"W along said centerline 39.88 feet to the North line of Lot 253 as extended; thence S89°34'09"E along said North line as extended 20.00 feet; thence S00°02'54"E parallel with said centerline 39.89 feet to the point of beginning; said parcel containing 800 square feet more or less; said parcel subject to all easements and restrictions if any.

Tax Parcel No. 33-20-02-18-206-012 (partial)

Common Address: 607 Virginia Avenue, East Lansing, Michigan (west 20' thereof)

subject to any existing building and use restrictions, zoning ordinances, rights-of-way, and easements, if any, including all fluid and mineral rights held by Seller, if any, for the sum of Five Thousand Dollars (\$5,000.00).

2. The full purchase price shall be paid in full in U.S. cash at closing by locally drawn and certified check, or cashier's check or bank money order upon execution and delivery of a warranty deed. Buyer shall be given a credit against the purchase price in an amount equal to the earnest money deposit paid by Buyer.

3. All special assessments which are or become a lien on the Property on or before the date of closing shall be paid by the Seller.

4. Property taxes, but not penalties, shall be prorated at closing in accordance with MCL 211.2(c). General property taxes attributable to that portion of the tax parcel description being purchased on or after the date title passes and before the Property being purchased is removed from the tax rolls, shall be paid all by Buyer. Property taxes shall be prorated based upon the square foot area of the portion of the tax parcel being purchased, relative to the square foot area of the entire tax parcel covered by the tax bills being prorated hereunder.

5. An owner's policy of title insurance, with standard exceptions, covering the foregoing Property in the amount of the purchase price will be paid for by Buyer. This sale is contingent upon

the title being marketable and insurable. Any title insurance and supporting documents are to be examined and approved by Buyer's attorney, Dennis E. McGinty, 601 Abbot Road, East Lansing, Michigan 48823.

6. Seller shall pay for the state and county real estate transfer taxes and for any costs necessary to convey clear title.

7. Buyer shall pay for the deed preparation and the title company's closing fee, the survey, costs of inspections, environmental assessments, and any appraisals desired by Buyer, and all other costs necessary to close this transaction including, but not limited to costs of recording the deed, and attorney opinion and services on behalf of Buyer. Buyer shall obtain a survey of the Property being purchased pursuant to this Agreement, which survey shall also be certified to Seller, and which survey shall confirm the precise legal description of the Property to be used in the proposed conveyance hereunder.

8. Buyer and Seller shall mutually agree upon a closing date.

9. After all necessary documents are prepared and approved for closing, Buyer and Seller have ten (10) days to mutually agree upon a specific closing date and time to conduct the closing at LandAmerica Transnation Title, which date shall be no later than **April 15, 2008**. If title defects exist and Seller is notified of same in writing, Seller shall be allowed twenty (20) days from such notice to cure such defects. If Seller does not timely cure such defects in title, Buyer may either elect to cure such defects at Buyer's cost, or, Buyer may terminate this Agreement upon written notice to Seller and obtain a refund of the earnest money deposit as Buyer's sole remedy, unless otherwise agreed to in writing between Buyer and Seller.

10. Seller shall deliver possession to Buyer at Closing.

11. The Buyer has attempted to take into account whether or not the Property has sustained a release of hazardous substances in, on, or upon the Property. The Buyer's appraisal of just compensation for the Property is based on the assumption that the Property is free of any and all contaminants or hazardous substances based upon the best available information to the Buyer. Seller understands that should a release of hazardous substances have occurred in, on, or upon the Property, Buyer may seek to hold Seller legally accountable to the extent allowed by law. Buyer does not, by submitting agreement to purchase, waive any rights it may have to bring a federal or state cost recovery action against Seller arising out of a release of hazardous substances in, on, or upon the Property which occurred prior to the date of acceptance of this Agreement to purchase.

12. Buyer will deposit the sum of Five Hundred Dollars (\$500.00) as evidence of its good faith upon acceptance by Seller in an escrow account with LandAmerica Transnation Title. The Title Company will act as escrow agent in closing this Agreement and will deduct from the Seller's closing proceeds all sums necessary to satisfy and discharge all liens, encumbrances and taxes and secure the instrument sufficient to vest an unencumbered title in the Buyer, subject only to existing easements, rights-of-way, and restrictions of record, and subject to fluid and mineral rights held by persons other than Seller, if any. The deposit will be applied as part of the purchase price. If title is not marketable or insurable, or if there are any other contingencies in this contract which cannot be met, this deposit is to be refunded. If Seller defaults, Buyer may enforce this contract or may cancel it, keep the deposit, and/or pursue his/her legal and/or equitable remedies.

13. This Agreement is contingent upon approval of the price and terms of purchase by the East Lansing City Council at the next City Council meeting following the Seller's acceptance of this Agreement.

14. This Agreement supersedes any and all understandings, negotiations, or Good Faith Offers and is the entire agreement between Buyer and Seller. No oral representations or statements will be considered a part of this Agreement, and no modifications of this Agreement will be binding unless in writing and signed by Buyer and Seller.

15. Seller understands that selling the Property does not relieve Seller or any mortgage obligation or other indebtedness to which the Property is subject.

16. Heirs and Successors: This contract binds Buyer, Seller, their personal representatives, heirs, successors, and assigns, and anyone succeeding to their interest in the Property.

17. Unitary Agreement: This is a unitary agreement for the full payment to all persons having an interest in the Property. If more than one person has an interest in the Property, they may agree how to divide the payment among themselves or they can request that a court decide how to divide any payment among them, and it will not be the responsibility of the City or Transnation Title who will be conducting the closing.

18. Risk of Loss: Risk of loss shall remain with the Seller until the warranty deed has been delivered to Buyer.

19. Occupancy: The Buyer will become the record owner of the Property upon and after closing and shall be entitled to immediate possession.

20. Seller agrees to remove all personal property in or upon the Property. Buyer has the right to inspect the premises the day before closing to ensure that all personal property is removed.

21. Additional Claim: If Seller believes this Agreement does not include or fully include one or more items of compensable damage, for which Seller intends to claim a right to just compensation, Seller must, for each item, file a written claim with Buyer. Seller's written claim must provide sufficient information and detail to enable Buyer to evaluate the validity of Seller's claim and to determine its value. Seller must file any claim within ninety (90) days after the date of this Agreement. After receiving Seller's written claim, Buyer can provide written notice to Seller that it contests the compensability of the claim, can establish an amount that is believed to be just compensation for the item of property or damage, or can reject the claim. The sum of the agreement for all such items or property or damage plus this original Agreement to purchase shall constitute the good faith offer required by the Uniform Condemnation Procedures Act. If Seller fails to file a timely written claim, such claim will be barred. Moreover, if Seller files a claim that is deemed to be frivolous or in bad faith, Buyer is entitled to recover from Seller any actual and reasonable expenses which it incurs in evaluating the validity and determining the value of the claim.

22. This good faith offer expires on **January 25, 2008**, at 5:00 p.m. if not accepted by Seller in writing prior to said date. Upon expiration, Buyer's earnest money deposit shall

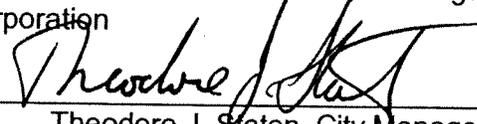
immediately be returned to Buyer.

BUYER:

THE CITY OF EAST LANSING, a Michigan Municipal Corporation

Dated: January, 18, 2008

By



Theodore J. Staton, City Manager

SELLER'S ACCEPTANCE OF TERMS OF PURCHASE

The above Real Estate Buy-Sell Agreement is hereby x accepted as written. Receipt is acknowledged by Seller of a copy of this Agreement.

Dated: January, , 2008

GARY BAIRD

CATHERINE BAIRD

Drafted by and approved as to form:

Dennis E. McGinty (P17407)
East Lansing City Attorney