

## PUBLIC NOTICE

Chair  
**ERIC SCHERTZING**  
Vice-Chair  
**BRIAN McGRAIN**

Appointed Members  
**REBECCA BAHAR-COOK, Treasurer**  
**DEB NOLAN, Secretary**  
**KARA HOPE**

### **Ingham County Land Bank Fast Track Authority**

422 Adams Street, Lansing Michigan 48906 517.267.5221 Fax 517.267.5224

**THE INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY WILL MEET ON  
MONDAY, MAY 6, 2013 AT 5:00 P.M., IN THE PERSONNEL CONFERENCE ROOM  
(D&E), HUMAN SERVICES BUILDING, 5303 S. CEDAR, LANSING**

#### Agenda

Call to Order

Approval of Minutes – April 8, 2013

Additions to the Agenda

Limited Public Comment – 3 minutes per person

1. Community Projects Update
2. 200 Huron Street (Old Oak Tree)
3. Resolution to Authorize Revolving Loan Fund Borrowing
4. Resolution to Approve Sale of 136 S. Magnolia, Lansing
5. Resolution to Authorize CDBG demolition Agreement
6. Resolution to Purchase Tax Foreclosed Parcels
7. Property maintenance, renovation & development
  - a. Residential Property Update-Dashboard
  - b. Commercial Property Update
  - c. Garden Program Dashboard
  - d. Vacant Lot Update
  - e. General legal update- Counsel
  - f. Capital Community Bike Share
8. Accounts Payable & Monthly Statement
  - a. Accounts Payable Approval – April 2013
  - b. Monthly Statement – March 2013

9. Chairman & Executive Director Comments

Announcements

Public Comment – 3 minutes per person

Adjournment

**PLEASE TURN OFF CELL PHONES OR OTHER ELECTRONIC  
DEVICES OR SET TO MUTE OR VIBRATE TO AVOID  
DISRUPTION DURING THE MEETING**

**INGHAM COUNTY LAND BANK  
FAST TRACK AUTHORITY**

April 8, 2013  
Minutes

Members Present: Eric Schertzing, Comm. Bahar-Cook, Comm. Nolan, Comm. McGrain, Comm. Hope

Members Absent: None

Others Present: Mary Ruttan, Tim Perrone, Joe Bonsall, Sandy Gower, Lynne Martinez, Abe Cuddeback

The meeting was called to order by Chairperson Schertzing at 5:00 p.m. Conference Room D & E of the Human Services Building, 5303 S. Cedar, Lansing.

Approval of the March 4, 2013 and March 8, 2013 Minutes

MOVED BY COMM. MCGRAIN, SUPPORTED BY COMM. NOLAN, TO APPROVE THE MARCH 4, 2013 AND MARCH 8, 2013 MINUTES.

Comm. McGrain inquired if it was appropriate for the Chair to second a motion. Tim Perrone responded that the Chair should typically refrain from making a motion but there is no reason they cannot offer a second.

MOTION CARRIED UNANIMOUSLY. Absent: Comm. Bahar-Cook

Additions to the Agenda:

The following items were added to the agenda:

- 1a. 136 S Magnolia, Lansing – Abe Cuddeback
- 1b. Capital Community Bike Share – Lynne Martinez
- 3g. Resolution to Approve the Sale of Property to the Township of Leroy, a Tax Exempt Entity

Limited Public Comment: None

Comm. Bahar-Cook arrived at 5:03 p.m.

- 1. Community Projects Update
- 1a. 136 S Magnolia, Lansing – Abe Cuddeback

Chairperson Schertzing introduced Abe Cuddeback, who is interested in purchasing 136 S Magnolia, Lansing for a rental. Mr. Cuddeback introduced himself to the board and provided his personal background. He currently owns 116 S Magnolia as a rental. He purchased the property in 2009 and has invested approximately \$35,000 in the property. Comm. Bahar-Cook asked about the rental to homeowner ration on the block. Executive Director Ruttan stated she did not have the specifics, but estimated it would be about 60-40 rentals. Comm. McGrain asked where Mr. Cuddeback lived. He replied that his home was in neighborhood behind Donley Elementary School. Comm. McGrain asked if they self-manage their rentals. Mr. Cuddeback responded that he does. Comm. McGrain asked if Mr. Cuddeback owned any other rentals besides 116 S Magnolia. Mr. Cuddeback stated he owned a second rental near the intersection of Grand River and Hagadorn. Comm. Bahar-Cook asked about the time-frame for renovations to be completed. Chairperson Schertzing stated the agreement would require all renovations to be completed within two years. Comm. Bahar-Cook stated she was supportive of the project, but felt uncomfortable without more concrete policies to back it up. Executive Director Ruttan reminded the board that they had already approved two test cases for the new investor program – one rental and one owner-occupied – with the goal of working out the final details so that the board would not have to approved multiple revisions to the program. This is a presentation of the proposed rental test case. However, because it is a transfer to a non-owner-occupant, the board must grant approval before going forward. Comm. Hope asked how we would ensure Mr. Cuddeback would follow-through with the required renovations. Executive Director Ruttan stated an option to purchase would give Mr. Cuddeback the necessary legal interest in the property to carry out the renovations. Title to the property will not transfer until the requirements of the purchase option, i.e. the renovations, etcetera, have been satisfied. Comm. Bahar-Cook stated she would like the board to see the offer to purchase before approving the sale.

#### 1b. Capital Community Bike Share – Lynne Martinez

Chairperson Schertzing introduced Lynne Martinez who wished to address the board concerning Capital Community Bike Share. Ms. Martinez presented a handout to board members and updated them on the progress made so far. She stated the money requested would be used to help the organization complete the application for 501(c)(3) status with the IRS. Comm. Nolan asked who was on the organization's board. Ms. Martinez stated the board members are: Rick Brown, from Meridian Township and Randy Kilpatrick, from the City of Lansing. There is one vacancy on the board caused by the recent resignation of Rory Neuner. They are in the process of setting up interviews to fill that vacancy. Comm. Nolan asked why the group was still investing in planning and had not moved on to implementation. Ms. Martinez responded that the initial surveys had been used to establish the existence of need and community interest. Further research is needed to establish the concrete details of the project such as locations and structure.

MOVED BY COMM. MCGRAIN, SUPPORTED BY COMM. BAHAR-COOK, TO AUTHORIZE A GRANT OF \$2,500 TO CAPITAL COMMUNITY BIKE SHARE. MOTION CARRIED UNANIMOUSLY.

2. Financial

2a. Valuation Report

Chairperson Schertzing stated the property valuation report was included in the meeting packet. It does not include any structures included in the NSP2 program because the proceeds of those sales must be returned to MSHDA. Executive Director Ruttan explained the amounts in "Land Value" column were derived using a formula based on the average square-foot value based on a sampling of vacant land appraisals throughout the City of Lansing. The values are \$0.53/square-foot for a buildable lot and \$0.38/square-foot for non-buildable lots.

2b. Land Contract Accounts Receivable

Chairperson Schertzing stated the land contract accounts receivable balance sheet was included in the packet. Comm. McGrain asked what the standard re-payment time-frame was. Joseph Bonsall replied that land contracts typically include a three-year balloon payment. However, the Land Bank does have a number of land contracts structured over ten years with no balloon payment. He added that land contract purchasers pay an average of 7% interest.

2c. Monthly Statement – February 2013

The February 2013 monthly financial statement was received and placed on file. Executive Director Ruttan provided an overview of the statement for board education. Comm. McGrain asked about the relationship between the values shown as land contract receivable and land contract revenue. Executive Director Ruttan explained that because land contracts carry the legal responsibility to pay, the revenues for the entire year are recognized at once and the receivable is reduced as payments come in. Comm. Nolan asked what makes up the Due to MSHDA – NSP2 liability item. Executive Director Ruttan stated that is the actual costs of the NSP2 projects which are paid back to MSHDA when the homes are sold.

2d. July 1, 2013 Maturity of 2007A/2009A Series Note

Chairperson Schertzing stated the Land Banks existing notes will mature on July 1, 2013. The notes will need to be extended and/or increased before that date. Executive Director Ruttan reminded the board that part of the rationale behind creating the property valuation report was to demonstrate the Land Bank's assets far exceed its liabilities. Comm. Bahar-Cook asked about the need for an expanded line of credit to continue the Land Bank's operations. Chairperson Schertzing stated that a significant portion of the Land Bank's debt is in the land contract receivable which serves to earn the Land Bank money in the form of interest and furthers the goal of expanding home-

ownership opportunities. However, having that money in the receivable can hinder the Land Bank's ability to take advantage of opportunities to participate in projects or acquire strategic properties. If the Land Bank's line of credit is not increased, it will decrease our ability to take advantage of possible future opportunities.

- 3. Property Maintenance, Renovation & Development
- 3f. General Legal Update – Counsel

Mr. Perrone stated there were no legal issues to report.

Comm. Hope left the meeting at 6:39 p.m.

- 3a. Residential Property Update – Dashboard

Chairperson Schertzing stated the dashboard was included in the meeting packet.

- 3b. Commercial Property Update

Chairperson Schertzing stated there was no commercial property update this month.

- 3c. PROP Update

Chairperson Schertzing stated there was no PROP update this month.

- 3d. Garden Program Update – Dashboard

Chairperson Schertzing stated the Garden Program dashboard was included in the packet.

- 3e. Vacant Lot Update

Chairperson Schertzing stated we continue to make progress marketing our vacant lots.

- 3g. Resolution to Approve the Sale of Property to the Township of Leroy, a Tax Exempt Entity

MOVED BY COMM. NOLAN, SUPPORTED BY COMM. BAHAR-COOK, TO APPROVE THE RESOLUTION TO APPROVE THE SALE OF PROPERTY TO THE TOWNSHIP OF LEROY, A TAX EXEMPT ENTITY.

Chairperson Schertzing stated an email received from Leroy Township indicating the Township's desire to acquire 2480 E. Grand River Ave., Williamston for the purpose of demolishing the structure. The Land Bank's Policies and Procedures require board approval for any transfer of property to a tax-exempt entity. Comm. McGrain asked what the property was. Mr. Bonsall replied it is an abandoned mini-storage facility that is sinking into a swamp.

MOTION CARRIED UNANIMOUSLY.

4. Accounts Payable & Monthly Statement

6a. Accounts Payable Approval – March 2013

MOVED BY COMM. NOLAN, SUPPORTED BY COMM. BAHAR-COOK TO APPROVE THE ACCOUNTS PAYABLE FOR MARCH 2013. MOTION CARRIED UNANIMOUSLY.

6b. Accounts Payable Approval – February 2013

MOVED BY COMM. MCGRAIN, SUPPORTED BY COMM. BAHAR-COOK TO APPROVE THE ACCOUNTS PAYABLE FOR FEBRUARY 2013. MOTION CARRIED UNANIMOUSLY. Absent: Comm. Hope

7. Chairman and Executive Director Comments

Chairperson Schertzing reminded everyone to put May 4-5 on their calendars for the Land Bank's Spring Home Showcase.

Announcements: None

Limited Public Comment: None

The meeting adjourned at 6:25 p.m.

Respectfully submitted,

Joseph Bonsall

## **Lease for 200 Huron Street (parcel with old oak tree)**

Carol Skillings [skillings@mindspring.com]

**Sent:** Monday, April 22, 2013 1:17 AM

**To:** Ruttan, Mary

**Cc:** Paul Pratt [paulpratt@dchrysler@sbcglobal.net]; rjohnson@lansingmi.gov

Hello Mary,

I met with the Westside Neighborhood Association last Thursday evening. They had reviewed the proposed lease language, and the main concern they have is over the indemnification clause. This presents a fair amount of uncertainty over liability, and a desire to purchase liability insurance, with this small nonprofit cannot afford. Is there any way to remove or adjust this language to make it more acceptable? Is the intent to remove the Land Bank from any responsibility should something happen at the property? Including for the accidents an owner could be responsible for, for example, a falling tree limb?

I will contact The Nature Conservancy to see if they might be interested in becoming the nonprofit lessee. They may have more experience with lease contract language.

I am cc-ing a couple of people in this email because of expressed interest. Paul Pratt is a WNA board member, as well as a county employee. Bob Johnson, as you know, is the city's director of the Planning and Neighborhood Development department. Bob, along with a couple of other city employees, happened to be attending the WNA board meeting.

I plan on attending the May 6<sup>th</sup> Land Bank meeting, but will touch base with you prior to then with any updates I may have by then.

Thank you for all of your help with this property question.

Carol Skillings

374-6666 (home phone)

# **INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY**

## **ADOPT A LOT LEASE AGREEMENT**

1. THIS LEASE entered into this \_\_\_\_\_ day of \_\_\_\_\_, by and between the Ingham County Land Bank Fast Track Authority, hereinafter call Lessor, whose address is 422 Adams Street, Lansing, Michigan 48906 and \_\_\_\_\_, hereinafter called the Lessee, whose address is \_\_\_\_\_, to use and occupy the property hereinafter described under the terms and subject to the conditions contained herein.

2. The Lessor hereby leases to the Lessee the following property:

Commonly known as: 200 Huron Street, Lansing, MI 48915

Also described as: Lot 6 Exc W 33 FT Block 3 Kepfs Add

Further identified as permanent parcel ID number: 33-01-01-17-330-181

Hereafter, "the Property," to be used exclusively for the following purpose:

Community based greening and gardening of vacant lot

3. To have and to hold said Property for a \_\_\_\_ year period beginning on the date of execution of this lease agreement, which may be terminated at any time by either party giving to the other a sixty days written notice, for the sum of One Dollar (\$1.00) per year.

### **GENERAL CONDITIONS**

4. Lessee has inspected and knows the condition of the Property and agrees to accept same in its "as is" condition.

5. Lessee shall be responsible for any future installments of any special assessments which may now, or in the future, be levied against the Property.

6. Lessee shall maintain the Property in accordance with all applicable Municipal laws, ordinances, and regulations including, but not limited to seasonal lawn and sidewalk maintenance.

7. Lessee shall comply with all applicable Federal, Municipal and State laws, ordinances, and regulations.



8. Lessee agrees not to use the Property in any way which, in the judgment of the Lessor poses a hazard to the Lessor or the Property, in part or in whole, nor shall Lessee use the Property so as to cause damage, annoyance, nuisance, or inconvenience to others.

9. Lessee is permitted to make improvements to the Property relating to lawn maintenance, gardening or landscaping including adding raised beds, compost, mulch, trees or plants.

10. Any other improvements to the Property, or removal of Lessor's property, including trees, or alterations shall not be made without the prior consent of Lessor.

11. Lessor reserves the right to enter the Property at any time to inspect it or make such repairs, additions, or alterations as Lessor considers necessary for the safety, improvement, or preservation of the Property.

12. Except with the prior written consent of Lessor, Lessee shall neither transfer nor assign this lease or any rights hereunder, nor sublet the Property nor grant any interest, privileges or license whatsoever in connection with this Lease.

13. Any notice or advice to or demand upon Lessee shall be in writing and shall be deemed to have been given or made on the day when it is sent by certified mail to the Lessee's address indicated in paragraph 1, or at such other address as Lessee may hereafter from time to time specify in writing for such purpose. Any notice or advice to or demand upon Lessor shall be in writing and shall be deemed to have been given or made on the day when it is sent by certified mail to the Lessor's address indicated in paragraph 1, or at such other address as Lessor may hereafter from time to time specify in writing for such purpose.

14. Lessor shall not be responsible for damage to property or injuries to persons, which may arise from or be incident to the use and occupation of the Property, nor for damages to the Property or injuries to the person of Lessee or of others who may be on the Property at Lessee's invitation and Lessee shall, at its own expense, protect, defend, indemnify, and hold harmless Lessor, its elected and appointed officers, employees and agents from all claims, damages (including, but not limited to direct, indirect, incidental, consequential, special and punitive damages), costs, lawsuits and expenses including, but not limited to, all costs from administrative proceedings, court costs and attorney fees, that they may incur as a result of any acts, omissions or negligence of Lessee, its employees or agents or its subcontractors or sub-subcontractors, or any of their officers, employees or agents which may arise out of this agreement.

The Lessee's indemnification responsibilities shall include the sum of damages, costs and expenses which are in excess of the sum paid out on behalf of or reimbursed to Lessor, or its elected and appointed officers, employees, agents.

15. This lease shall be construed according to the laws of the State of Michigan. The Lessor and the Lessee agree that the venue for the bringing of any legal or equitable action under this lease shall be established in accordance with the statutes of the State of Michigan and/or Michigan Court Rules.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

By: \_\_\_\_\_  
XXXXXXX, Lessee

Ingham County Land Bank Fast Track  
Authority,

By: \_\_\_\_\_  
Eric Schertzing, Chairman

INGHAM COUNTY LAND BANK AUTHORITY

**RESOLUTION TO AUTHORIZE THE RENEWAL OF THE CURRENT OBLIGATION,  
AN ADDITIONAL REVOLVING LOAN BORROWING AND REQUEST THE FULL  
FAITH AND CREDIT PLEDGE FROM INGHAM COUNTY**

**RESOLUTION #13-04**

**WHEREAS**, the Land Bank Fast Track Act, 2003 PA 258, being MCL 124.751 *et seq.*, ("the Act") establishes the State Land Bank Fast Track Authority; and

**WHEREAS**, the Ingham County Treasurer, with Ingham County Board of Commissioners approval, has entered into an intergovernmental agreement under the Act:

**WHEREAS**, the Land Bank is in need of additional funding to continue the acquisition, renovation, selling, and capacity building of distressed properties; and

**WHEREAS**, it is advantageous to request proposals from multiple banks; and;

**THEREFORE BE IT RESOLVED**, that the Authority authorizes the Chair to negotiate the terms and conditions for the renewal of the current obligation in the amount of \$5,000,000 and to solicit an additional obligation in the amount of \$4,000,000 under terms similar to the existing funding;

**BE IT FURTHER RESOLVED**, that the Chair is requested to work with the County Controller to prepare a resolution requesting County Board Full Faith and Credit.

Aye:

Nay:

Absent:

## Three Year Projection Plan Revolving Loan Increase

### 1. Land contract funding: \$1,000,000.

The current climate for residential mortgage financing remains restricted. Many potential first time buyer's do not meet the much higher standards of conventional mortgage lenders. Offering land contracts to buyers within a relatively short time period to meet the conventional standards is an appropriate way to sell Land Bank homes. We have put in place standards and procedures to reasonably assure that the land contract will be a successful method of selling and buying a home. We require the buyer to attend an eight hour home buyer education class, counseling for individual financial and budgeting and a contractual obligation that the buyer seeks additional financial counseling at our discretion. Our standard terms are a minimum of 10% down, principal and interest payment based on a 7% rate, a 20 year amortization and a three year demand clause(balloon).

### 2. Acquisition, renovation and new construction funding: \$1,500,000

The Land Bank needs to prepare for the acquisition, renovation or new construction of at least 25-30 homes per-year over the next three years. The housing market is still spiraling from the effects of the mortgage and economic condition issues, evidenced by the number of 2013 tax foreclosures and the projected 2014 tax foreclosures. With the termination of the Neighborhood Stabilization federal funding, the Land Bank needs to continue to maintain the momentum created by those funds to eliminate blight and restore neighborhood communities

### 3. Multi-family/Mixed Use funding: \$1,500,000

The Land Bank needs to continue to build its capacity with diverse projects. A main component of an urban city is density. Multi-family units create this density. Over the past several years, the Land Bank has been assembling properties (Land Banking) for this purpose. This assemblage of property is located mainly on the main corridors of Lansing. When opportunities of this magnitude present itself through a public-private partnership, the Land Bank needs to be ready to respond as a development/equity partner.

# Revolving Loan Schedule

Date	Lender	Series	Principal Amount	Due Date	Paid Date
4/3/2006	Citizens Bank	Series 2006 Note	1,000,000	5/1/2011	8/13/2008
6/4/2007	Capital National	Refunding of Series 2006 Note	1,000,000	7/1/2010	8/5/2010
6/3/2007	National City (PNC)	Series 2007A Note	3,000,000	7/1/2010	
10/5/2009	National City (PNC)	Series 2009A Note	2,000,000	7/1/2010	
5/3/2010	PNC Bank - Extension	Series 2007A & 2009A	5,000,000	7/1/2013	

### Bond Counsel Costs

Date	Series	Principal	Invoice Amt
April 2006	Series 2006 Note	1,000,000	18,200
June 2007	Ref. Series 2006	1,000,000	
	Series 2007A	3,000,000	25,000
October 2009	Series 2009A	2,000,000	9,750
May 2010	Extension	5,000,000	10,598

INGHAM COUNTY LAND BANK AUTHORITY

**RESOLUTION TO APPROVE THE SALE OF 136 S. MAGNOLIA TO ABRAHAM H. CUDDEBACK FOR \$20,000 WITH PERFORMANCE CREDIT UP TO \$18,000 UNDER THE PROPOSED INVESTOR PROGRAM AND OPTION TO PURCHASE AGREEMENT.**

**RESOLUTION #13-05**

**WHEREAS**, the Land Bank Fast Track Act, 2003 PA 258, being MCL 124.751 *et seq.*, ("the Act") establishes the State Land Bank Fast Track Authority; and

**WHEREAS**, the Act allows a foreclosing governmental unit, such as the Ingham County Treasurer, to enter into an intergovernmental agreement with the State Land Bank Fast Track Authority providing for the exercise of the powers, duties, functions, and responsibilities of an authority under the Act, and for the creation of a County Land Bank Fast Track Authority (the "Authority") to exercise those functions; and

**WHEREAS**, the Ingham County Treasurer, with Ingham County Board of Commissioners approval, has entered into such an intergovernmental agreement under the Act; and

**WHEREAS**, the Ingham County Land Bank Fast Track Authority received title to 136 S. Magnolia, Lansing (33-01-01-14-303-361) in July of 2008 through tax foreclosure; and

**WHEREAS**, the Ingham County Land Bank Fast Track Authority has previously approved the sale of property to a rental developer as a test case under the proposed investor program; and

**WHEREAS**, Mr. Cuddeback wants to purchase the property through our proposed investor program as a rental; and

**WHEREAS**, Mr. Cuddeback already owns a registered rental on the block and does not have any code violations at 116 S. Magnolia; and

**WHEREAS**, the 100 block of S. Magnolia is 60% rental and 40% owner occupied; and

**WHEREAS**, Mr. Cuddeback will invest significant funds to renovate and return the property to the tax rolls; and

**THEREFORE BE IT RESOLVED**, that the Authority authorizes the sale of 136 S. Magnolia, Lansing to Abraham H. Cuddeback for the sum of \$20,000 with performance credit in the amount of \$18,000 under the proposed investor program and option to purchase agreement.

AYE:

NAY:

ABSENT:



www.inghamlandbank.org

## Ingham County Land Bank Fast Track Authority

422 Adams Street • Lansing, Michigan 48906 • phone (517) 267-5221 • fax (517) 267-5224

### OPTION TO PURCHASE AGREEMENT

This **OPTION TO PURCHASE AGREEMENT** is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the **INGHAM COUNTY LAND BANK** (hereinafter referred to as "Seller"), and \_\_\_\_\_ (hereinafter referred to as "Buyer").

1. **Property:** Seller grants to Buyer and Buyer receives from Seller, upon the terms and conditions contained herein, an exclusive Option to Purchase the property located at 136 S. Magnolia, Lansing, Michigan 48912, permanent parcel number 33-01-01-14-303-361; further described as shown in the attached "Exhibit A", hereinafter referred to as the "Property").
2. **Term and Default:** This Agreement shall remain in effect for a period of six (6) months from the day and year first stated above, unless:
  - A. Buyer exercises their option to purchase in accordance with Section 7 of this Agreement; or
  - B. Buyer violates the exclusivity condition of this Agreement; or
  - C. This Agreement is terminated pursuant to any of its terms.

This Agreement may be renewed for an additional thirty (30) days beyond the expiration of the initial term by Buyer and Seller's mutual written consent.

3. **Consideration:** Upon execution of this Agreement Buyer shall remit to Seller consideration in the form of a non-refundable Option Fee in the amount of Two Thousand (**\$2,000.00**) Dollars.

In the event Buyer timely exercises their purchase option and successfully closes the conveyance of the Property and is not in default of this agreement, the Option Fee shall be fully credited towards Buyer's costs at closing.

4. **Exclusivity:** This Option to Purchase Agreement is both exclusive and non-assignable. Any attempted assignment, delegation, transfer, or conveyance of this Option to Purchase Agreement without Seller's prior express written consent is null and void and shall automatically void and default this Option to Purchase Agreement with no prior notice required from or liability to Seller, and Buyer shall automatically forfeit their Option Fee.
5. **Purchase Price:** The purchase price for the Property pursuant to this Agreement is Twenty Thousand (**\$20,000.00**) Dollars, plus applicable closing costs. If Buyer timely exercises their purchase option, and is not in default of this Agreement, Buyer shall be credited their full Option Fee at closing. There shall be no real estate commissions paid as a result of this transaction.
6. **Performance Credit:** Seller shall grant Buyer a performance credit for verifiable renovation expenses in an amount not to exceed Eighteen Thousand (**\$18,000.00**) Dollars. The Performance credit is based on 50% of the invested improvements. Buyer must provide actual receipts and/or invoices for renovation expenses and provide a third-party verified home energy rating with a



HERS Index score no higher than 100. Buyer shall be credited for the performance credit at closing.

7. **Notice to Exercise Option:** To exercise and initiate their option to purchase, Buyer shall deliver written notice of intent to purchase the Property to Seller prior to the expiration of this Agreement. The notice may be delivered personally or sent by certified mail and must be received by Seller before the Agreement expires.
8. **Failure to Exercise the Option:** If Buyer fails to properly exercise the Option before this Agreement expires, the Option shall terminate, Seller shall retain the Consideration and shall have no further obligation to Buyer, including for any improvements and/or investments made to the Property.

9. **Notice to the Parties:** Notice to Seller shall be delivered to:

Ingham County Land Bank  
422 Adams Street  
Lansing, MI 48906

Or at such other address as Seller may designate.

Notice to Buyer shall be delivered to:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/ZIP: \_\_\_\_\_

Or at such other address as Buyer may designate.

10. **Improvements to the Property:** All improvements and appurtenances to the property are included in the purchase price, including now in or on the property, the following: T.V. antenna and complete rotor equipment; lighting fixtures and their shades; appliances; utility structures; all plantings; fence(s).
11. **Lead-Based Paint Disclosure:** The dwelling on the Property was built before 1978. Lead from paint, paint chips, and dust can pose health hazards if not taken care of properly. The Property is not known to have any lead paint in or on it, and there is no known lead paint danger associated with the Property. The Seller shall, upon Buyer's request, provide a Federally-approved lead-based paint hazards pamphlet, which also includes lead poisoning prevention.
12. **Closing:** This sale shall be closed within ten (10) days after all the closing documents are prepared but no later than forty-five (45) days after Seller receives the notice that Buyer is exercising the Option.
13. **The Closing and Preparations for the Closing:** If Buyer exercises the Option, the following obligations shall be performed before or at the closing:
- A. Seller shall prepare the necessary conveyance documents to transfer its title to Buyer and forward them to Buyer for Buyer's review at least five (5) days before the scheduled date of the closing.
  - B. The closing shall be held at Capital Fund Title Services, LLC, 1118 S Washington, Lansing, Michigan 48910.
  - C. Seller will provide a commitment for an ALTA Homeowner's Policy of Title insurance issued by Capital Fund Title Services, LLC in an amount not less than the purchase price, without expense to Buyer.
  - D. Real estate taxes billed before the close of sale are to be paid by the seller. The buyer

shall pay all real estate taxes billed on or after close of sale. Real estate taxes shall be prorated on a calendar year basis with the Seller charged from January 1 to the date of closing. If the current tax bills are not yet issued, the tax amount will be estimated by using the millage rate and taxable value at the time of closing. Any unbilled public improvements/special assessments outstanding at the time of closing shall be the responsibility of the Buyer. Seller shall pay any current municipal charges for water and sewage to the date of occupancy.

14. **Financing:** Financing shall not be a condition of this Agreement. It is the sole responsibility of the Buyer to arrange timely financing for all transactions relevant to this agreement. Seller has made no representations to Buyer and has no duty to Buyer regarding the availability of financing or Buyer's ability to obtain financing.
15. **Remedies Upon Default:** In the event of any default by the Buyer of this Agreement, then in addition to any remedies available to Seller at law or in equity, Seller shall have the option to terminate this Agreement and all rights hereunder by giving written notice of termination with no prior written notice required or liability to Seller.
16. **Entirety of Agreement:** This Agreement and the attached Exhibit A constitute the entire agreement between Seller and Buyer. Any changes or modifications to this Agreement shall be in writing, signed by all parties hereto.  
  
Buyer and Seller agree that they have read this Agreement and understand the terms contained herein.
17. **Waivers:** No failure or delay on the part of either of the parties to the Agreement in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall a single or partial exercise of any right, power, or privilege preclude any other or further exercise of any other right, power or privilege.
18. **Choice of Law and Venue:** This Agreement shall be construed according to the laws of the State of Michigan. Seller and Buyer agree that the venue for the bringing of any legal or equitable action under this contract shall be established in accordance with the statutes of the State of Michigan and/or Michigan Court Rules.
19. **Severability:** In the event that any one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this agreement, but this agreement shall be construed as if such invalid, illegal or unenforceable provisions had never been contained herein, unless the deletion of such provision or provisions would result in such a material change so as to cause completion of the transactions contemplated herein to be unreasonable.  
  
Seller and Buyer agree that if any part of this contract is determined invalid, either party may open negotiations solely with respect to a substitute for such invalid portion, within two (2) weeks after a ruling has been made.
20. **Timeliness:** Time is of the essence of this Agreement.

**IN WITNESS WHEREOF,** the parties hereto have executed this contract the day and year first written above.

INGHAM COUNTY LAND BANK  
FAST TRACK AUTHORITY

\_\_\_\_\_  
Witness

\_\_\_\_\_  
By: Eric Schertzing

Its Chair

BUYER

\_\_\_\_\_  
Witness

\_\_\_\_\_  
By:

Its

**EXHIBIT "A"**

Permanent Parcel ID: 33-01-01-14-303-361  
Address: 136 S. Magnolia, Lansing, MI 48912  
Legal Description: LOT 252 Leslie Park Sub  
Sale Price: \$20,000.00

INGHAM COUNTY LAND BANK AUTHORITY

**RESOLUTION TO AUTHORIZE THE CHAIRMAN AND EXECUTIVE DIRECTOR TO  
ENTER INTO A CDBG DEMOLITION AGREEMENT WITH THE CITY OF LANSING**

**RESOLUTION #13-06**

**WHEREAS**, the Land Bank Fast Track Act, 2003 PA 258, being MCL 124.751 *et seq.*, (“the Act”) establishes the State Land Bank Fast Track Authority; and

**WHEREAS**, the Act allows a foreclosing governmental unit, such as the Ingham County Treasurer, to enter into an intergovernmental agreement with the State Land Bank Fast Track Authority providing for the exercise of the powers, duties, functions, and responsibilities of an authority under the Act, and for the creation of a County Land Bank Fast Track Authority (the “Authority”) to exercise those functions; and

**WHEREAS**, the Ingham County Treasurer, with Ingham County Board of Commissioners approval, has entered into such an intergovernmental agreement under the Act; and

**WHEREAS**, the City of Lansing has applied for and received funds under the federal Community Development Block Grant (CDBG) from the United States Department of Housing and Urban Development, and

**WHEREAS**, the City of Lansing wishes to engage the Ingham County Land Bank in utilizing such funds, and

**WHEREAS**, the Ingham County Land Bank will utilize the funds to remediate hazardous materials and demolish 24 structures, and

**WHEREAS**, the funding provides a sum of not to exceed \$225,800, and

**WHEREAS**, these functions fall under the mission and policies of the Ingham County Land Bank,

**THEREFORE BE IT RESOLVED**, that the Authority authorizes the Land Bank Chairman and the Executive Director to enter into a CDBG Demolition Agreement with the City of Lansing.

YEAS:

NAYS:

ABSENT:

**FY13-14 (April 1, 2013 to June 30, 2014)**  
**GRANTEE AGREEMENT**  
**BETWEEN**  
**CITY OF LANSING**  
**AND**  
**INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY**  
**FOR**  
**CDBG FUNDS**

THIS AGREEMENT entered this **1st** day of **April, 2013** by and between the City of Lansing, a Michigan municipal corporation (herein called the "Grantor") and Ingham County Land Bank Fast Track Authority, a public body corporate. (herein called the "Grantee").

WHEREAS, the Grantor has applied for and received funds from the United States Government under Title I of the Housing and Community Development Act of 1974, as amended (HCD Act), Public Law 93-383 (CFDA Number 14.214); and

WHEREAS, the Grantor wishes to engage the Grantee to assist the Grantor in utilizing such funds; and

WHEREAS, the Grantee is an existing entity established under the State of Michigan Land Bank Fast Track Act, Public Act 258 of 2003 with certain powers and duties; and

WHEREAS, the Grantee understands that this contract is for services provided to citizens within the city of Lansing's CDBG-eligible areas in accordance with 24 CFR 570.200;

WHEREAS, the Grantee agrees to perform such services and activities in accordance with applicable federal state and local laws and regulations, and in a lawful, satisfactory and proper manner observing all policies, procedures and requirements which have been or, from time to time, may be prescribed by the Grantor;

NOW, THEREFORE, it is agreed between the parties hereto that;

**I. SCOPE OF SERVICE**

**A. Activities**

The Grantee will be responsible completing demolition on properties acquired primarily through tax foreclosure. Such program will include demolition activities eligible under the HUD Community Development Block Grant program. Demolition and related activities will be conducted in accord with applicable local, state and federal ordinances, laws and regulations.

This contract provides funding for demolition of foreclosed blighted homes in the City of Lansing. The initial group of homes to be demolished is listed in Attachment D. Additional homes may be added or substituted as they are identified and so long as funds remain available under this agreement.

**B. National Objectives**

All activities funded with CDBG funds must meet the CDBG program's National Objective at **24 CFR 570.200 (2)** of providing benefit to low- and moderate-income families as further defined in **24 CFR 570.208 (a)**.

**The Grantee certifies that the activities carried out under this Agreement will benefit low, moderate and middle income households and/or will be located in CDBG eligible census tracts.**

C. Levels of Accomplishment – Goals and Performance Measures

The levels of accomplishment may include such measures as units acquired, rehabbed, maintained or sold, persons or households assisted, or other measures and may also include time frames for performance.

The Grantee agrees to provide the following levels of program services:

1. Using guidelines provided by the Grantor, together with other information, complete the demolition process for each property including but not limited to disconnecting all utilities, obtaining a stake survey, assessing, marking and abating hazardous materials, procuring demolition related services, razing existing structures, grading and seeding the property and documenting the process.
2. Obtain concurrence from the Grantor as to the procurement and selection of contractors and services.
3. In the delivery of the services specified herein, gather data for reporting purposes in a form sufficient to document demolitions in accord with Grantor and CDBG requirements.
4. Prepare and deliver to Grantor a complete and accurate record of all activities
5. Complete preliminary activities, demolition, file documentation and property maintenance, necessary during the term of this contract.
6. Procure all equipment, services and materials used as part of this program in compliance with the procurement standards found at 24 CFR 85.36 which is attached hereto as **Attachment C**.
7. The Grantee agrees to provide a detailed invoice to the City for completed property demolitions and related services.

Said invoice shall list the street address of each residential unit where the Grantee has completed the implementation of services hereunder, according to **Attachment B**. Addresses initially planned for demolition as listed on Attachment B may be substituted, added or subtracted as mutually agreed by the parties during the term of this contract.

**Accomplishments under this Agreement are coded as follows:**

**HUD Matrix Code: 01 Acquisition and disposition (24 CFR 570.201(a))**  
**National Objective Code: LMH**



<b>Accomplishment Type:</b> <b>10 – Housing Units</b> <b>Proposed Units:</b> <b>24</b> <b>See <a href="#">Attachment B</a> for Additional Reporting Requirements</b>
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D.     Staffing

Mary Ruttan, Executive Director  
Joseph Bonsall, Land Bank Coordinator  
Dawn VanHalst, Brownfield Coordinator  
Bruce Kehrens, Property Specialist  
Shanda Wrozek, Consultant for Demolition

Any changes in the Key Personnel assigned or their general responsibilities under this project are subject to the prior approval of the Grantor.

E.     Performance Monitoring

The Grantor will monitor the performance of the Grantee against goals and performance standards as stated above. Substandard performance as determined by the Grantor will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the Grantee within a reasonable period of time after being notified by the Grantor, contract suspension or termination procedures will be initiated.

II.    TIME OF PERFORMANCE

Services of the Grantee shall start on the **1st** day of **April 2013** and end on the **30<sup>th</sup> day of June 2014** or at such earlier time when disposition and all related activity has been completed for all properties under this agreement. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Grantee remains in control of CDBG funds or other CDBG assets, including program income.

III.   BUDGET

<b>TOTAL</b>	<b>\$225,800</b>
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Budget is for direct costs of demolition and activity delivery costs. No indirect costs are anticipated. Any indirect costs proposed must be approved in advance by the Grantor in writing and charges must be consistent with the conditions of Paragraph VIII (C) (2) of this Agreement. In addition, the Grantor may require a more detailed budget breakdown than the one contained herein, and the Grantee shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the Grantor. Any amendments to the budget must be approved in writing by both the Grantor and the Grantee.

IV.    PAYMENT

It is expressly agreed and understood that the total amount to be paid by the Grantor under this Agreement shall not exceed **\$225,800**. Draw downs for the payment of eligible expenses shall be made in accordance with performance. Expenses for activity delivery costs including personnel, supplies and other expenses shall also be paid in



accordance with performance. **Accomplishments are to be reported with every draw request.**

Payments may be contingent upon certification of the Grantee's financial management system in accordance with the standards specified in 24 CFR 84.21.

## V. NOTICES

Notices required by this Agreement shall be in writing and delivered via mail (postage prepaid), commercial courier, or personal delivery or sent by facsimile or other electronic means. Any notice delivered or sent as aforesaid shall be effective on the date of delivery or sending. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

Communication and details concerning this contract shall be directed to the following contract representatives:

### Grantor

Dorothy Boone, Manager  
City of Lansing  
316 N. Capitol Ave., Ste. D-2  
Lansing, MI 48933  
Phone: 517-483-4040  
Fax: 517-483-6036  
[dboone@lansingmi.gov](mailto:dboone@lansingmi.gov)

### Grantee

Mary Ruttan, Executive Director  
Ingham County Land Bank Authority  
422 Adams  
Lansing, MI 48906  
Phone: 517-267-5221  
Fax: 517-  
[mruttan@ingham.org](mailto:mruttan@ingham.org)

## VI. SPECIAL CONDITIONS

None

## VII. GENERAL CONDITIONS

### A. General Compliance

The Grantee agrees to comply with the requirements of **Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG))** including subpart K of these regulations, except that (1) the Grantee does not assume the recipient's environmental responsibilities described in 24 CFR 570.604 and (2) the Grantee does not assume the recipient's responsibility for initiating the review process under the provisions of 24 CFR Part 52. The Grantee will comply with the requirements of Section 203 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 USC 5121-5206, as amended by Section 102 of the Disaster Mitigation Act of 2000 (CFDA Number 97.047). The Grantee also agrees to comply with all other applicable Federal, state, and local laws, regulations, and policies governing the funds provided under this contract. The Grantee further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

### B. "Independent Contractor"

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Grantee shall at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The Grantor shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance, as the Grantee is an independent contractor.

C. Hold Harmless

The Grantee shall hold harmless, defend and indemnify the Grantor from any and all claims, actions, suits, charges, and judgments whatsoever that arise out of the Grantee's performance or nonperformance of the services or subject matter called for in this Agreement.

D. Workers' Compensation

The Grantee shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

E. Insurance & Bonding

The Grantee shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud, and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the Grantor.

The Grantee shall comply with the bonding and insurance requirements of 24 CFR 84.31 and 84.48, Bonding and Insurance.

F. Grantor Recognition

**The Grantee shall insure recognition of the role of the Grantor in providing services through this Agreement.** All activities, facilities, and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the Grantee will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.

G. Amendments

The Grantor or Grantee may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and approved by the Grantor's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the Grantor or Grantee from its obligations under this Agreement.

The Grantor may, in its discretion, amend this Agreement to conform with Federal, state, or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both Grantor and Grantee.

#### H. Suspension or Termination

In accordance with 24 CFR 85.43, the Grantor may suspend or terminate this Agreement if the Grantee materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

1. Failure to comply with any of the rules, regulations, or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
2. Failure, for any reason, of the Grantee to fulfill in a timely and proper manner its obligations under this Agreement;
3. Ineffective or improper use of funds provided under this Agreement; or
4. Submission by the Grantee to the Grantor reports that are incorrect or incomplete in any material respect.

In accordance with 24 CFR 85.44, this Agreement may also be terminated for convenience by either the Grantor or the Grantee, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the Grantor determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the Grantor may terminate the award in its entirety.

### VIII. ADMINISTRATIVE REQUIREMENTS

#### A. Financial Management

##### 1. Accounting Standards

The Grantee agrees to comply with 24 CFR 84.21-28 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

##### 2. Cost Principles

The Grantee shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations," or A-21, "Cost Principles for Educational Institutions," as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

#### B. Documentation and Record Keeping

##### 1. Records to be maintained

The Grantee shall maintain all records required by the Federal regulations specified in 24 CFR 570.506 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- c. Records required determining the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR 570.502, and 24 CFR 84.21-28; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.
- h. Records documenting clearance for all contractors and subcontractors through the Excluded Parties List System (EPLS) prior to execution of contracts.

## 2. Retention

The Grantee shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of five (5) years. The retention period begins on the date of the submission of the Grantor's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on the for final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations, or other actions that involve any of the records cited and that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five-year period, whichever occurs later.

## 3. Client Data

Where applicable, the Grantee shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level, or other basis for determining eligibility, and description of service provided. Such information shall be made available to Grantor monitors or their designees for review upon request.

## 4. Disclosure

The Grantee understands that client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the Grantor's or Grantee's responsibilities with respect to services provided under this contract, is prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

## 5. Close-outs

The Grantee's obligation to the Grantor shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets

(including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Grantor), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Grantee has control over CDBG funds, including program income.

6. Audits & Inspections

All Grantee records with respect to any matters covered by this Agreement shall be made available to the Grantor, grantor agency, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Grantee within 30 days after receipt by the Grantee. Failure of the Grantee to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. **The Grantee hereby agrees to have an annual agency audit conducted in accordance with current Grantor policy concerning Grantee audits and OMB Circular A-133.**

C. Reporting and Payment Procedures

1. Program Income

The Grantee shall report quarterly all program income (as defined at 24 CFR 570.500(a)) generated by activities carried out with CDBG funds made available under this contract. The use of program income by the Grantee shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Grantee may use such income during the contract period for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balance on hand. All unexpended program income shall be returned to the Grantor at the end of the contract period. Any interest earned on cash advances from the U.S. Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the Grantor.

2. Indirect Costs

If indirect costs are charged, the Grantee will develop an indirect cost allocation plan for determining the appropriate Grantee's share of administrative costs and shall submit such plan to the Grantor for approval, in a form specified by the Grantor.

3. Payment Procedures

The Grantor will pay to the Grantee funds available under this Agreement based upon information submitted by the Grantee and consistent with any approved budget and Grantor policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the Grantee, and not to exceed actual cash requirements. Payments will be adjusted by the Grantor in accordance with advance fund and program income balances available in Grantee accounts. In addition, the Grantor reserves the right to



liquidate funds available under this contract for costs incurred by the Grantor on behalf of the Grantee.

4. Progress Reports

The Grantee shall submit Progress Reports with every draw request to the Grantor in the form, content, and frequency as required by the Grantor. **Grantee shall submit all pertinent information on Attachment B including attachments as needed, copies of any newsletters/publications, and summary of all Milestones detailed in Section I of this contract as applicable.**

D. Procurement

1. Compliance

The Grantee shall comply with current Grantor policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpected program income, property, equipment, etc.) shall revert to the Grantor upon termination of this Agreement.

2. OMB Standards

**Unless specified otherwise within this agreement, the Grantee shall procure all materials, property, or services in accordance with the requirements of 24 CFR 85.36, Attachment C.**

3. Travel

The Grantee shall obtain written approval from the Grantor for any travel outside the metropolitan area with funds provided under this Agreement.

4. Suspension and Debarment

The Grantee certifies that it, or any principal party, is not debarred or suspended from participation in this program, nor is any subcontractor debarred or suspended from participation in this program. Grantee agrees to comply with Government-wide Nonprocurement Suspension and Debarment Common Rule [68 FR 66533], FAR Subpart 9.4 and Executive orders 12549 and 12689 and the Government-wide Nonprocurement Suspension and Debarment Common Rule [68 FR 66533] and to clear proposed contractors and subcontractors through the federal Excluded Parties List System (or successor federal system.) Grantee agrees to solicit offers from, award contracts, grants or financial or non-financial assistance and benefits to, and consent to subcontracts solely with responsible contractors and not allow a party to participate in any affected program if any executive department or agency has debarred, suspended, or otherwise excluded (to the extent specified in the exclusion action) that party from participation in the affected program.

E. Use and Reversion of Assets

The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 24 CFR Part 84 and 24 CFR 570.502, 570.503, and 570.504, as applicable, which include but are not limited to the following:

1. The Grantee shall transfer to the Grantor any CDBG funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.
2. Real property under the Grantee's control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of \$25,000 shall be used to meet one of the CDBG National Objectives pursuant to 24 CFR 570.208 until five (5) years after expiration of this Agreement. If the Grantee fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, the Grantee shall pay the Grantor an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such payment shall constitute program income to the Grantor. The Grantee may retain real property acquired or improved under this Agreement after the expiration of the five-year period.
3. In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment). Equipment not needed by the Grantee for activities under this Agreement shall be (a) transferred to the Grantor for the CDBG program or (b) retained after compensating the Grantor an amount equal to the current fair market value of the equipment less the percentage of non-CDBG funds used to acquire the equipment.

**IX. RELOCATION, REAL PROPERTY ACQUISITION, AND ONE-FOR-ONE HOUSING REPLACEMENT**

The Grantee agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. The Grantee shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606(b) (2) that are displaced as a direct result of acquisition, rehabilitation, demolition, or conversion for a CDBG-assisted project. The Grantee also agrees to comply with applicable Grantor ordinances, resolutions, and policies concerning the displacement of persons from their residences.

**X. PERSONNEL & PARTICIPANT CONDITIONS**

**A. Civil Rights**

**1. Compliance**

The Grantee agrees to comply with the Elliot Larsen Civil Rights Act, MCL 37.2101 et seq., and the Persons With Disabilities Civil Rights Act, MCL 37.1101 et seq. and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107, and 12086.

2. Nondiscrimination

The Grantee agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.

3. Land Covenants

This contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR 570.601 and 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared, or improved with assistance provided under this contract, the Grantee shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantor and the United States are beneficiaries of and entitled to enforce such covenants. The Grantee, in undertaking its obligations to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

The Grantee agrees to comply with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. The Grantor shall provide the Grantee with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Affirmative Action

1. Approved Plan

The Grantee agrees that it shall be committed to carry out pursuant to the Grantor's specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1966. The Grantor shall provide Affirmative Action guidelines to the Grantee to assist in the formulation of such program. The Grantee shall submit a plan for an Affirmative Action Program for approval prior to the award of funds.

2. Women- and Minority-Owned Businesses (W/MBE)



The Grantee will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed, or Spanish-heritage Americans, Asian-Americans, and American Indians. The Grantee may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

3. Access to Records

The Grantee shall furnish and cause each of its own Grantees or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantor, HUD, or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations, and provisions stated herein.

4. Notifications

The Grantee will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Grantee's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The Grantee will, in all solicitations or advertisements for employees placed by or on behalf of the Grantee, state that it is an Equal Opportunity or Affirmative Action employer.

6. Subcontract Provisions

The Grantee will include the provisions of Paragraphs X.A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own grantees or subcontractors.

C. Employment Restrictions

1. Prohibited Activity

The Grantee is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

2. Labor Standards

The Grantee agrees to comply with the requirements of the Secretary of Labor in accordance with the **Davis-Bacon Act** as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 *et seq.*) and all other applicable Federal, state, and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Grantee agrees to comply with the **Copeland Anti-Kick Back Act** (18 U.S.C. 874 *et seq.*) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The Grantee shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Grantor for review upon request.

The Grantee agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the Grantor pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5, and 7 governing the payment of wages and ratio apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Grantee of its obligation, if any, to require payment of the higher wage. The Grantee shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

3. "Section 3" Clause

a. Compliance

Compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the Federal financial assistance provided under this contract and binding upon the Grantor, the Grantee and any of the Grantee's grantees and subcontractors. Failure to fulfill these requirements shall subject the Grantor, the Grantee and any of the Grantee's subrecipients and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The Grantee certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

The Grantee further agrees to comply with these "Section 3" requirements and to include the following language in all subcontracts executed under this Agreement:

"The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to the

greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located.”

The Grantee further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

The Grantee certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

b. Notifications

The Grantee agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker's representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

c. Subcontracts

The Grantee will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The Grantee will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct

1. Assignability

The Grantee shall not assign or transfer any interest in this Agreement without the prior written consent of the Grantor thereto; provided, however, that claims for money due or to become due to the Grantee from the Grantor under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantor.

2. Subcontracts

a. Approvals

The Grantee shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the Grantor prior to the execution of such agreement.

b. Monitoring

The Grantee will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Content

The Grantee shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

d. Selection Process

The Grantee shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be forwarded to the Grantor along with documentation concerning the selection process.

3. Hatch Act

The Grantee agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

4. Conflict of Interest

The Grantee agrees to abide by the provisions of 24 CFR 84.42 and 570.611, which include (but are not limited to) the following:

- a. The Grantee shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees, or agents engaged in the award and administration of contracts supported by Federal funds.

- b. No employee, officer, or agent of the Grantee shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
- c. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Grantor, the Grantee, or any designated public agency.

5. Lobbying

The Grantee hereby certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
- c. It will require that the language of paragraph (d) of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all Grantees shall certify and disclose accordingly:
- d. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

6. Copyright

If this contract results in any copyrightable material or inventions, the Grantor and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

7. Religious Activities

The Grantee agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

**XI. ENVIRONMENTAL CONDITIONS**

A. Clean Air, Water Acts and EPA Regulations:

Compliance with Clean Air and Water Acts (applicable to all contracts over \$100,000). In carrying out this agreement, the Grantee agrees to comply with the requirements of Section 306 of the Federal Clean Air Act (42 USC 1857(h)), section 508 of the Clear Water Act (33 USC 1468), Executive Order 11738, and the Environmental Protection Agency regulations (40 CFR Part 15) respective to all contracts in excess of \$100,000 awarded by grantees and sub grantees. Such statutes and regulations prohibit the use under non-exempt Federal contracts, grants or loans of facilities included on the Environmental Protection Agency's List of Violating Facilities. The provision shall require reporting of violations to the grantor agency and to the US Environmental Protection Agency.

B. Energy Policy and Conservation Act:

Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94A 163, 89 Stat. 871).

C. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Grantee shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

D. Lead-Based Paint

The Grantee agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment, and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment, and/or abatement may be conducted.

E. Historic Preservation

The Grantee agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement.

In general, this requires concurrence from State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

**XII. SEVERABILITY**

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

**XIII. SECTION HEADINGS AND SUBHEADINGS**

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

**XIV. WAIVER**

The Grantor's failure to act with respect to a breach by the Grantee does not waive its right to act with respect to subsequent or similar breaches. The failure of the Grantor to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

**XV. ENTIRE AGREEMENT**

This agreement constitutes the entire agreement between the Grantor and the Grantee for the use of funds received under this Agreement and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the Grantor and the Grantee with respect to this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their authorized officers/directors as of the day and year first above written.

ATTEST:

**Ingham County Land Bank**

\_\_\_\_\_

BY: \_\_\_\_\_

Its: Mary Ruttan  
Executive Director

\_\_\_\_\_

BY: \_\_\_\_\_

Its: Eric Schertzing  
Board Chairman

ATTEST:

**CITY OF LANSING**

\_\_\_\_\_

BY: \_\_\_\_\_

Its: Virg Bernero  
Mayor

\_\_\_\_\_

BY: \_\_\_\_\_

Its: Chris Swope  
City Clerk

Approved as to form only:

I hereby certify that funds are available in  
Account #273-----

\_\_\_\_\_  
Brigham Smith, City Attorney

\_\_\_\_\_  
Randy Endsley, Accounting Manager



## Attachment A

### HOME, CDBG and Neighborhood Stabilization Plan (NSP) Maximum Gross Annual Household Income Limits

Effective Date: December 1, 2011

(New income limits are in process and subject to update during the term of this contract. Check for updates and use most current income limits.)

Household Size	Extremely Low 30%	Very Low 50%	Low 60%	Moderate 80%	100%	Middle 120%
1	\$14,450	\$24,050	\$28,900	\$38,500	48,100	\$ 57,800
2	\$16,500	\$27,500	\$33,000	\$44,000	55,000	\$ 66,000
3	\$18,550	\$30,950	\$37,100	\$49,500	61,900	\$ 74,200
4	\$20,600	\$34,350	\$41,200	\$54,950	68,700	\$ 82,400
5	\$22,250	\$37,100	\$44,500	\$59,350	74,200	\$ 89,000
6	\$23,900	\$39,850	\$47,800	\$63,750	79,700	\$ 95,600
7	\$25,550	\$42,600	\$51,100	\$68,150	85,200	\$ 102,200
8	\$27,200	\$45,350	\$54,400	\$72,550	90,700	\$108,800

The **80%** level indicates the **maximum** household income limit for participation in both the **CDBG and HOME** programs. The **120%** level indicates the **maximum** household income limit for participation in the **NSP** program.

**Annual household income includes income of all household members over the age of 18 years of age whether they are related or not.**

- It includes income received for the support of minor children, such as social security, child support, etc.
- You do not have to include income earned by dependent, full-time students over the age of 18, or income earned by children under the age of 18.
- This does not apply if the 18+-year-old student does not live with their legal guardian.



Proof of full-time student status must be provided in order to have any income earned by this household member deducted from the total annual household income.

## Attachment B

### Demolition Status Report

Milestones	(Address)	(Address)	(Address)	Comment
Confirm Deed and PPN				
Solicit Assessment Bids				
Assessment Awardee Name				
Pre Demo Photos (hazards)				
Assessment Survey Date				
Confirm Liability Insurance				
Assessment Inspection Report				
Remediation Report				
BWL disconnect				
Consumers disconnect				
Solicit Demo Bids				
Demo Awardee Name				
Confirm Liability Insurance				
Provide Survey				
Stake Site (if needed)				
Pre Demo Photo (Stakes)				
10 Day Notice				
Address tree or fence issues				
Observe Demolition				
Demo Completion date				
Post Demo Photos				
File Documentation Date				

### Addresses

33-01-01-04-151-051	637 Carrier
33-01-01-05-330-221	1515 Downey
33-01-01-09-306-101	612 Brook
33-01-01-09-362-241	621 W. Madison
33-01-01-09-364-021	722 Chestnut
33-01-01-10-181-271	1215 Vermont
33-01-01-10-480-021	728 Cleveland
33-01-01-15-104-421	504 Leshner
33-01-01-15-352-271	836 E. Kalamazoo
33-01-01-15-376-281	1104 E. Kalamazoo
33-01-01-16-101-021	623 N. Sycamore
33-01-01-16-110-071	404 N. Sycamore
33-01-01-17-226-101	926 Lapeer
33-01-01-17-228-341	921 Lapeer
33-01-01-22-308-021	1407 Pontiac
33-01-01-22-309-251	922 Baker
33-01-01-28-226-171	528 E. Mt. Hope
33-01-01-31-254-061	3002 Fielding
33-01-01-31-405-261	4512 Ingham
33-01-01-31-451-011	4720 Ballard
33-01-01-32-304-002	4308 Christiansen
33-01-01-33-428-121	543 Samantha
33-01-05-05-227-231	5204 Washington
33-01-01-08-376-301	841 Cawood



## **Attachment C**

### **24 CFR 85.36 Procurement**

#### **(a) States.**

When procuring property and services under a grant, a State will follow the same policies and procedures it uses for procurements from its non-Federal funds. The State will ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their implementing regulations. Other grantees and subgrantees will follow paragraphs (b) through (i) in this section.

#### **(b) Procurement standards.**

1. Grantees and subgrantees will use their own procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this section.
2. Grantees and subgrantees will maintain a contract administration system which ensures that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.
3. Grantees and subgrantees will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the grantee or subgrantee shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:
  - i. The employee, officer or agent,
  - ii. Any member of his immediate family,
  - iii. His or her partner, or
  - iv. An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award.

The grantee's or subgrantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subagreements. Grantee and subgrantees may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by State or local law or regulations, such standards or conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the grantee's and subgrantee's officers, employees, or agents, or by contractors or their agents. The awarding agency may in regulation provide additional prohibitions relative to real, apparent, or potential conflicts of interest.

4. Grantee and subgrantee procedures will provide for a review of proposed procurements to avoid purchase of unnecessary or duplicative items. Consideration

should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

5. To foster greater economy and efficiency, grantees and subgrantees are encouraged to enter into State and local intergovernmental agreements for procurement or use of common goods and services.
6. Grantees and subgrantees are encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.
7. Grantees and subgrantees are encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.
8. Grantees and subgrantees will make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.
9. Grantees and subgrantees will maintain records sufficient to detail the significant history of a procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.
10. Grantees and subgrantees will use time and material type contracts only
  - i. After a determination that no other contract is suitable, and
  - ii. If the contract includes a ceiling price that the contractor exceeds at its own risk.
11. Grantees and subgrantees alone will be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to source evaluation, protests, disputes, and claims. These standards do not relieve the grantee or subgrantee of any contractual responsibilities under its contracts. Federal agencies will not substitute their judgment for that of the grantee or subgrantee unless the matter is primarily a Federal concern. Violations of law will be referred to the local, State, or Federal authority having proper jurisdiction.
12. Grantees and subgrantees will have protest procedures to handle and resolve disputes relating to their procurements and shall in all instances disclose information regarding the protest to the awarding agency. A protestor must exhaust all administrative remedies with the grantee and subgrantee before pursuing a protest with the Federal agency. Reviews of protests by the Federal agency will be limited to:

- i. Violations of Federal law or regulations and the standards of this section (violations of State or local law will be under the jurisdiction of State or local authorities) and
- ii. Violations of the grantee's or subgrantee's protest procedures for failure to review a complaint or protest. Protests received by the Federal agency other than those specified above will be referred to the grantee or subgrantee.

**(c) Competition.**

1. All procurement transactions will be conducted in a manner providing full and open competition consistent with the standards of Sec. 85.36. Some of the situations considered to be restrictive of competition include but are not limited to:
  - i. Placing unreasonable requirements on firms in order for them to qualify to do business,
  - ii. Requiring unnecessary experience and excessive bonding,
  - iii. Noncompetitive pricing practices between firms or between affiliated companies,
  - iv. Noncompetitive awards to consultants that are on retainer contracts,
  - v. Organizational conflicts of interest,
  - vi. Specifying only a brand name product instead of allowing an equal product to be offered and describing the performance of other relevant requirements of the procurement, and
  - vii. Any arbitrary action in the procurement process.
2. Grantees and subgrantees will conduct procurements in a manner that prohibits the use of statutorily or administratively imposed in-State or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts State licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criteria provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.
3. Grantees will have written selection procedures for procurement transactions. These procedures will ensure that all solicitations:
  - i. Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description shall not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured, and when necessary, shall set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a brand name or equal description may be used as a means to define the performance



or other salient requirements of a procurement. The specific features of the named brand which must be met by offerors shall be clearly stated; and

- ii. Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.
4. Grantees and subgrantees will ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, grantees and subgrantees will not preclude potential bidders from qualifying during the solicitation period.

**(d) Methods of procurement to be followed.**

1. Procurement by **small purchase procedures**. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the simplified acquisition threshold fixed at 41 U.S.C. 403(11) (currently set at \$100,000). If small purchase procedures are used, price or rate quotations shall be obtained from an adequate number of qualified sources.
2. Procurement by **sealed bids** (formal advertising). Bids are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in Sec. 85.36(d)(2)(i) apply.
  - i. In order for sealed bidding to be feasible, the following conditions should be present:
    - A. A complete, adequate, and realistic specification or purchase description is available;
    - B. Two or more responsible bidders are willing and able to compete effectively and for the business; and
    - C. The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.
  - ii. If sealed bids are used, the following requirements apply:
    - A. The invitation for bids will be publicly advertised and bids shall be solicited from an adequate number of known suppliers, providing them sufficient time prior to the date set for opening the bids;
    - B. The invitation for bids, which will include any specifications and pertinent attachments, shall define the items or services in order for the bidder to properly respond;
    - C. All bids will be publicly opened at the time and place prescribed in the invitation for bids;
    - D. A firm fixed-price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life

cycle costs shall be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and

E. Any or all bids may be rejected if there is a sound documented reason.

3. Procurement by **competitive proposals**. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed-price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:
  - i. Requests for proposals will be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals shall be honored to the maximum extent practical;
  - ii. Proposals will be solicited from an adequate number of qualified sources;
  - iii. Grantees and subgrantees will have a method for conducting technical evaluations of the proposals received and for selecting awardees;
  - iv. Awards will be made to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
  - v. Grantees and subgrantees may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.
4. Procurement by **noncompetitive proposals** is procurement through solicitation of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate.
  - i. Procurement by noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids or competitive proposals and one of the following circumstances applies:
    - A. The item is available only from a single source;
    - B. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
    - C. The awarding agency authorizes noncompetitive proposals; or
    - D. After solicitation of a number of sources, competition is determined inadequate.

- ii. Cost analysis, i.e., verifying the proposed cost data, the projections of the data, and the evaluation of the specific elements of costs and profits, is required.
- iii. Grantees and subgrantees may be required to submit the proposed procurement to the awarding agency for pre- award review in accordance with paragraph (g) of this section.

**(e) Contracting with small and minority firms, women's business enterprise and labor surplus area firms.**

1. The grantee and subgrantee will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible.
2. Affirmative steps shall include:
  - i. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
  - ii. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
  - iii. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;
  - iv. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises;
  - v. Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and
  - vi. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (e)(2) (i) through (v) of this section.

**(f) Contract cost and price.**

1. Grantees and subgrantees must perform a cost or price analysis in connection with every procurement action including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, grantees must make independent estimates before receiving bids or proposals. A cost analysis must be performed when the offeror is required to submit the elements of his estimated cost, e.g., under professional, consulting, and architectural engineering services contracts. A cost analysis will be necessary when adequate price competition is lacking, and for sole source procurements, including contract modifications or change orders, unless price reasonableness can be established on the basis of a catalog or market price of a commercial product sold in substantial quantities to the general public or based on prices set by law or regulation. A price analysis will be used in all other instances to determine the reasonableness of the proposed contract price.



2. Grantees and subgrantees will negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.
3. Costs or prices based on estimated costs for contracts under grants will be allowable only to the extent that costs incurred or cost estimates included in negotiated prices are consistent with Federal cost principles (see Sec. 85.22). Grantees may reference their own cost principles that comply with the applicable Federal cost principles.
4. The cost plus a percentage of cost and percentage of construction cost methods of contracting shall not be used.

**(g) Awarding agency review.**

1. Grantees and subgrantees must make available, upon request of the awarding agency, technical specifications on proposed procurements where the awarding agency believes such review is needed to ensure that the item and/or service specified is the one being proposed for purchase. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the grantee or subgrantee desires to have the review accomplished after a solicitation has been developed, the awarding agency may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.
2. Grantees and subgrantees must on request make available for awarding agency pre-award review procurement documents, such as requests for proposals or invitations for bids, independent cost estimates, etc. when:
  - i. A grantee's or subgrantee's procurement procedures or operation fails to comply with the procurement standards in this section; or
  - ii. The procurement is expected to exceed the simplified acquisition threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation; or
  - iii. The procurement, which is expected to exceed the simplified acquisition threshold, specifies a ``brand name'' product; or
  - iv. The proposed award is more than the simplified acquisition threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or
  - v. A proposed contract modification changes the scope of a contract or increases the contract amount by more than the simplified acquisition threshold.
3. A grantee or subgrantee will be exempt from the pre-award review in paragraph (g)(2) of this section if the awarding agency determines that its procurement systems comply with the standards of this section.

- i. A grantee or subgrantee may request that its procurement system be reviewed by the awarding agency to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews shall occur where there is a continuous high-dollar funding, and third-party contracts are awarded on a regular basis.
- ii. A grantee or subgrantee may self-certify its procurement system. Such self-certification shall not limit the awarding agency's right to survey the system. Under a self-certification procedure, awarding agencies may wish to rely on written assurances from the grantee or subgrantee that it is complying with these standards. A grantee or subgrantee will cite specific procedures, regulations, standards, etc., as being in compliance with these requirements and have its system available for review.

#### **(h) Bonding requirements.**

For construction or facility improvement contracts or subcontracts exceeding the simplified acquisition threshold, the awarding agency may accept the bonding policy and requirements of the grantee or subgrantee provided the awarding agency has made a determination that the awarding agency's interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows:

1. A bid guarantee from each bidder equivalent to five percent of the bid price. The ``bid guarantee'' shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.
2. A performance bond on the part of the contractor for 100 percent of the contract price. A ``performance bond'' is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.
3. A payment bond on the part of the contractor for 100 percent of the contract price. A ``payment bond'' is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

#### **(i) Contract provisions.**

A grantee's and subgrantee's contracts must contain provisions in paragraph (i) of this section. Federal agencies are permitted to require changes, remedies, changed conditions, access and records retention, suspension of work, and other clauses approved by the Office of Federal Procurement Policy.

1. Administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate. (Contracts more than the simplified acquisition threshold)
2. Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of \$10,000)

3. Compliance with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity", as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60). (All construction contracts awarded in excess of \$10,000 by grantees and their contractors or subgrantees)
4. Compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR part 3). (All contracts and subgrants for construction or repair)
5. Compliance with the Davis-Bacon Act (40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor regulations (29 CFR part 5). (Construction contracts in excess of \$2000 awarded by grantees and subgrantees when required by Federal grant program legislation)
6. Compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327A 330) as supplemented by Department of Labor regulations (29 CFR part 5). (Construction contracts awarded by grantees and subgrantees in excess of \$2000, and in excess of \$2500 for other contracts which involve the employment of mechanics or laborers)
7. Notice of awarding agency requirements and regulations pertaining to reporting.
8. Notice of awarding agency requirements and regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under such contract.
9. Awarding agency requirements and regulations pertaining to copyrights and rights in data.
10. Access by the grantee, the subgrantee, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.
11. Retention of all required records for three years after grantees or subgrantees make final payments and all other pending matters are closed.
12. Compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857 (h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (Contracts, subcontracts, and subgrants of amounts in excess of \$100,000).
13. Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94A 163, 89 Stat. 871).



INGHAM COUNTY LAND BANK AUTHORITY

**RESOLUTION REQUESTING THE PURCHASE OF CERTAIN TAX  
FORECLOSED PARCELS BY INGHAM COUNTY FOR THE LAND BANK  
FAST TRACK AUTHORITY**

**RESOLUTION #13-07**

**WHEREAS**, the Land Bank Fast Track Act, 2003 PA 258, being MCL 124.751 *et seq.*, ("the Act") establishes the State Land Bank Fast Track Authority; and

**WHEREAS**, the Act allows a foreclosing governmental unit to enter into an intergovernmental agreement with the State Land Bank Fast Track Authority providing for the exercise of the powers, duties, functions, and responsibilities of an authority under the Act, and for the creation of a County Land Bank Fast Track Authority (the "Authority") to exercise those functions; and

**WHEREAS**, the Ingham County Treasurer, with Ingham County Board of Commissioners approval, has entered into such an intergovernmental agreement under the Act; and

**WHEREAS**, the Land Bank staff has evaluated the 2013 tax foreclosed parcels to determine their redevelopment potential compared to their purchase cost; and

**WHEREAS**, the attached list of parcels based on the review of professional staff to date, fit the Land Bank priorities and programs; and

**WHEREAS**, this list will be amended due to changes in property status, expiration of judicial payment extension, program funding capacity, local unit rejections and strategic development priorities,

**THEREFORE BE IT RESOLVED**, that the Authority request that the County Board purchase the amended list of properties encompassing the Land Bank priorities and transfer to the Land Bank.

Aye:

Nays:

Absent:

2013 TAX FORECLOSURE

4/25/13

Parcel Number	Address	
33-01-01-03-151-151	808 Community	Lansing
33-01-01-03-354-041	2319 N. High	Lansing
33-01-01-03-380-161	David Street	Lansing
33-01-01-04-102-291	423 W. Sheridan	Lansing
33-01-01-04-152-032	3114 Felt	Lansing
33-01-01-04-176-061	3024 Turner	Lansing
33-01-01-04-176-071	Turner	Lansing
33-01-01-04-276-001	N Cedar	Lansing
33-01-01-04-301-141	2703 Taylor	Lansing
33-01-01-04-353-011	2222 Spikes	Lansing
33-01-01-04-426-031	2310 Polly	Lansing
33-01-01-04-451-111	100 E. Gier	Lansing
33-01-01-04-456-211	218 Mosley	Lansing
33-01-01-05-103-001	Apollo	Lansing
33-01-01-05-178-041	3204 Westwood	Lansing
33-01-01-05-476-131	2405 N. Grand River	Lansing
33-01-01-06-101-081	4904 N. Grand River	Lansing
33-01-01-08-176-461	1517 Redwood	Lansing
33-01-01-08-176-502	1531 Redwood	Lansing
33-01-01-08-201-151	1304 Greenwood	Lansing
33-01-01-08-206-061	1510 Robertson	Lansing
33-01-01-08-206-341	1509 N. MLK	Lansing
33-01-01-08-255-191	1331 Robertson	Lansing
33-01-01-08-332-031	1132 Comfort	Lansing
33-01-01-08-380-151	1700 W. Saginaw	Lansing
33-01-01-08-405-061	1214 Glenn	Lansing
33-01-01-08-405-111	1135 Linwood	Lansing
33-01-01-08-407-081	1222 W. Maple	Lansing
33-01-01-08-407-271	1121 N. MLK	Lansing
33-01-01-08-408-071	1003 Westmoreland	Lansing
33-01-01-08-428-291	1017 Princeton	Lansing
33-01-01-08-476-041	912 N. MLK	Lansing
33-01-01-09-151-031	1429 Christopher	Lansing
33-01-01-09-182-091	406 W. Willow	Lansing
33-01-01-09-229-061	1910 Thompson	Lansing
33-01-01-09-278-351	NSF	Lansing
33-01-01-09-279-002	1226 Center	Lansing
33-01-01-09-303-231	423 W. Willow	Lansing
33-01-01-09-304-171	1119 N. Chestnut	Lansing
33-01-01-09-305-231	409 W. Grand River	Lansing
33-01-01-09-307-131	512 W. Kilborn	Lansing
33-01-01-09-327-041	1214 N. Grand River	Lansing
33-01-01-09-352-191	613 Brook	Lansing
33-01-01-09-354-071	426 W. Oakland	Lansing
33-01-01-09-356-211	617 Bluff	Lansing
33-01-01-09-358-001	N. Sycamore	Lansing
33-01-01-09-362-151	717 N. Pine	Lansing
33-01-01-10-104-091	1810 N. High	Lansing
33-01-01-10-130-161	1601 New York	Lansing
33-01-01-10-132-202	1621 Vermont	Lansing
33-01-01-10-153-111	1526 Ballard	Lansing
33-01-01-10-154-311	1005 E. Grand River	Lansing
33-01-01-10-176-002	1545 New York	Lansing
33-01-01-10-181-021	1430 Massachusetts	Lansing
33-01-01-10-181-191	1220 Massachusetts	Lansing

## 2013 TAX FORECLOSURE

4/25/13

Parcel Number	Address	
33-01-01-10-181-211	1214 Massachusetts	Lansing
33-01-01-10-255-121	1300 Ohio	Lansing
33-01-01-10-326-611	1016 E. Grand River	Lansing
33-01-01-10-327-131	Porter Street	Lansing
33-01-01-10-327-141	Porter Street	Lansing
33-01-01-10-327-181	1127 Farrand	Lansing
33-01-01-10-327-191	1131 Farrand	Lansing
33-01-01-10-329-281	915 Johnson	Lansing
33-01-01-10-353-191	723 East Park Terrace	Lansing
33-01-01-10-353-211	727 East Park Terrace	Lansing
33-01-01-10-354-162	909 E. Saginaw	Lansing
33-01-01-10-406-041	E. Grand River	Lansing
33-01-01-10-406-051	E. Grand River	Lansing
33-01-01-10-408-341	1009 Clark	Lansing
33-01-01-10-410-051	1000 Mahlon	Lansing
33-01-01-10-411-231	1508 E. Grand River	Lansing
33-01-01-10-480-131	1323 E. Saginaw	Lansing
33-01-01-14-308-081	2113 E. Kalamazoo	Lansing
33-01-01-14-309-121	324 S. Hayford	Lansing
33-01-01-14-327-232	S. Mifflin	Lansing
33-01-01-14-358-001	501 S. Fairview	Lansing
33-01-01-14-358-092	533 S. Fairview	Lansing
33-01-01-14-359-121	609 S. Magnolia	Lansing
33-01-01-14-359-452	524 S. Hayford	Lansing
33-01-01-14-360-041	521 S. Hayford	Lansing
33-01-01-14-363-131	643 S. Hayford	Lansing
33-01-01-14-363-302	608 S. Foster	Lansing
33-01-01-15-301-131	224 Hill	Lansing
33-01-01-15-305-191	208 S. Eighth	Lansing
33-01-01-15-333-141	318 Jones	Lansing
33-01-01-15-334-231	1222 Prospect	Lansing
33-01-01-15-353-021	811 Bement	Lansing
33-01-01-15-376-031	419 S. Penn	Lansing
33-01-01-15-378-043	511 S. Penn	Lansing
33-01-01-15-378-082	1101 Bement	Lansing
33-01-01-15-378-271	1112 Hickory	Lansing
33-01-01-15-401-101	1345 Eureka	Lansing
33-01-01-15-432-101	229 Shepard	Lansing
33-01-01-15-478-361	430 Leslie	Lansing
33-01-01-15-478-442	404 Leslie	Lansing
33-01-01-15-479-361	422 Regent	Lansing
33-01-01-15-482-051	523 Allen	Lansing
33-01-01-15-485-081	630 Leslie	Lansing
33-01-01-16-101-031	619 N. Sycamore	Lansing
33-01-01-16-107-241	523 W. Lapeer	Lansing
33-01-01-16-126-022	612 N. Walnut	Lansing
33-01-01-16-151-041	323 N. Sycamore	Lansing
33-01-01-16-357-240	525 W. Lenawee	Lansing
33-01-01-16-460-121	343 E. St. Joseph	Lansing
33-01-01-17-135-151	1705 S. Genesee	Lansing
33-01-01-17-228-161	918 W. Genesee	Lansing
33-01-01-17-380-101	424 Huron	Lansing
33-01-01-17-452-311	1325 W. Lenawee	Lansing
33-01-01-17-454-251	1217 W. Hillsdale	Lansing
33-01-01-20-104-001	W. Malcom X (Main St)	Lansing

## 2013 TAX FORECLOSURE

4/25/13

Parcel Number	Address	
33-01-01-20-134-132	914 Riverview	Lansing
33-01-01-20-401-072	1401 Moores River Dr	Lansing
33-01-01-20-409-171	1119 Aldsorf	Lansing
33-01-01-20-478-081	1614 Delevan	Lansing
33-01-01-21-257-130	1134 S. Grand	Lansing
33-01-01-21-257-135	1128 S. Grand	Lansing
33-01-01-21-329-011	117 Island	Lansing
33-01-01-21-329-262	1427 McIntyre	Lansing
33-01-01-21-356-051	628 Smith	Lansing
33-01-01-21-377-141	1604 Coleman	Lansing
33-01-01-21-381-111	1728 S. Washington	Lansing
33-01-01-21-383-151	1812 Coleman	Lansing
33-01-01-21-402-191	1621 Martin	Lansing
33-01-01-21-429-065	414 Baker	Lansing
33-01-01-21-454-027	112 Isbell	Lansing
33-01-01-21-460-037	318 Isbell	Lansing
33-01-01-21-476-005	1607 Herbert	Lansing
33-01-01-21-477-130	1606 Linval	Lansing
33-01-01-21-477-160	536 Avon	Lansing
33-01-01-21-477-190	520 Avon	Lansing
33-01-01-21-481-025	1723 Linval	Lansing
33-01-01-22-131-081	1035 Morgan	Lansing
33-01-01-22-135-211	1228 E. Hazel	Lansing
33-01-01-22-206-251	1000 Dakin	Lansing
33-01-01-22-230-251	1000 Leslie	Lansing
33-01-01-22-231-061	1019 Leslie	Lansing
33-01-01-22-254-026	McCullough St	Lansing
33-01-01-22-258-242	1432 Perkins	Lansing
33-01-01-22-280-001	1201 Lathrop	Lansing
33-01-01-22-280-232	Allen Street	Lansing
33-01-01-22-281-161	1234 Shepard	Lansing
33-01-01-22-301-081	727 Beulah	Lansing
33-01-01-22-305-241	1412 Lyons	Lansing
33-01-01-22-305-271	Lyons	Lansing
33-01-01-22-307-211	1434 Pontiac	Lansing
33-01-01-22-309-071	1515 Donora	Lansing
33-01-01-22-352-171	1701.5 Lyons	Lansing
33-01-01-22-353-031	1609 Donora	Lansing
33-01-01-22-354-001	1701 Bailey	Lansing
33-01-01-22-354-081	1723 Bailey	Lansing
33-01-01-27-428-011	2815 Ruth	Lansing
33-01-01-27-428-241	1832 E. Willard	Lansing
33-01-01-28-105-131	2008 Osband	Lansing
33-01-01-28-383-092	623 Tisdale	Lansing
33-01-01-28-405-281	Denver	Lansing
33-01-01-28-452-151	3146 S. Cedar	Lansing
33-01-01-29-201-261	1411 W. Mt. Hope	Lansing
33-01-01-29-426-131	910 Dunlap	Lansing
33-01-01-29-428-021	2236 Dunlap	Lansing
33-01-01-31-252-161	2704 Cabot	Lansing
33-01-01-31-278-021	4119 Ingham	Lansing
33-01-01-31-328-381	3217 Ronald	Lansing
33-01-01-31-376-251	3215 Reo	Lansing
33-01-01-32-151-111	2028 Hillcrest	Lansing
33-01-01-32-152-031	3921 Pleasant Grove	Lansing

## 2013 TAX FORECLOSURE

4/25/13

Parcel Number	Address	
33-01-01-32-176-361	1727 Hillcrest	Lansing
33-01-01-32-251-351	1116 Eaton Ct	Lansing
33-01-01-32-304-091	4510 Christiansen Rd	Lansing
33-01-01-32-327-261	1719 Pierce	Lansing
33-01-01-32-352-101	4921 Starr	Lansing
33-01-01-32-352-261	2010 W. Jolly	Lansing
33-01-01-32-353-361	4910 Christiansen	Lansing
33-01-01-32-376-591	4607 Bristol	Lansing
33-01-01-32-451-131	1230 W. Jolly	Lansing
33-01-01-32-451-171	1212 W. Jolly	Lansing
33-01-01-33-101-181	3631 Burchfield	Lansing
33-01-01-33-102-101	3517 Lowcroft	Lansing
33-01-01-33-155-031	3917 Lowcroft	Lansing
33-01-01-33-205-224	3516 Jewell	Lansing
33-01-01-33-401-011	4311 Stabler	Lansing
33-01-01-33-401-151	212 E. Cavanaugh	Lansing
33-01-01-34-104-081	3600 Parkway	Lansing
33-01-01-34-276-211	1828 Rex	Lansing
33-01-05-03-301-071	815 Fred	Lansing
33-01-05-05-202-201	1301 W. Jolly	Lansing
33-01-05-05-401-091	1401 Weymouth Ct	Lansing
33-01-05-06-202-101	2709 Midwood	Lansing
33-01-05-06-226-064	2314 Midwood	Lansing
33-01-05-08-202-011	6115 Yunker	Lansing
33-02-02-06-177-039	3248 Biber, East Lansing	Meridian
33-02-02-10-202-021	1716 Lake Lansing, Haslett	Meridian
33-02-02-10-228-020	5925 Potter, Haslett	Meridian
33-02-02-25-276-003	Grand River, Okemos	Meridian
33-03-03-36-151-006	726 N. Putnam, Williamston	Wmnst.
33-04-04-33-100-001	3976 Dietz Rd, Williamston	Lock
33-06-06-24-100-010	869 Holt, Mason	Alaiedon
33-09-09-27-476-011	4536 W. Barnes, Mason	Aurelius
33-12-12-34-400-023	4426 Swan Rd, Stockbridge	White Oak
33-13-13-23-100-012	4178 Byrum Rd Onondaga	Onondaga
33-14-14-12-300-018	3262 Woods Rd, Leslie	Leslie Twp
33-17-14-21-381-001	104 Worthington, Leslie	Leslie City
33-17-14-21-381-002	103 Worthington, Leslie	Leslie City
33-17-14-21-381-003	102 Worthington, Leslie	Leslie City
33-17-14-21-381-004	101 Worthington, Leslie	Leslie City
33-17-14-21-381-005	108 Worthington, Leslie	Leslie City
33-17-14-21-381-006	107 Worthington, Leslie	Leslie City
33-17-14-21-381-007	106 Worthington, Leslie	Leslie City
33-17-14-21-381-009	112 Worthington, Leslie	Leslie City
33-17-14-21-381-010	111 Worthington, Leslie	Leslie City
33-17-14-21-381-011	110 Worthington, Leslie	Leslie City
33-17-17-21-381-012	109 Worthington, Leslie	Leslie City
33-17-14-21-381-013	116 Worthington, Leslie	Leslie City
33-17-14-21-381-014	115 Worthington, Leslie	Leslie City
33-17-14-21-381-016	113 Worthington, Leslie	Leslie City
33-17-14-21-483-004	E. Bellevue, Leslie	Leslie City
33-17-14-28-206-025	316 S. Main, Leslie	Leslie City
33-17-14-28-279-003	515 Russell, Leslie	Leslie City
33-18-07-01-104-015	500 Crossman, Williamston	Wmnst City
33-19-10-08-127-029	121 Walnut, Mason	Mason
33-19-10-08-207-015	428 W. Ash, Mason	Mason



## 2013 TAX FORECLOSURE

4/25/13

Parcel Number	Address	
33-19-10-08-228-005	110 S. Park, Mason	Mason
33-20-02-17-105-013	1667 Snyder East Lansing	E.Lansing
33-21-01-18-127-002	3217 W. Saginaw, Lansing	Lansing Twp
33-21-01-18-204-025	607 N. Rosemary, Lansing	Lansing Twp
33-21-01-18-303-037	116 Western, Lansing	Lansing Twp
33-21-01-18-429-006	115 Hungerford, Lansing	Lansing Twp
33-21-01-19-326-012	3339 Waverly Hill, Lansing	Lansing Twp
33-25-05-07-301-025	2618 S. Waverly, Lansing	Delhi
33-25-05-07-326-018	Eaton Rapids Rd, Lansing	Delhi
33-25-05-14-151-015	E. Norwood, Holt	Delhi
33-25-05-14-153-011	Keller Rd, Holt	Delhi
33-25-05-14-303-063	2115 Coolridge, Holt	Delhi
33-25-05-14-304-014	Center St, Holt	Delhi
33-25-05-15-126-014	Willoughby Rd, Holt	Delhi
33-25-05-17-127-001	Sanibel Hollow, Holt	Delhi
33-25-05-23-400-036	Archwood Dr, Holt	Delhi
33-25-05-23-408-001	1640 Holbrook, Holt	Delhi
33-25-05-36-100-019	3737 W. Harper, Mason	Delhi
33-42-16-26-302-014	829 S. Clinton, Stockbridge	Stk. Village

# INGHAM COUNTY LAND BANK

## ACTIVITY REPORT

(DASHBOARD)

March 31, 2013

	Inventory as of 12/31/2012	Previous Month as of 2/28/2013	Acquired as of 3/31/2013	Rental or Garden as of 3/31/2013	Demolished as of 3/31/2013	Sold as of 3/31/2013	Current Inventory as of 3/31/2013
Structures	354	346	1	0	(1)	(11)	343
Rentals	29	29	0	0	0	0	29
Gardens	70	72	0	10	0	0	80
Vacant Land	477	473	1	(10)	1	(5)	464
Commercial Rental	0	0	0	1	0	0	1
Commercial Vacant	5	6	0	0	1	0	6
Commercial	6	5	0	(1)	(1)	0	4
<b>TOTAL(S)</b>	941	931	2	0	0	(16)	927

Approved Line of Credit as of 3/31/2013	
Total Line of Credit	\$5,000,000.00
Obligated	3,425,000.00
Available Balance	1,575,000.00

<b>4/29/2013 Garden Program Update</b>	
Participating ICLB 2010 Gardens	13
Participating ICLB 2011 Gardens	14
Participating ICLB 2012 Gardens	24
New 2013 Gardens	6
<b>Totals</b>	
Total Gardens	57
Total ICLB Parcels	76
Total Ingham County Treasurer Parcels	6
GLFB GP Affiliated Gardens	16
<b>Vacant/Possible Garden Space</b>	350
<b>People Served</b>	320 households = 747 people



April 29, 2013

Ms. Mary Ruttan, Executive Director  
Ingham County Land Bank Fast Track Authority  
422 Adams  
Lansing, Michigan 48906

Dear Ms. Ruttan,

Capital Community Bikeshare (CCBS) is requesting approval of \$5,000 of funding previously set aside by the Ingham County Land Bank Board for matching grants to purchase Bike Share Equipment.

CCBS has been in negotiations with the principals at A2B Bike Share, a new bike share system provider located in Ann Arbor Michigan, to become the pilot site for their system beginning in August and ending October 2013. We are very close to concluding agreements. The Board has determined at this point to begin requesting the commitment of funds to acquire equipment and operate the pilot program. Assuming a successful pilot, we would plan to launch a first phase of bike share in the Capital Area by the spring of 2014.

Our tentative agreements with A2B Bikeshare are as follows. We would lease bikes and racks from A2B for the duration of the pilot program and pay them a monthly fee for operating the program. They will be responsible for maintenance and repair costs, software management and improvements or updates and insurance. A2B is exploring estimates for maintenance and repair with a local bike shop owner with whom CCBS may or may not establish a contract in following years. CCBS will also acquire supplemental liability coverage to protect the Board and funders of the project. We are seeking estimates now for that coverage.

Part of the payments that we make to A2B will become a credit for purchase of the 2014 Bikeshare system, which will be improved over the 2013 pilot equipment based on lessons learned. Depending on the costs to A2B Bikeshare for maintenance and repair and insurance, the amount of the credit is expected to be between \$10,000 and \$15,000. The exact amount of the credit will be part of the agreement between CCBS and A2B.

I have attached information and pictures of the A2B Bike Share system and its development team. I have also attached a draft budget for the costs of operating the 2013 pilot program for Lansing.

As I presented at the April Board Meeting, CCBS has made substantial progress toward establishing a Bike Share Program:

- We are incorporated as a non-profit corporation in the State of Michigan
- We have adopted bylaws for the Corporation
- We are creating a Board of Directors that meets monthly to plan and implement actions to move the project forward
- We are in the process of completing an application for 501(c)(3) tax exemption
- Andy Kilpatrick, City of Lansing Traffic Engineer, requested \$75,000 for bike share equipment from Congestion Mitigation and Air Quality funding in the Tri-County Regional Planning Commission Transportation Improvement Plan (TIP) for fiscal year 2015. The TIP was approved by TCRPC on February 27, 2013.

We have several items to complete in the near future as we begin to plan for a launch that we are tentatively planning for spring 2014.

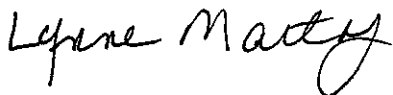
- Complete Feasibility Study, probably with the assistance of a consultant who will develop a demand / market analysis. The pilot program would add valuable information to the study. (The City of Lansing is providing \$1,500 to hire an intern to complete, refine and package the feasibility study)
- Develop a 2014 Business Plan
- Finalize Selection of Equipment and Vendor
- Seek and enroll business and other entities for public-private partnerships in the funding of Capital Community Bike Share
- Launch in Spring / early Summer 2014

We have applied to Tri-County Bicycle Association for a grant of \$15,000 to help with acquisition of bikes for the pilot project and help complete the market / demand analysis. A decision on this request is expected at the TCBA Board Meeting on May 17. We are making a presentation and request for support to the LEAP (Lansing Area Economic Partnership) Place Making Committee on May 7, 2013

We are continuing to seek additional funding from other sources to assist in this effort, and would be pleased to update you regularly.

If you have any questions have any requests for additional information, please let me know. Thank you very much for your consideration.

Sincerely,



Lynne Martinez  
Martinez Consulting Group, LLC  
306 Leslie Street  
Lansing, Michigan 48912  
517-410-1523

**Best estimates on potential costs and funding for the CCBS /A2B Bikeshare Pilot**  
Lynne Martinez April 30, 2013

**Estimated Cost for Bike Share Pilot**

System Equipment and Management	\$30,000
Preparation / filing 501(c)(3) Application	\$ 2,500
Insurance:	(Checking)
Marketing	\$ 2,000
Project Development	\$ 6,000

**Total Expenses: \$40,500**

**Possible Sources of Funds:**

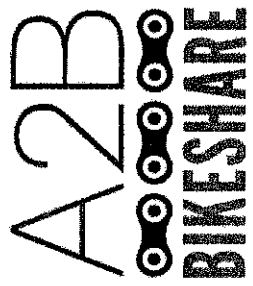
<b>Land Bank</b>	\$5,000 \$2,500
<b>City of Lansing*</b>	\$5,000
<b>TCBA**</b>	\$6,000
<b>LEAP***</b>	\$5,000
<b>Founding / Charter Members</b>	\$5,000 (50@ \$100)
<b>Other Donations</b>	\$12,000
<b>Total</b>	<b>\$40,500</b>

\*City of Lansing: Request pending

\*\*TCBA: Decision expected on May 7

\*\*\*LEAP: First Presentation to LEAP Place Making Committee on May 7, 2013

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## How It Works



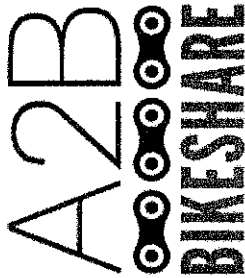
<u>Find</u>	<u>Rent</u>	<u>Ride</u>	<u>Drop Off</u>
-------------	-------------	-------------	-----------------

Locate our bike stations online, on your smartphone, or just look near popular locations around town!	Walk up to one of the available bicycles at one of our stations, follow the quick instructions on the screen on the handlebars, and swipe your credit card or membership card - that's all!	Once you've rented the bike, simply detach the lock, strap on your helmet, and ride to your heart's content!	When you're done, take the bike to the nearest A2B Bikeshare rack, lock it back up, and finish your rental using the screen on the handlebars!
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A2B Bikeshare is provided by:  
**Porter & Strother, LLC**  
Feel free to contact us at:  
[contact@a2bbikeshare.com](mailto:contact@a2bbikeshare.com)



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## About Us

A2B Bikeshare is a startup company founded by Keith Porter and Ansgar Strother, currently students at the University of Michigan's College of Engineering. Their idea, affordable bike sharing, sparked out of an business development class through the college's Center for Entrepreneurship where they had the opportunity to explore an idea and take it as far to completion as they could during a semester. One semester wasn't enough for them though, they were hooked. Ansgar and Keith's next step was to work extensively to learn what cities, universities, and corporate campuses - all of which are potential customers - would want from a bike sharing system. Most recently, Keith and Ansgar have been forming that vision into a viable product while adhering to their mission of

**"Building a better bike sharing system  
Turning bikes into an everyday convenience."**

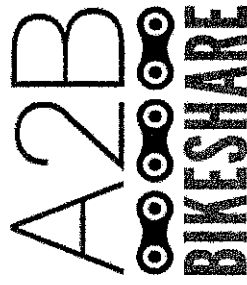
A2B Bikeshare is committed to following this mission through to its realization. Currently they are working with vendors and manufacturers to supply the necessary hardware and have a team to design the software, hardware, and other tools that support system operations.

A2B Bikeshare is provided by:  
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Feel free to contact us at:  
[contact@a2bbikeshare.com](mailto:contact@a2bbikeshare.com)





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## Why

### Why is our mission significant?

Perhaps you're a bicycle enthusiast. Perhaps you want a quick ride to the dell for lunch. Perhaps you want greener, healthier transportation options that reduce carbon emissions. Perhaps you want to reduce traffic or pay less for parking. Or perhaps you want your tax dollars well spent. In all these cases you should be excited about cheaper bike sharing options. Bike sharing is an automated, dispersed, rental network of bicycles, often electronically managed, that provides a green transportation alternative to communities. Communities are currently implementing bike sharing services at an exorbitant price tag of \$4,000 - \$6,000 per bike or are investing in cheap systems that do not satisfy their needs.

### But what is the problem we're actually solving?

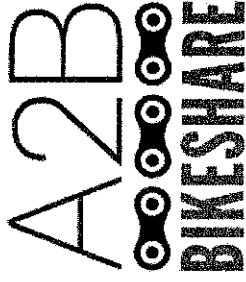
In spite of this extremely high cost, in the past two years over fifteen systems have been implemented in the US totaling over 7,000 bikes and New York City is about to double that number as it deploys a 10,000 bike system in the near future. This means that the US has seen a change from almost no bike sharing to a \$25,000,000 market in a few short years. However, this growth has mostly been contained to larger cities that can receive grants from the federal government or significant corporate sponsors (as is the case in New York City). Our customer research shows that small to midsize communities desire these systems, but also cannot finance the incredibly high costs and are less likely to receive grant funding or large corporate sponsorship. We're here to fix that - our product is half the price of our competitors' while designed to match, improve, and add to all the basic features they offer.

### What do you mean "prohibitively expensive?"

To provide some background, the first generation of bike sharing involved buying large numbers of cheap bikes and tossing them outside for anyone to ride. Needless to say, this model was far from sustainable or revenue neutral (as there is no revenue!). Cities simply couldn't afford to keep covering theft, abandonment, and vandalism of bikes. More recently, bike sharing in the US has been dominated by two major companies whose systems are structured around kiosk-enabled bike racks. As hinted at above, these programs cost \$4,000 - \$6,000 per bike and almost \$250 per bike each year in fees. There are also several low-cost bike sharing systems that are able to lower the price per unit to roughly \$1,500 by replacing the kiosk-enabled racks with a 'stationless' model. However, by having no station, those systems lose structure, branding, and reliability, eliminating them as a suitable option for communities.

A2B Bikeshare is provided by:  
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## What

We rethink bike sharing completely.

### Our product

The secret sauce behind our product is that our implementation follows a 'smart bike, dumb rack' mentality (as opposed to competitors who have a 'smart rack, dumb bike' or 'smart bike, no rack' setup). Simply, we mount the electronic and security hardware on the bikes and have them parked at non-electronic bike racks. Beyond reducing the price while maintaining structure and branding, our system now enables better user experience. This is because we securely mount a touchscreen LCD on the handlebars as the user interface and are therefore able to provide maps, guided tours, and points of interests during your ride.

Paired with this smooth user solution, A2B Bikeshare also maintains the suite of software tools required by a system administrator to effectively manage their operations. From inventory management to customer service tracking to mobile app development, we ensure that our system operators are able to effectively operate their business.

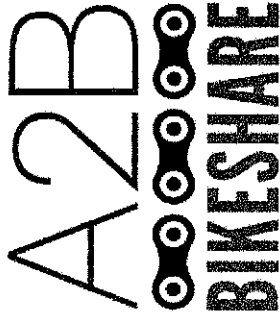
### Our Model

To clarify, our customers are cities, universities, and companies, not the actual riders. These groups will be able to manage the system themselves or create non-profit entities to run their bike sharing system (as is the status quo). This enables them, as the local experts, to control such things as rental pricing, membership, station location, etc.

Our innovation is not in proving that bike sharing works or that selling bike sharing systems is a viable model, as those have already been proven. Our innovation is in the riders experience with the bike through the smartphone and the overall radically new design that will make bike sharing affordable.

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## Who

### Keith Porter

Co-Founder  
[keith@a2bbikeshare.com](mailto:keith@a2bbikeshare.com)

Keith is in his fourth year of a five-year combined undergraduate and graduate honors program called Engineering Global Leadership, at the University of Michigan's College of Engineering. Keith has been incredibly active in the University of Michigan's entrepreneurial community. He has pursued his passion for creating successful businesses by participating in the MPowered Entrepreneurship group, taking business classes (at the London School of Economics and University of Michigan's Ross School of Business), joining business programs, and going on business-oriented trips through the Center for Entrepreneurship. A2B Bikeshare is Keith's third startup to date.

### Ansgar Strother

Co-Founder  
[ansgar@a2bbikeshare.com](mailto:ansgar@a2bbikeshare.com)

Ansgar is a senior at the University of Michigan and is pursuing a degree in Computer Engineering. He has always been interested in knowing the inner mechanics of our world and using that knowledge to create. Creativity combined with his leadership abilities naturally led him to entrepreneurship and heading complex large projects starting from a young age. Highlighting this is his achievement of Eagle Scout by the 9th grade after leading the design, planning and construction of a \$2,000 pond access area at Olson Park in Ann Arbor. Ansgar's passion for leadership and creating is a guiding force in his life and has led him to co-found A2B Bikeshare with Keith Porter. As a lifelong resident of Ann Arbor he is excited to see the growing momentum for bike sharing in the City of Ann Arbor and in the State of Michigan and is proud to be part of that movement.

### Brianna Schwartz

Art Director  
[brianna@a2bbikeshare.com](mailto:brianna@a2bbikeshare.com)

Brianna is a recent graduate of The Illinois Institute of Art in Chicago where she studied in Graphic Design. Her love for beauty in print and branding inspired her to create her own designs. She is currently working in Chicago.

**Renjay Liu**

Lead Software Architect  
renjay@a2bbikeshare.com

Renjay is a junior in the College of Engineering at the University of Michigan. He is pursuing a degree in Computer Science. Having been interested in web creation since Middle School, he taught himself the majority of his knowledge in web languages and has created multiple websites for school organizations. He is looking forward to a future of expanding his current knowledge of programming in mobile, web, and software languages and a potentially exciting life in the world of startups. In his free time, Renjay enjoys running, taking walks, and reading.

**Kevin Chyn**

Software Developer  
kevin@a2bbikeshare.com

Kevin was born in New York and is a junior in the College of Engineering at the University of Michigan, pursuing a degree in Computer Engineering. Having come from a family with a strong engineering background, he discovered his love for programming in elementary school. In his free time, Kevin likes to run, fence, talk to his friends, and come up ideas for new innovations. Programming Languages: Assembly, C, C++, C#, Java, Matlab, Verilog, SQLite

**Carl Vitulo**

Software Developer  
carl@a2bbikeshare.com

Carl is currently a student at Washtenaw Community College. Coming from a strong family background in engineering, he began programming during middle school, first taking a class on C++ during the summer after 6th grade, and teaching himself more through tutorials and forums on the internet. He began taking programming courses for college credit during his junior year of high school, and will graduate with 2 associate degrees in the fall. In his spare time, he builds computers, plays video games, and tinkers with his motorcycle. Programming Languages: C++, Java, PHP, HTML

A2B Bikeshare is provided by:

**Porter & Strother, LLC**

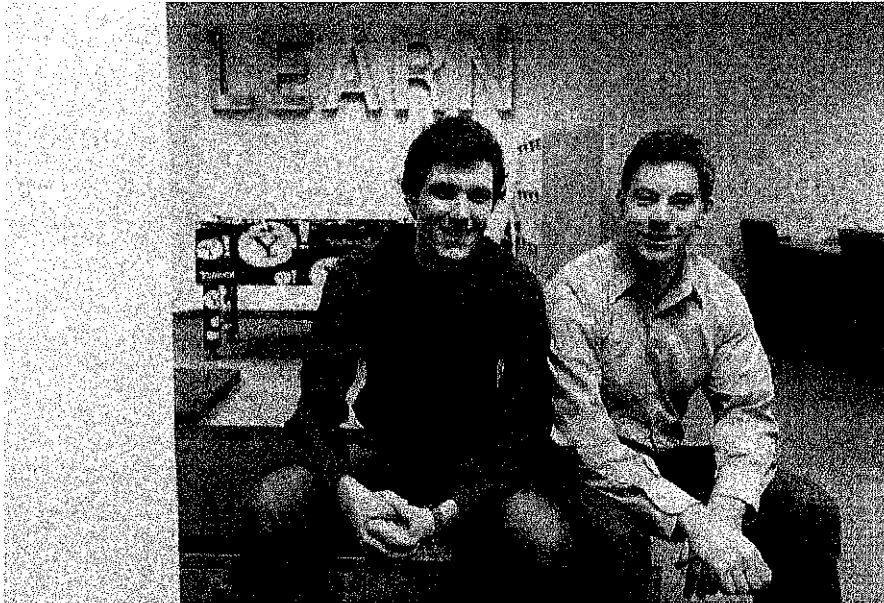
Feel free to contact us at:  
contact@a2bbikeshare.com



## TECH BEAT: Ann Arbor student startup aims to make bikes available for quick rentals

By BEN FREED (/USERS/PROFILE/?UID=49147) Business Reporter

Posted on Fri, Mar 1, 2013 : 5:58 a.m.



Co-founders Keith Porter (left) and Ansgar Strother have been working on A2B Bikeshare for more than a year.

Both Michigan undergraduates hope to continue working on the project beyond graduation.

Melanie Maxwell | AnnArbor.com

Bike sharing programs, designed to make biking affordable and easy in urban environments, have caught on like wildfire in Europe (<http://bike-sharing.blogspot.com/>) but have been slow to make inroads in America.

The co-founders of **A2B Bikeshare** (<http://a2bbikeshare.com/>) think the problem is that no one in the US has found the proper balance between program price and quality.

"We saw a market with issues and we said, 'we're engineers at the University of Michigan, we can probably build a better mousetrap,'" co-founder **Keith Porter** said. "Or in this case, a better bikeshare system."

Porter said primary methods have been used in bike share systems, and that both have significant downsides. Some systems use free-floating cheap bikes that can be picked up or dropped off anywhere by the renter. At the other end of the spectrum are systems with "smart racks" that function as docking hubs for the bikes, ensuring proper return.

"The problem is with the cheap bikes they tend to break or disappear," Porter said.

"... The high-tech end is extremely expensive and can cost about \$4,000 per bike just for the set-up costs. Interestingly, it's the more expensive systems that have been catching on in the last few years. Cities don't want to keep throwing money at bikes that are going to get lost so they go with the very sturdy, very well-maintained, well-branded systems."

Porter and co-founder **Ansgar Strother** have developed a "smart bike, dumb rack" system designed to take the best elements of the higher-end products while drastically cutting costs.

"It has the same core functionality, but it is only half the price," Strother said.

"Where in a smart-rack you have to install a kiosk which can involve ripping up concrete to lay power lines and using large amounts of electricity, we've moved the kiosk onto the bike as a console with a touchscreen."

The console is powered by a solar panel on the back of the bike and is connected to a bike lock that can tell when it is attached to a proper rack. To rent a bike, customers would swipe a credit card and follow instructions on the touch-screen. Bikes could be picked up and returned at a number of locations around the city.



The A2B bike has a solar panel on the back and a touch screen with a "smart" lock near the handlebars.

Melanie Maxwell | [AnnArbor.com](http://AnnArbor.com)

"The screens can also be used for Google maps (<https://maps.google.com/>) for directions, for guided tours for tourists," Strother said. "Tourism is a big reason a lot of cities are investing in these technologies."

**Ann Arbor** is going to be investing in a bike share program (<http://www.annarbor.com/news/university-of-michigan-ann-arbor-bike-sharing/>) in the near future, and A2B Bikeshare finished their prototype, more than six months in the making, just in time.

"As of the first week in January, it's operational," Porter said.

"So right now you could actually walk up to this bike and rent it, which is pretty cool."

A functional bike could not have come at a better time as the **Clean Energy Coalition** (<http://cec-mi.org/>) recently secured at least \$600,000 in grant money to start a bike-sharing program in Ann Arbor and released a request for proposals on Dec. 28.

"While we're a startup and don't necessarily have a track record, we'll be submitting our proposal because in the long term we think our system has a much better opportunity to cover all of Ann Arbor," Strother said.

"With the high costs of other systems they would only be able to afford 80-100 bikes which could only serve the downtown core. With our lower costs and we're able to talk about providing service to North Campus and other parts of the community."

Strother said in an email that A2B was not selected as Ann Arbor's bikeshare program due to the company's lack of experience despite coming in at the lowest price point amongst the proposals.

The final decision on which bikesharing program to implement in Ann Arbor will not come for another month.

### The Michigan Difference

The pair have benefitted greatly from the University of Michigan devoting more resources to creating an entrepreneurial environment for its students.

As undergraduate computer hardware-engineering students, Strother and Porter came up with their idea for a startup in an entrepreneurship class. Once founded, their company has been housed in **TechArb** (<http://cfe.umich.edu/techarb/>), the university's student startup incubator.

"We've been really fortunate to get a lot of great support and mentorship here [in the incubator]," Strother said.

"The people here and at **Menlo** (<http://www.menloinnovations.com/>) next door have really mentored us on the business side. We've gotten a really good in-depth lesson on how to go and hit the pavement, do customer discovery, and really learn about our customers. Then we were pushed out to do it."

As their business developed, the pair also received advice and support from the **U-M Law School Entrepreneurship Clinic** (<http://www.annarbor.com/business-review/u-m-law-school-joins-the-entrepreneurship-game-with-free-legal-clinic-for-student-startups/>), a newer program that provides pro bono legal services by law students to student startups.

Even though they were not the chosen Ann Arbor project, A2B Bikeshare did win a \$15,000 prize by taking second place at the **Michigan Clean Energy Venture Challenge**.

Both Strother and Porter say they plan on sticking with the company past graduation.

"If we're making progress on this, and we'll have a pretty good idea if we are in a year [when we graduate], we're going to stick with it," Strother said.

"This is something we're in for the long haul and we want to see it happen in communities across America."

Tags: Bicycles (/tag/Bicycles/), Bike Share (/tag/Bike Share/), Bikes (/tag/Bikes/), Startups (/tag/Startups/), Student Startups

05/02/2013

CHECK REGISTER FOR INGHAM COUNTY LAND BANK  
CHECK DATE FROM 04/01/2013 - 04/30/2013

Check Date	Check	Vendor Name	Amount
04/01/2013	9241	PNC BANK, NA	5,459.38
04/01/2013	9242	PNC BANK, NA	5,836.83
04/03/2013	9243	CONSUMERS ENERGY	3,000.00
04/04/2013	9244	RHONDA Y GUYTON	358.78
04/04/2013	9245	USAA	448.48
04/09/2013	9246	BOARD OF WATER & LIGHT	788.66
04/09/2013	9247	BOARD OF WATER & LIGHT	717.69
04/09/2013	9248	BOARD OF WATER & LIGHT	890.19
04/09/2013	9249	BOARD OF WATER & LIGHT	154.43
04/09/2013	9250	CONSUMERS ENERGY	857.11
04/09/2013	9251	CONSUMERS ENERGY	1,003.89
04/09/2013	9252	CONSUMERS ENERGY	664.58
04/09/2013	9253	CONSUMERS ENERGY	34.29
04/09/2013	9254	CITY OF LESLIE	59.16
04/09/2013	9255	CHARTER TOWNSHIP OF LANSING	45.84
04/09/2013	9256	THE JOB SHOP INK, INC.	80.00
04/09/2013	9257	MICHIGAN HISTORIC PRESERVATION NETW	75.00
04/09/2013	9258	SPRINT	258.84
04/09/2013	9259	H.C. BERGER COMPANY	141.09
04/09/2013	9260	HASSELBRING CLARK CO	232.27
04/09/2013	9261	DBI BUSINESS INTERIORS	99.74
04/09/2013	9262	PAM BLAIR	240.00
04/09/2013	9263	AMR ALLIANCES	535.00
04/09/2013	9264	CEDAM	250.00
04/09/2013	9265	REHMANN ROBSON	6,000.00
04/09/2013	9266	CITY PULSE	1,009.08
04/09/2013	9267	CITY PULSE	178.25
04/09/2013	9268	W.F. BOHNET ELECTRIC CO	108.57
04/09/2013	9269	DAVIS GLASS & SCREEN	42.25
04/09/2013	9270	MARK'S LOCK SHOP INC	12.50
04/09/2013	9271	LANE'S REPAIR	273.00
04/09/2013	9272	COMMERCIAL CLEANING	1,445.90
04/09/2013	9273	BWB CLEANING	1,889.80
04/09/2013	9274	ESI ENERGY CONSULTANTS	580.00
04/09/2013	9275	ETC	245.00
04/09/2013	9276	COMPLETE MASONRY & CONSTRUCTION LI	45.00
04/09/2013	9277	CHARLES L THERRIAN BUILDER	591.80
04/09/2013	9278	MICHIGAN DEMOLITION & EXCAVATION	800.00
04/09/2013	9279	BROWN DRILLING COMPANY INC	224.28
04/09/2013	9280	MERIDIAN PLUMBING	288.00
04/09/2013	9281	CENTURY CONSTRUCTION	16,927.00
04/09/2013	9282	LJ TRUMBLE BUILDERS	2,400.00
04/09/2013	9283	MICH STATE HOUSING DEV AUTHORITY	31,181.00
04/09/2013	9284	MOW MASTER	1,320.00
04/09/2013	9285	AMO INSPECTIONS & APPRAISALS	1,650.00
04/09/2013	9286	JOSEPH G BONSALE	400.00
04/09/2013	9287	DENNIS GRAHAM	247.26
04/23/2013	9288	BOARD OF WATER & LIGHT	541.71
04/23/2013	9289	BOARD OF WATER & LIGHT	590.99

04/23/2013	9290	BOARD OF WATER & LIGHT	325.05
04/23/2013	9291	BOARD OF WATER & LIGHT	444.75
04/23/2013	9292	BOARD OF WATER & LIGHT	490.06
04/23/2013	9293	BOARD OF WATER & LIGHT	86.24
04/23/2013	9294	CONSUMERS ENERGY	779.84
04/23/2013	9295	CONSUMERS ENERGY	636.72
04/23/2013	9296	CONSUMERS ENERGY	731.79
04/23/2013	9297	CONSUMERS ENERGY	326.10
04/23/2013	9298	CITY OF LESLIE	985.95
04/23/2013	9299	TOSHIBA FINANCIAL SERVICES	197.86
04/23/2013	9300	AT & T	281.86
04/24/2013	9301	COMCAST	66.95
04/24/2013	9302	HOME DEPOT CREDIT SERVICES	189.91
04/24/2013	9303	HSBC BUSINESS SOLUTIONS	606.63
04/24/2013	9304	PURCHASE POWER	95.37
04/24/2013	9305	STR.GRANTS, L.L.C.	3,885.00
04/24/2013	9306	COHL, STOKER & TOSKEY, P.C.	753.85
04/24/2013	9307	WILLIAM KIRK GREEN	500.00
04/24/2013	9308	EDEN GLEN CONDO ASSOCIATION	5,705.00
04/24/2013	9309	SOUTH ST, LLC	500.00
04/24/2013	9310	GREATER LANSING HOUSING COALITION	5,976.94
04/24/2013	9311	LANSING ICE & FUEL	331.25
04/24/2013	9312	MARTINEZ CONSULTING GROUP	99.00
04/24/2013	9313	RIZZI DESIGNS	2,144.90
04/24/2013	9314	KATE TYKOCKI, LLC	2,436.25
04/24/2013	9315	SUCH VIDEO	2,600.00
04/24/2013	9316	CITY PULSE	879.30
04/24/2013	9317	SWAT ENVIRONMENTAL	670.00
04/24/2013	9318	SPICER GROUP	3,600.00
04/24/2013	9319	KEBS, INC.	3,600.00
04/24/2013	9320	MOLENAAR & ASSOCIATES, INC	1,500.00
04/24/2013	9321	PAUL HICKNER	600.00
04/24/2013	9322	WISEMAN TREE EXPERTS	550.00
04/24/2013	9323	LEN'S CARPET CARE & CONSULTANTS	803.92
04/24/2013	9324	COMMERCIAL CLEANING	1,626.70
04/24/2013	9325	BWB CLEANING	1,814.00
04/24/2013	9326	VET'S ACE HARDWARE	491.01
04/24/2013	9327	FOX BROTHERS COMPANY	215.57
04/24/2013	9328	HAZEN LUMBER, INC.	112.83
04/24/2013	9329	ROOFING INNOVATIONS, LLC	375.00
04/24/2013	9330	NORSHORE BUILDING INC	23,597.00
04/24/2013	9331	CENTURY CONSTRUCTION	30,721.75
04/24/2013	9332	CHARLES L THERRIAN BUILDER	335.00
04/24/2013	9333	BAKER BUILDERS, INC	200.00
04/24/2013	9334	KEHREN CONSTRUCTION, LLC	3,870.00
04/24/2013	9335	SCHUMACHER'S FOUR SEASONS	45.00
04/24/2013	9336	AMO INSPECTIONS & APPRAISALS	1,660.00
04/24/2013	9337	LINDA SCHONBERG	109.52
04/24/2013	9338	DENNIS GRAHAM	193.51

GEN TOTALS:

Total of 98 Checks:

199,970.02



INGHAM COUNTY LAND BANK AUTHORITY  
STATEMENT OF NET ASSETS  
STATEMENT OF REVENUES, EXPENSES & CHANGE IN NET ASSETS  
MARCH 31, 2013

Cash	\$ 2,981.07
Accounts Receivable	120.00
Land Contract Receivable	1,847,869.04
Land Contract Interest Receivable	101,199.16
Land Contract Escrow	16,286.31
Notes Receivable	180,000.00
Specific Tax Receivable	31,513.61
Specific Tax Receivable-Prior Year	940.67
OCOF Nonprofit Receivable	5,322.68
Ingham County Receivable	955.00
Lansing City Receivable-General	18,005.63
NSP3 Lansing City Receivable	4,820.81
Inventory-NSP2	4,481,400.00
Inventory	<u>4,626,818.42</u>
Total Assets	\$ 11,318,232.40
Liabilities	
Accounts Payable	1,388.00
Notes Payable	
PNC Bank	3,425,000.00
Due to MSHDA-NSP2	4,187,681.00
Due to Ingham County	1,173,596.29
Rental Deposit	10,882.00
Good Faith Deposits	3,000.00
Land Contract Escrow	7,773.12
Deferred Revenue	<u>328,500.00</u>
Total Liabilities	9,137,820.41
Retained Earnings	<u>\$1,720,903.43</u>
Total Net Assets	<u>\$ 459,508.56</u>

STATE OF REVENUES, EXPENSES & CHANGE IN NET ASSETS  
MARCH 31, 2013

Revenues

Property Sales	153,771.97
NSP1 City of Lansing Revenue	134,652.34
HOME City of Lansing Revenue	59,253.00
Lansing Reinvestment Revenue	65,734.00
NSP2 MSHDA Revenue	274,056.49
NSP2 MSHDA Adm. Revenue	12,559.51
NSP2 Program Income	235,300.00
NSP County Revenue	4,338.85
Interest Income	121,419.79
Rental Income	40,261.00
Garden Program Revenue	10.00
Late Fee Revenue	980.03
Miscellaneous Revenue	581.39
Ingham County Allocation	<u>400,000.00</u>

Total Revenue	\$ 1,502,918.37
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Operating Expenses

Cost of Projects	81,320.18
Supplies	3,660.25
Audit Fee	6,000.00
Communication	1,111.70
Security	121.84
Rental	1,700.00
Equipment-small purchase	1,775.69
Vehicle Expense	553.15
Postage	140.70
Media	2,111.60
Consultants	8,585.00
Bank Fee	149.64
Legal	1,149.83
Contractual Services	6,156.25
Software	13,985.00
Travel	186.11
Payroll Reimbursement	55,789.85
Americorp Member	1,595.50
Employer Tax Liability	3,666.84
Payroll Service	448.60
Workers Compensation	1,956.38
Utilities	144.77
Building Maintenance	2,601.65
Lawn & Snow	315.00
Garden Program	805.66
Rental Expense	17,370.03
HOME Lansing City	154,677.38

Operating Expenses Continued

NSP1 Lansing City	116,604.34
NSP Ingham County	1,669.85
NSP II	315,879.26
NSP2 Program Income Expense	235,299.90
NSP III	<u>5,877.86</u>

Total Expense	\$ 1,043,409.81
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Total Net Assets, end of period	<u>\$ 459,508.56</u>
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