

**MEMORANDUM OF UNDERSTANDING
AMONG
THE CITY OF DETROIT,
URBAN RENEWAL INITIATIVE FOUNDATION
AND
THE CITY OF GROSSE POINTE PARK**

This Memorandum of Understanding (“MOU”) is entered into by the City of Detroit, a Michigan municipal corporation (“City”), Urban Renewal Initiative Foundation or its successor or assignee (“Foundation”), a Michigan non-profit corporation, and the City of Grosse Pointe Park (“GPP”), a Michigan municipal corporation, in order to cooperate and to coordinate their respective activities in furtherance of the construction of a non-profit community center for the arts, (The A. Paul and Carol C. Schaap Center for the Performing Arts and the Richard and Jane Manoogian Art Gallery), a bus turnaround, and parking area for DDOT busses. The City, Foundation and GPP each may be referred to herein as a “Party” or collectively as the “Parties,” as applicable.

RECITALS:

- A.** The City owns but no longer uses as a bus turnaround or for any other purpose the real property located on Jefferson Avenue between Wayburn Street and Maryland Street in the City of Grosse Pointe Park and more particularly described on the attached Exhibit A (the “City Property”);
- B.** The Foundation is desirous of purchasing the City Property for the construction of a non-profit community center for the arts that will be operated by the Foundation or another non-profit entity.
- C.** GPP owns and currently maintains as green space the real property located on Jefferson Avenue between Maryland Street and Lakepointe Street in the City of Grosse Pointe Park and more particularly described on the attached Exhibit B (the “GPP Property”);
- D.** GPP owns and maintains the traffic island located in Jefferson Avenue immediately west of the intersection of Jefferson Avenue and Lakepointe Street (the “Traffic Island”).
- E.** GPP has offered (among other things, as set forth below) to modify the GPP Property and the Traffic Island as necessary for use by the City’s Department of Transportation (“DDOT”) in perpetuity for a bus turnaround and parking area for DDOT busses.
- F.** GPP and the City believe that the construction and operation of a non-profit community center for the arts, bus turnaround and parking area is in the best interest of the public and are desirous of seeking necessary approvals and consummation of the same.

Accordingly, the City, Foundation and GPP mutually acknowledge the following understanding:

Section 1 – Purpose. The purpose of this MOU is to set forth the required activities of the Parties hereto in furtherance of the construction of the non-profit community center for the arts, bus turnaround, and parking area.

Section 2 - Activities of the City. In furtherance of the construction of the non-profit community center for the arts, bus turnaround and parking area, the City agrees to perform the following independent activities: the City will at its earliest opportunity request authorization from the Detroit City Council to sell the City Property to the Foundation for the Purchase Price of **Three Hundred Thousand Dollars (\$300,000.00)**. The City shall convey title to the City Property to the Foundation by quit claim deed. The City will deliver the quit claim deed to the Foundation only after the following conditions have been met:

- A. Detroit City Council has authorized, by resolution, the sale and conveyance of the City Property to the Foundation; and
- B. GPP has performed its obligations under Section 4, Paragraphs A, B, C, and D, of this MOU.
- C. GPP and the City have executed as the binding obligation of each a Memorandum of Understanding reopening Kercheval to two way traffic.

Title will be conveyed, in a Closing described in Section 5 of this MOU, by the City as soon as practicable but in no event more than 30 days after the aforementioned conditions have been met.

Section 3 - Activities of the Foundation. In furtherance of the construction of the non-profit community center for the arts, bus turnaround and parking area, the Foundation agrees to perform the following independent activities:

- A. The Foundation will position and construct the structure/building that will be the community center for the arts in substantial compliance with the Site Plan attached as Exhibit C. The Foundation agrees that if the community center for the arts is not constructed that the Foundation will not construct, build or erect any other building or structure on the City Property unless it has received written approval, which shall not be unreasonably withheld, from the Mayor of the City of Detroit or his/her designee. The Foundation further agrees it will not convey its interest in the City Property to another person or entity without the written approval, which shall not be unreasonably withheld, of the Mayor of the City of Detroit or his/her designee, except that the Foundation may convey its interest to a separate tax exempt non-profit entity provided such non-profit entity agrees to the conditions stated in this MOU regarding use of the City Property provided the Foundation gives the City notice of the assignment and a signed Assignment and Assumption of MOU or such other document as may be reasonably requested by the City between the Foundation and the non-profit assignee after which the City shall release the foundation of its obligations under this MOU.
- B. Provide evidence to the City of the necessary corporate authority to enter into this MOU.
- C. Operate the non-profit community center for the arts in such a manner that any loading/unloading or backing up of vehicles in any loading dock that is adjacent to properties located within the boundaries of the City of Detroit occur only within the hours

of 8 a.m. and 5 p.m. Further, vehicle engines shall not idle for more than 5 minutes in said loading dock area.

Section 4 – Activities of GPP. In furtherance of the construction of the non-profit community center for the arts, bus turnaround, and parking area, GPP agrees to perform the following independent activities at its own cost:

- A. Provide evidence to the Foundation and the City of the necessary authority to enter into this MOU.
- B. Request and receive authorization from all necessary GPP legislative and executive members to construct the bus turnaround and parking area on the GPP Property for use, in perpetuity, only as a bus turnaround and parking area for DDOT busses. Said use shall run with the land and GPP agrees that the City may seek any and all remedies available to it in a breach of contract action including but not limited to specific performance if GPP infringes or interferes in any way on this use.
- C. Provide reasonably satisfactory evidence of GPP's ability to perform its obligations under this MOU with respect to the GPP Property.
- D. At GPP's cost, provide a cash or surety (with such surety as is reasonably satisfactory to the City) bond in the amount of **Fifty Thousand and 00/100 Dollars (\$50,000)** to secure GPP's performance of its obligations under Section 4, Paragraphs E and F, of this MOU. In the event
 - 1. GPP submits a surety bond, and GPP does not perform its obligations under Section 4, Paragraphs E and F, of this MOU, the proceeds of such bond shall be paid to the City of Detroit for use to complete the bonded obligations, GPP will issue a right of entry to the City or is contractor to complete the construction and will provide the City with an easement to erect signs on the GPP Property that notifies the public that the area is for DDOT bus parking only, with any balance paid to GPP, or
 - 2. GPP submits a cash bond, such bond shall be held by such title company as is reasonably satisfactory to the City; GPP may draw against it to complete its obligations under Section 4, Paragraphs E and F, of this MOU in accordance with the reasonable requirements of such title company; and if GPP does not perform its obligations under Section 4, Paragraphs E and F, of this MOU, the proceeds of such bond shall be used to complete the bonded obligations, with any balance paid to GPP.
- E. Prepare the GPP Property depicted on Exhibit C(4) for use by DDOT as a bus staging and turnaround area within one year of the date of Detroit City Council authorization described in Section 2 of this MOU. This preparation will include, but is not limited to, removal of existing curbs, sidewalks and green space along Jefferson Avenue, proper signage indicating the area is for DDOT parking only, site preparation for paving, and paving of the area with curbs and drainage. All such work will be completed to the reasonable

satisfaction of the City and in accordance with applicable State of Michigan Department of Transportation standards and specifications for road construction.

- F. Construct the improvements to the Traffic Island depicted on Exhibit C(4) to permit DDOT buses of no more than sixty (60) feet long to turn from eastbound Jefferson Avenue into the bus staging area and/or to complete a U-turn from eastbound to westbound Jefferson Avenue within one year of the date of Detroit City Council authorization described in Section 2 of this MOU. All work will be completed to the reasonable satisfaction of the City and in accordance with applicable State of Michigan Department of Transportation standards and specifications for road construction.

- G. Maintain (in a clean and orderly fashion together with providing reasonable supplies of soap, towels and toilet paper) a restroom facility or facilities located within the City of Grosse Pointe Park municipal facilities at 15115 East Jefferson Avenue, for use by DDOT drivers, on a continuous and uninterrupted basis as long as the City operates a bus line/route along Jefferson Avenue. GPP agrees that said use shall run with the land as long as the City operates a bus line/route along Jefferson Ave and that the City may seek any and all remedies available to it in a breach of contract action, including but not limited to specific performance, if GPP infringes in any way on this use.

Section 5 – Closing Between the City and the Foundation.

- A. The Foundation shall, at its expense, order a commitment for title insurance from First American Title Insurance Company (the “Title Company”) for the City Property and title to the City Property must be reasonably satisfactory to the Foundation. In the event title to the City Property cannot be conveyed in the condition required by this MOU, the Foundation may terminate this MOU and the parties shall have no further obligation under this MOU.

- B. The conveyance of the City Property to the Foundation will occur at a Closing. The Closing shall take place at the offices of the Title Company at a time mutually agreeable to the City and the Foundation.

- C. At the Closing, the Foundation shall:
 - 1. pay the Purchase Price to the Title Company for disbursement in conformity with a closing statement agreed to by the parties,
 - 2. pay the closing costs charged by the Title Company and the premium on a policy of title insurance insuring the Foundation’s interest in the City Property, and
 - 3. execute such other documents and take such other actions as are customary and reasonable to close the transaction.

- D. At the Closing, the City shall:
 - 1. deliver a quit claim deed in a form substantially similar to that attached as Exhibit D conveying the City’s interest in the City Property to the Foundation; and

2. the City shall execute such documents and take such actions consistently with the policies of the City to cause the Title Company to issue a policy of title insurance in conformity with this MOU.

Section 6 – Meetings. The City and GPP will meet at their mutual convenience, whether in person or by video conference, telephone, or other convenient means, on a periodic basis to review the progress of each Party’s activities under this MOU, to coordinate further activities as may be necessary, and to discuss any other relevant issues as may arise from time to time.

Section 7 - Effective Date and Termination. This MOU will be effective as of the date upon which it has been signed by an authorized representative of each of the Parties (the “Effective Date”). This MOU shall terminate upon the conveyance of the City Property to the Foundation except for those obligations and responsibilities found in Sections 3 & 4 which shall survive termination of this agreement. Any Party to this MOU has the right to terminate this MOU if, by December 31, 2019, any Party to this MOU has not received all necessary authority to enter into this MOU. Termination for failure to receive necessary authority shall be effective seven (7) calendar days after receipt of notice provided in accordance with Section 8 of this MOU.

Section 8 – Notices. Notices, requests, notifications, and other communications (collectively, “Notices”) related to this MOU by either Party will be given in writing, signed by an authorized representative of the Party, and hand-delivered, mailed by first-class mail or by overnight courier, or emailed with receipt confirmation enabled, and addressed as follows:

If to City: City of Detroit
 Mayor’s Office
 2 Woodward Ave, Ste 1126
 Detroit, MI 48226
 Attention: F. Thomas Lewand
 Email: lewandt@detroitmi.gov

If to Foundation: Urban Renewal Initiative Foundation
 President
 Attention: A. Paul Schaap
 15115 East Jefferson Avenue
 Grosse Pointe Park, MI 48230

and

Stephen J. Pokoj
Fildew Hinks, PLLC
26622 Woodward Avenue
Suite 225
Royal Oak, MI 48067

If to GPP: City of Grosse Pointe Park
City Manager
Attention: Dale Krajniak
15115 East Jefferson Avenue
Grosse Pointe Park, MI 48230

Email: citymanager@grossepointepark.org

-and-

City of Grosse Pointe Park
City Attorney
Attention: Dennis J. Levasseur
6th Floor at Ford Field
1901 Saint Antoine Street
Detroit, Michigan 48226

Email: dlevasseur@bodmanlaw.com

Section 9 -- Miscellaneous.

- A. **Relationship of the Parties.** Each Party acknowledges that the Parties are independent of each other and do not intend, as a result of this MOU or otherwise, to become a joint venture, partners, employees, servants, agents, representatives, contractors, or any type of related business entities to one another with respect to the subject matter of this MOU. Each Party acknowledges that it is individually responsible for maintaining compliance in all respects with all applicable federal, state, and local laws, rules, regulations, and orders to which it is subject.
- B. **Assignment.** Except as otherwise provided in this MOU, this MOU sets forth each Party's intended activities in furtherance of the Land Swap, and no Party intends to delegate or assign this MOU, or any portion of or responsibility under this MOU, without the prior written notice to and consent of the other Parties.
- C. **Merger.** This MOU sets forth the entire understanding between the Parties as to their activities in furtherance of the construction of the non-profit community center for the arts, bus turnaround and parking area, and all prior discussions, negotiations, communications, and understandings, whether written or verbal, are merged into this MOU.
- D. **Amendments.** No amendment to this MOU will be effective unless it is in writing, expressly makes reference to this MOU, and is executed by a duly authorized representative of each Party.
- E. **Counterparts.** This MOU may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one document. Each counterpart may be executed by facsimile or electronic signature, which will be deemed to be an original signature, to the extent permitted by applicable law.

F. **Authority of the City.** Notwithstanding anything in this MOU, in law, in equity, or otherwise to the contrary, this MOU shall be of no force or effect and may not in any way be enforced against the Parties unless and until the MOU between the City and GPP pertaining to the reopening and redevelopment of Kercheval Avenue has been signed by all necessary parties thereto, this MOU has been fully executed by a duly authorized agent of the Foundation, GPP and the City and approved by the City of Detroit Law Department, and the transactions contemplated hereby have been approved pursuant to a Resolution of the Detroit City Council as approved by the Mayor of the City of Detroit. Any amendments or modifications of this MOU shall likewise be fully executed by a duly authorized agent of the Foundation, GPP and the City, approved by the City of Detroit Law Department, and approved pursuant to a Resolution of the Detroit City Council as approved by the Mayor of the City of Detroit that incorporates such amendments or modifications.

[Signatures appear on next page.]

[Signature page to Memorandum of Understanding between the City of Detroit, the Urban Renewal Initiative Foundation and the City of Grosse Pointe Park]

IN WITNESS WHEREOF, the Parties have executed this MOU as of the dates shown below, to be effective as of the Effective Date.

CITY OF DETROIT,
a Michigan public body corporate

By: _____

Print: MAURILE COX

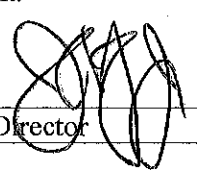
Its: DIRECTOR, PLANNING & DEVELOPMENT DEPT.

STATE OF MICHIGAN)
)ss.
COUNTY OF WAYNE)


The foregoing instrument was acknowledged before me on August 20, 2018⁹ by Maurice Cox, the Director of the Planning of the City of Detroit, a Michigan public body corporate, on behalf of the City, and Development Dept.

Alvin J. Mitchell
Print: Alvin J. Mitchell
Notary Public, Wayne County, Michigan
My commission expires: 03/10/2024
Acting in the County of Wayne

ALVIN J. MITCHELL
NOTARY PUBLIC, STATE OF MI
COUNTY OF WAYNE
MY COMMISSION EXPIRES Mar 10, 2024
ACTING IN COUNTY OF WAYNE

Pursuant to § 18-5-4 of the Detroit City Code, I hereby certify that proper and fair consideration has been received by the City pursuant to this instrument.  _____ Finance Director	Approved by City Council on <u>JULY 9, 2019</u> Approved by the Mayor on <u>JULY 10, 2019</u>
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Approved by Corporation Counsel pursuant to §7.5-206 of the 2012 Charter of the City of Detroit.



Corporation Counsel

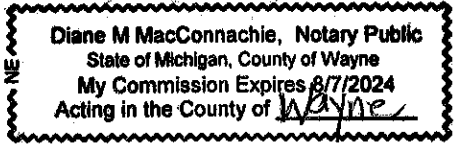
URBAN RENEWAL INITIATIVE FOUNDATION,
a Michigan non-profit corporation

By: A. Paul Schaap
Print: A. PAUL SCHAAP
Its: PRESIDENT

STATE OF MICHIGAN)
)ss.
COUNTY OF Wayne)

The foregoing instrument was acknowledged before me on July 12, ^{2019 dm} ~~2018~~ by A. Paul Schaap, the President of the Urban Renewal Initiative Foundation, a Michigan non-profit corporation, on behalf of the corporation.

Diane M MacConnachie
Print: Diane M MacConnachie
Notary Public, Wayne County, Michigan
My commission expires: 08/07/2024
Acting in the County of Wayne



CITY OF GROSSE POINTE PARK,
a Michigan municipal corporation

By: Robert W. Denner
Print: ROBERT W. DENNER
Its: MAYOR

STATE OF MICHIGAN)
)ss.
COUNTY OF WAYNE)

The foregoing instrument was acknowledged before me on July 11, ^{2019 hof} ~~2018~~ by Robert W Denner, the mayor of the City of Grosse Pointe Park, a Michigan public body corporate, on behalf of the City.

Holly A Piche
Print: Holly A Piche
Notary Public, Wayne County, Michigan
My commission expires: 12/15/2024
Acting in the County of Wayne

EXHIBIT A

Land described as Parcel Identification No. 008-07-0203-002

Commonly known as: 15003 E Jefferson Ave., Grosse Pointe Park

PKWW203B 204 LOT 203 EXC SLY 110 FT. OF WLY 60.64 FT THEREOF ALSO LOT 204
TURNBULL AND EPSTEAN'S JEFFERSON AVENUE SUB, PC 570 L 26 P98 WCR

DESCRIPTION CORRECT

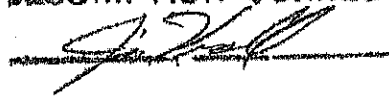
A handwritten signature in black ink, appearing to read "J. Hall", is written over a horizontal line.

EXHIBIT B

LEGAL DESCRIPTION FOR CITY OF GROSSE POINTE PARK PROPERTY

PROPERTY ADDRESS:

15175 EAST JEFFERSON

GROSSE POINTE PARK, MI 48230

DATE PRINTED: 01/25/2019

2018 LEGAL DESCRIPTION:

PKSSA1- - D1 THE SLY PTS OF LOTS A TO D COMBINED DESC AS BEG S 25D 47M 57S
E 186.00 FT FROM THE NE COR OF LOT 1; TH S 25D 47M 57S E 198.57 FT - TH S
60D 18M 42S W 169.95 FT - TH N 25D 52M 13S W 210.66 FT - TH N 64D 23M 29S E
169.82 FT POB - - - BERNS JEFFERSON AVE SUB PC 570 L26 P22 WCR - - K - 0.80

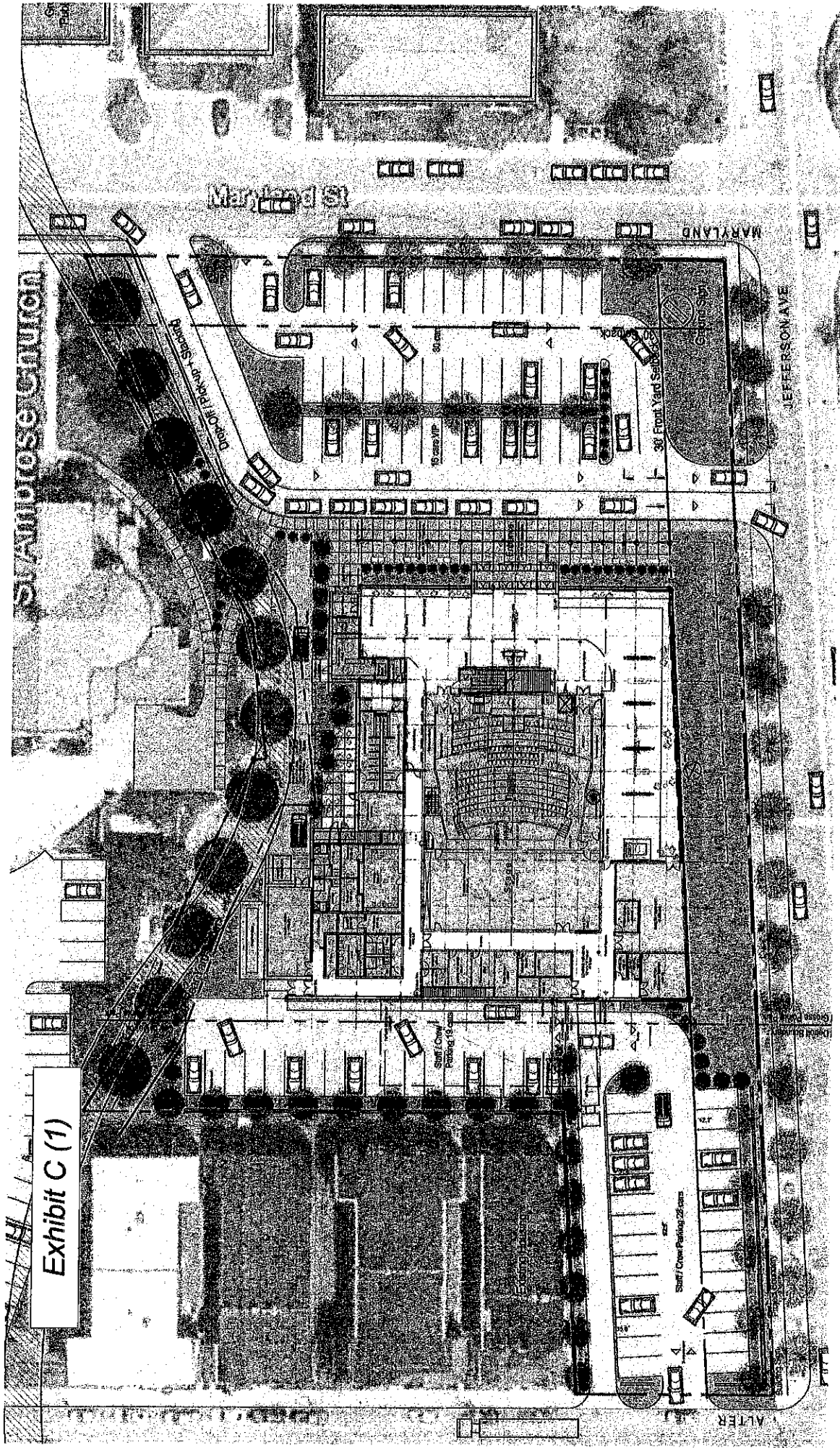
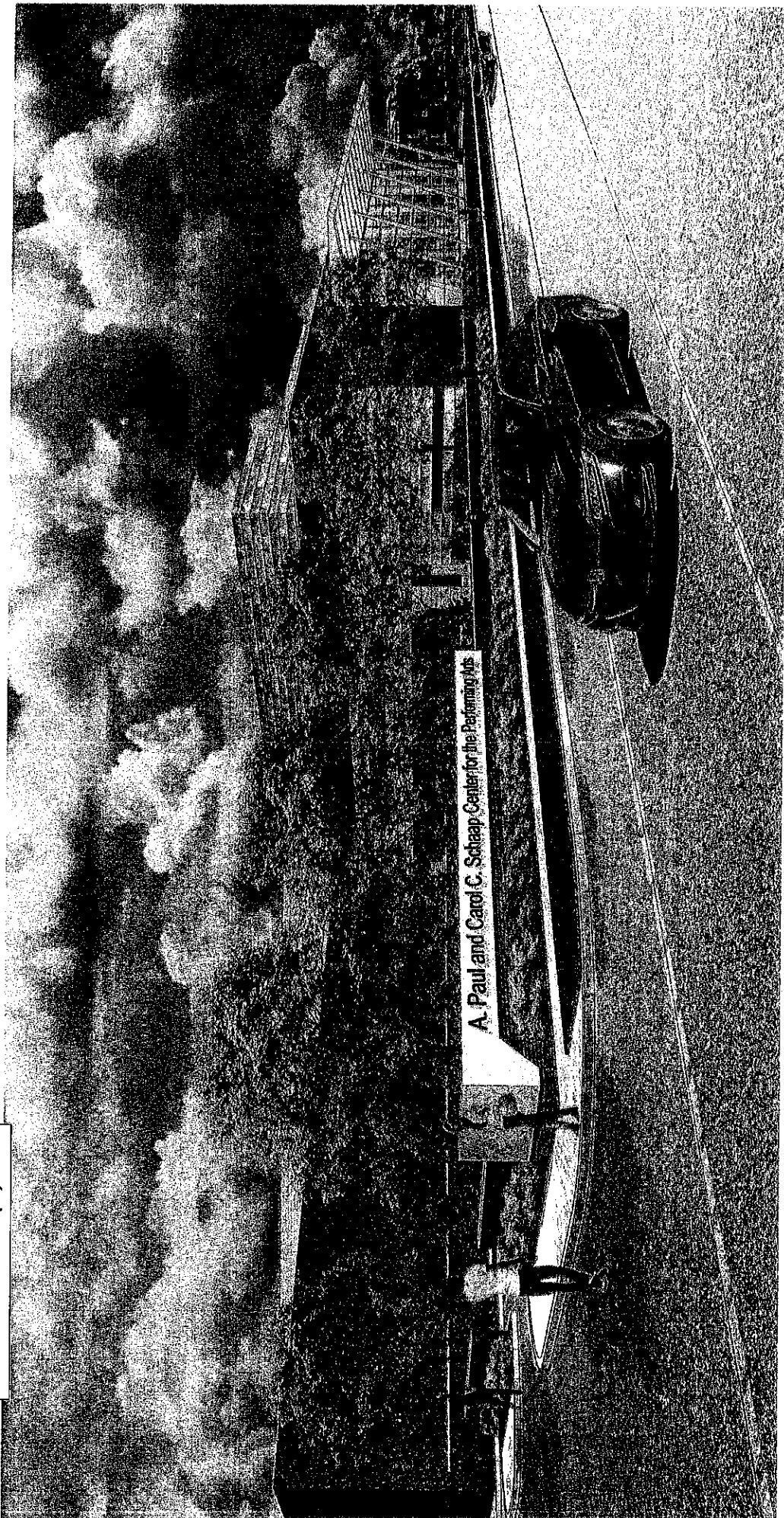


Exhibit C (1)

A. Paul and Carol C. Schaepp Center for the Performing Arts and the Richard and Jane Manooogian Art Gallery

Overall Site Plan

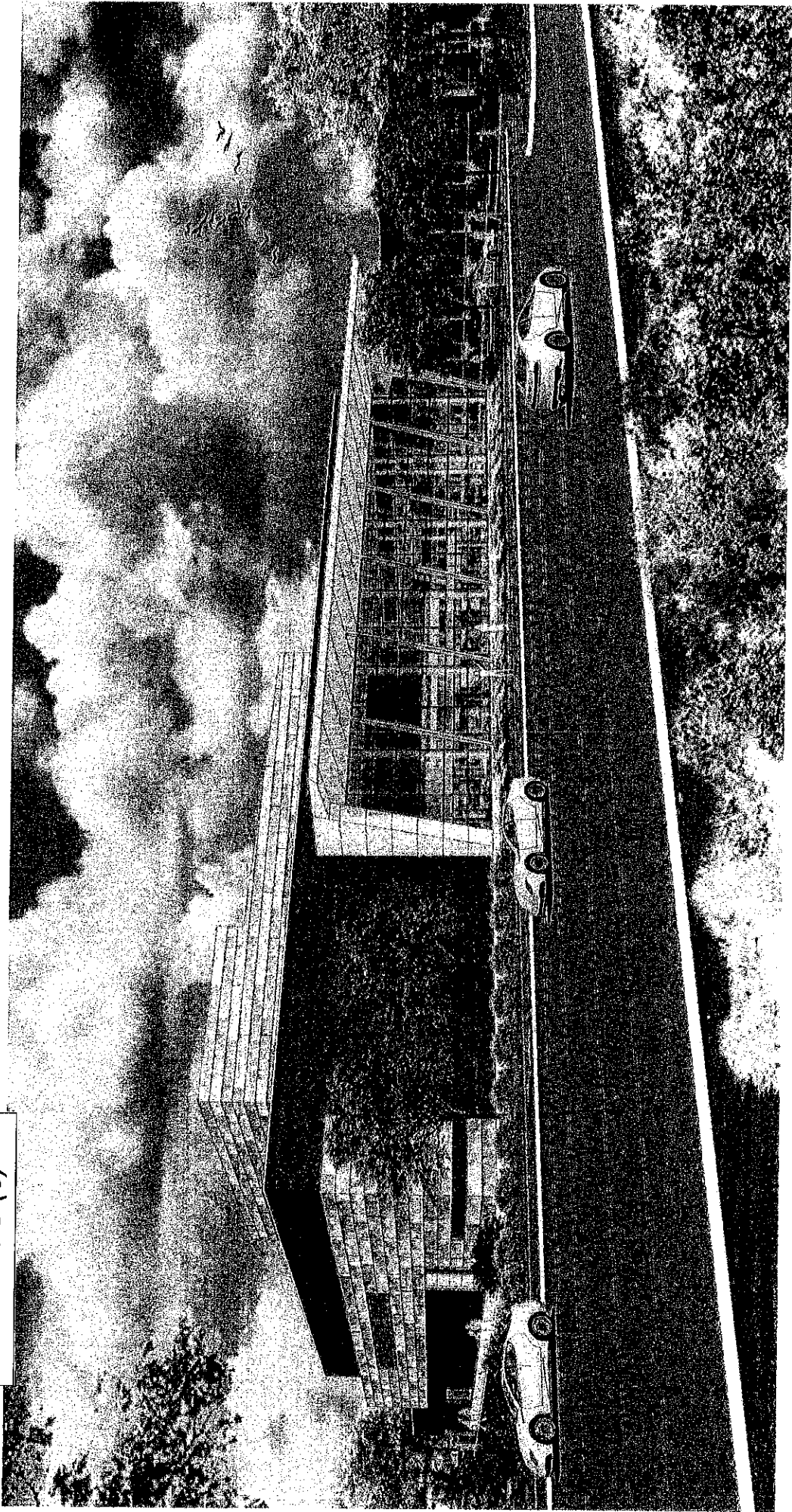
Exhibit C (2)



A. Paul and Carol C. Schaap Center for the Performing Arts
and the Richard and Jane Manoojian Art Gallery

View of Building at Jefferson / Alter Intersection

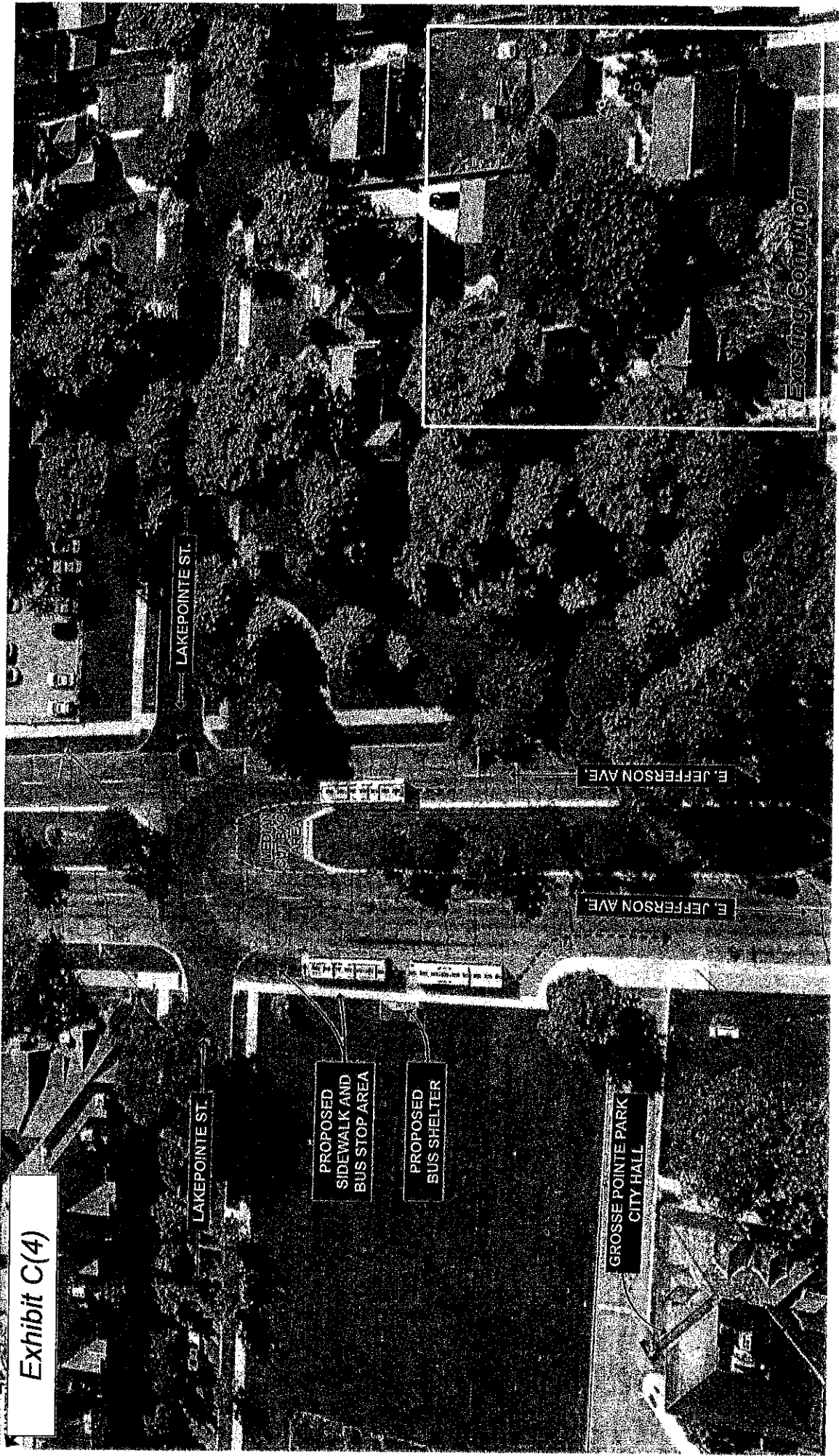
Exhibit C (3)



A. Paul and Carol C. Schaap Center for the Performing Arts
and the Richard and Jane Manoogian Art Gallery

View of Building Along Jefferson

Exhibit C(4)



A. Paul and Carol C. Schiaap Center for the Performing Arts and the Richard and Jane Manooogian Art Gallery

Proposed Sidewalk and Bus Parking Area

EXHIBIT D

QUIT CLAIM DEED

Subject to the following paragraph, the City of Detroit, a Michigan public body corporate, whose address is 2 Woodward Avenue, Suite 802, Detroit, Michigan 48226 ("Grantor"), quit claims to _____, a Michigan _____ ("Grantee"), whose address is _____, the premises located in the City of Detroit, Wayne County, Michigan, described as:

In attached Exhibit "A"

(the "Property"), for the sum of **Three Hundred Thousand and 00/100 Dollars (\$300,000.00)**, subject to and reserving to the City of Detroit its rights under public easements and rights of way, easements of record, applicable zoning ordinances, development plans pursuant to Act 344 of 1945 as amended (if any), and restrictions of record.

The following language is included pursuant to MCL Sections 560.109(3) and 560.109(4), added by 1996 PA 591, and applies only if the Property is not platted: "The Grantor grants to the Grantee the right to make all divisions under Section 108 of the land division act, Act No. 288 of the Public Acts of 1967, as amended. This property may be located within the vicinity of farmland or a farm operation. Generally accepted agricultural and management practices which may generate noise, dust, odors, and other associated conditions may be used and are protected by the Michigan right to farm act."

This deed is dated as of _____, 20 ____.

Witnesses:

CITY OF DETROIT,
A Michigan public body corporate

PRINT NAME

By: _____

PRINT NAME

Print: _____

Its: _____

STATE OF MICHIGAN)
)SS
COUNTY OF WAYNE)

The foregoing instrument was acknowledged before me on _____,
20__ by _____, the _____ of the
City of Detroit, a Michigan public body corporate, on behalf of the City.

_____, Notary Public

County, Michigan
My commission expires: _____
Acting in the County of _____

Pursuant to § 18-5-4 of the Detroit City
Code, I hereby certify that proper and fair
consideration has been received by the City
pursuant to this instrument.

Approved by City Council on June 13, 2017

Approved by the Mayor on June 19, 2017

Finance Director

Approved by Corporation Counsel pursuant
to § 7.5-206 of the 2012 Charter of the City
of Detroit.

Corporation Counsel

This instrument drafted by:
City of Detroit Law Department
2 Woodward Avenue, Suite 500
Detroit, Michigan 48226

When recorded return to:

Exempt from transfer tax pursuant to MCL § 207.505(h)(i) and MCL § 207.526(h)(i).