

**Lakelands Trail Lease**  
**State Lease No. 47-1**

By authority of Part 5 of Public Act 451 of 1994

**Between**

**the STATE OF MICHIGAN, as Lessor**

**and**

**Hamburg Township, as Lessee**

This Lease is entered into by the State of Michigan through its Department of Natural Resources (DNR), Parks and Recreation Bureau (Lessor) and Hamburg Township located in Livingston County (Lessee), whose address is P.O. Box 157, Hamburg, Michigan 48139.

WHEREAS, pursuant to Section 503(1) of Public Act 451 of 1994 (1994 PA 451), as amended MCL 324.503(1), the DNR is required to: protect and conserve the natural resources of the State; provide and develop facilities for outdoor recreation; prevent the destruction of timber and other forest growth by fire or otherwise; promote the reforestation of forest lands belonging to the State; prevent and guard against the pollution of lakes and streams within the State and enforce all laws provided for that purpose with all authority granted by law; and foster and encourage the protecting and propagation of game and fish.

WHEREAS, the Purpose of this Lease is to allow Hamburg Township to maintain, operate and develop the Lakelands Trail.

WHEREAS, the Director of DNR, or his or her lawful representative, has determined that the purpose of this Lease is necessary to implement Part 5 of 1994 PA 451 because maintenance of the Lakelands Trail will protect and conserve the natural resources and provide facilities for outdoor recreation.

WHEREAS, Hamburg Township is willing to operate, maintain, and develop the Lakelands Trail, which is located within Hamburg Township.

THEREFORE, Lessor and Lessee, for consideration specified in this Lease, agree to the following terms and conditions:

1. **DESCRIPTION OF PREMISES:** Lessor hereby leases to Lessee the Premises, described in **Enclosure A** (legal description), including all of the land owned by the State of Michigan and/or the Department of Natural Resources that was formerly part of the right of way for the Grand Trunk Railroad that is located within Hamburg Township, County of Livingston, State of Michigan, this property also being now known as part of the Lakelands Trail State Park.

2. **USE OF PREMISES:**

A. Lessee hereby acknowledges that the use and occupancy of the premises shall be subject to the provisions of 1994 PA 451, as amended, and confined to the following specific Uses:

1. To maintain and operate a trailway per policies of the Department of Natural Resources, Parks and Recreation Bureau.

2. To facilitate the development and improvement of this trailway, which may include, but is not limited to, the paving of the trailway, the construction of trailheads, restrooms, tunnel crossing, road crossings, parking, a connection to West Bennett Park and other connections to pedestrian ways, parking areas and other public amenities.

Lessee shall obtain Lessor's prior consent, in writing signed by the Department Representative, to use the Premises for any purpose not listed in this Paragraph. Lessor may terminate this Lease if, at any time, Lessee uses the Premises, without express written permission by Lessor, for purposes other than those enumerated in this Paragraph. This Paragraph is cross-referenced in Paragraph 22.

B. **PROHIBITED ACTIVITIES:** The following activities on the Premises are prohibited:

1. Public use of motorized vehicles on trailway.

2. Overnight use of camping trailers or tents without prior written approval of the Department Representative.

3. Dumping or disposal of garbage/trash, spare parts, scrap metal and other waste onto the Premises.

4. Disposal of trees, treetops, branches, roots, stumps, and other vegetational debris onto the Premises.

Lessor may terminate this Lease if, at any time during the term of this Lease, prohibited activities occur on the Premises.

3. **WASTE:** Lessee agrees not to commit, or allow to be committed, any waste or nuisance on the Premises and will not use, or permit to be used, the Premises for an unlawful purpose.

4. **LESSOR'S OPERATIONS:** Lessee covenants that its use of the Premises shall, at no time, interfere with the uses or operations of Lessor or the Public on the Premises. Lessee covenants that its use of the Premises shall, at no time, interfere with the Public's use of State land adjacent to the Premises. Lessee shall not prevent Lessor, its agents, or the public from crossing the Premises to access the adjoining State lands.

5. **ADMINISTRATION:** Parks and Recreation Bureau Chief, Department of Natural Resources, P.O. Box 30257, Lansing, Michigan 48909, telephone number (517)373-9900, is the Department Administrator of this Lease or his or her designated representative (collectively, Department Representative). The Lessee shall designate in writing to the Department

Representative one person and one alternate responsible to be the contact person for the Lessor regarding the administration of the Lease. This person shall be authorized to make decisions regarding the maintenance and operation of the Premises.

6. **CONDITION OF PREMISES:** Lessee stipulates, represents and warrants that Lessee has examined the Premises, and that they are taking possession of the Premises in their "as is" condition. Lessee acknowledges that it has not made an independent environmental assessment of the Premises, and agrees to maintain the Premises in their present condition.

7. **TERM:** Lessor shall lease the Premises to Lessee for a twenty-five (25) year initial term of possession beginning upon actual possession at 12:01 a.m. on August 31, 2003, and ending at midnight on August 31, 2028, or such later date as provided in Paragraph 6.

The beginning and ending Lease term dates may be altered by mutual written consent to reflect the actual date of occupancy. If the occupancy date is changed, Paragraph 7 shall also be changed accordingly.

8. **RENT:** Lessee shall pay to Lessor rent at the rate of One Dollar (\$1.00) per annum. Rent shall be paid for an entire twenty-five (25) years thirty (30) days after signing this in one installment of twenty-five dollars (\$25.00). Payment shall be sent to the address indicated under "Notice and Approvals."

9. **OPTION TO RENEW:** The initial term of this Lease may be extended if Lessee gives Lessor one hundred twenty (120) days written notice before this Lease or any extension expires and agrees to any additional terms and rent modifications proposed by Lessor. Lessor's written consent is necessary for any Lease term extension. Lessor's rental rate for the Premises during an extended term will be established as set forth in Paragraph 8.

10. **SERVICES BY LESSEE:** Lessee shall furnish the following services at its own expense:

a. Lessee will operate and maintain the Leased Premises as a non-motorized trailway at its sole expense.

Lessee shall maintain standards of cleanliness that will reflect favorable public opinion on the Lessee and the DNR. If the Department Representative determines that the Lessee has failed to maintain an acceptable standard of cleanliness and if after forty-eight (48) hours, two (2) working days, following verbal and written notification by the Lessor, the problem is not rectified to the satisfaction of Lessor, Lessor may perform or have the duties of the Lessee performed by others at Lessee's expense.

12. **ASSIGNMENT AND SUBLEASE:** Lessee shall neither assign, sublet, nor grant any license for use of the Premises, or any part thereof, without Lessor's prior written consent, which Lessee shall request at least thirty (30) days in advance of such assignment, sublease, or license. Consent by Lessor to one such assignment, sublease, or license shall not be deemed to be a consent to any subsequent assignment, sublease, or license. An assignment, sublease, or license

without the prior written consent of Lessor shall be absolutely null and void and shall, at Lessor's option, terminate this Lease.

13. **ALTERATIONS:** No alterations, modifications, or improvements other than those stated in Paragraph 2 of this lease, shall be made to the Premises without Lessor's specific written consent, which Lessee shall request at least thirty (30) days in advance of such alteration, modification, or improvement. At the expiration or cancellation of the Lease, all alterations, modifications, and improvements to the Premises shall become the property of Lessor unless otherwise agreed in writing by Lessor. In the event that the parties agree that Lessee may remove Lessee improvements, Lessee shall restore the Premises to its original condition.

14. **LAWS, CODES AND PERMITS:** Lessee shall comply with all applicable Federal, State and local regulations (including but not limited to all environmental) laws, regulations, and codes and will obtain any necessary permits in connection with its use of the Premises.

15. **DAMAGE and REPAIRS:** Lessee shall make repairs to the Premises resulting from damage that exceeds the normal wear and tear expected from the lawful and proper use of the Premises.

16. **INSPECTION OF PREMISES:** Lessor and Lessor's agents and employees shall have the right at all reasonable times during the term of this Lease, and any renewal thereof, to enter the Premises for the purposes of making any inspections, repairs, additions, or alterations as may be deemed appropriate by Lessor for the preservation of the Premises.

17. **INDEMNIFICATION:** Lessee hereby expressly agrees to hold harmless, defend, and indemnify Lessor, its agents and employees, from and against any and all claims, costs, losses, suits, demands, actions, liabilities, damages, causes of action or judgments, including, but not limited to, alleged violations of environmental laws, that may in any manner be imposed on or incurred by the Lessor, its agents and employees, for any bodily injury, loss of life, and/or damage to property, resulting from, arising out of, or in any way connected with Lessee's use of the Premises. This indemnification and hold harmless provision shall survive the termination of the leasehold interest and the sale of the Premises by Lessor.

18. **INSURANCE:** Lessee shall provide to Lessor certificates of insurance listing the State of Michigan, its several departments, boards, agencies, commissions, officers, and employees as additional insureds, within thirty (30) calendar days following the execution and delivery of this Lease to Lessee, and every year thereafter, for the following insurance coverage. The insurance policies shall provide that they may not be modified, canceled, or allowed to expire without thirty (30) days prior written notice given to Lessor.

a. Lessee shall obtain general liability insurance, naming Lessor, its officers and employees as additional insureds and protecting against all claims, demands, suits, actions or causes of action and judgments, settlements or recoveries, for bodily injury or property damage arising out of a condition of the Premises, or arising in connection with or as a direct or indirect result of the Lessee's use and occupancy of the Premises or its exercise of the right and privileges granted in the Lease. Lessee agrees to maintain a minimum policy limit, in the amount of \$500,000.00 per

occurrence for property damage, \$1,000,000.00 per occurrence for bodily injury, and \$2,000,000.00 aggregate.

b. Lessee covenants that it will, during the continuance of the term of this Lease, keep the buildings and improvements now or hereafter located on the Premises, insured by a responsible and reputable insurance company or companies against loss or damage for all risks as are currently embraced in the standard extended coverage endorsement in the State of Michigan, and in an amount equal to the full replacement value of said buildings and improvements.

c. Lessee shall obtain workers compensation insurance for Lessee Employers' claims under Michigan Workers Compensation Act or similar employee benefit act or any other state act applicable to an employee, along with Employer's Liability Insurance for claims for damages because of bodily injury, occupational sickness or disease or death of an employee when workers compensation may not be an exclusive remedy, subject to a limit of liability of not less than \$100,000 each accident.

d. Lessee shall maintain automobile no-fault coverage as required by law.

19. **NONDISCRIMINATION:** Lessee shall comply with the Elliott-Larsen Civil Rights Act, 1976 PA 453 as amended, MCL 37.2101 *et seq.*; MSA 3.548 (101) *et seq.*; the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101; MSA 3.550 (101) *et seq.*, and all other federal, state and local fair employment practices and equal opportunity laws and covenants that it shall not discriminate against any employee or applicant for employment, to be employed in the performance of this real estate contract, with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of his or her race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Lessee agrees to include in every subcontract entered into for the performance of this real estate contract this covenant not to discriminate in employment. A breach of this covenant is a material breach of this Lease. This covenant is cross-referenced in Paragraph 24.

20. **UNFAIR LABOR PRACTICES:** Lessor shall comply with the Employers Engaging in Unfair Labor Practices Act, 1980 PA 278, as amended, MCL 423.321 *et seq.*; MSA 17.458(21) *et seq.*: This covenant is cross-referenced in Paragraph 21.]

21. **CANCELLATION:** Lessor may cancel this Lease provided Lessee is notified in writing at least thirty (30) days prior to the effective date of cancellation and any one of the following occur:

a. The DNR determines that the Premises are no longer being used for the Purposes identified in this Lease.

b. The DNR determines that Lessee provided the DNR with information, in its application for this Lease or at any time during the Lease term, that was false or fraudulent.

c. Lessee fails to perform any of its obligations under this Lease, and such failure is not cured within ninety (90) calendar days after written notice of default to Lessee.

d. Lessee or any subcontractor, manufacturer or supplier of Lessee appears in the register compiled by the Michigan Department of Consumer and Industry Services pursuant to 1980 PA 278, as amended, MCL 423.321 *et seq.*; MSA 17.458(21) *et seq.* (Employers Engaging in Unfair Labor Practices Act). This covenant is cross-referenced in Paragraph 20.

e. Lessee or any subcontractor, manufacturer or supplier of Lessee is found guilty of discrimination, pursuant to 1976 PA 453, as amended, MCL 37.2101 *et seq.*; MSA 3.548(101) *et seq.* (Elliott-Larsen Civil Rights Act); or 1976 PA 220, as amended, MCL 37.1101 *et seq.*; MSA 3.550(101) *et seq.* (Persons with Disabilities Civil Rights Act). This covenant is cross-referenced in Paragraph 20.

22. **QUIET ENJOYMENT:** Upon payment of the rent and the performance of the conditions outlined herein, Lessee may peacefully and quietly have, hold, and enjoy the Premises, provided that the use of the Premises by Lessee is maintained open to the general public.

23. **RESERVATION:** Lessor reserves the right to grant rights-of-way and easements of any kind and nature over and across said the Premises and to grant or exercise all other rights and privileges of every kind and nature not herein specifically granted.

24. **HOLDOVER TENANCY:** If Lessee remains in possession of the Premises after the natural expiration of this Lease, with the consent of Lessor but without a renewal of this Lease pursuant to Paragraph 6, a new tenancy from year-to-year shall be created between Lessor and Lessee. The new tenancy shall be subject to all of the terms and conditions of this Lease, except that rent shall then be due and owing at the rate of one dollar (\$1.00) per annum, and except that such tenancy shall be terminable upon fifteen (15) days written notice served by either party.

25. **TAXES:** If Lessee is a nongovernmental entity, it may be subject to taxation for the Premises as provided in 1953 P.A. 189, as amended, MCL 211.181 *et seq.*; MSA 7.7(5) *et seq.*

Lessee's failure to notify the taxing authority of this Lease and/or its failure to pay its pro rata share of real property taxes by the first due date shall be a breach of the Lease. Lessee shall provide Lessor with paid receipts for any real property taxes within thirty (30) days after the tax due date.

#### NOTICE AND APPROVALS

26. **NOTICES:** Any notices to Lessor or to Lessee required by this Lease shall be complete if submitted in writing and transmitted by personal delivery (with signed delivery receipt), or certified or registered mail return receipt requested. Unless either party notifies the other in writing of a different mailing address, notices to Lessor and Lessee shall be transmitted to the addresses listed below:

**To Lessor**

State of Michigan  
Department of Natural Resources  
Parks and Recreation Bureau Chief  
P.O. Box 30257  
Lansing, Michigan 48909

**To Lessee:**

Hamburg Township Supervisor  
P.O. Box 157  
Hamburg, Michigan 48139

27. **NOTICES – EFFECTIVE TIME/DATE:** Notices shall be deemed effective as of 12:00 noon Eastern Standard Time on the third business day following the date of mailing, if sent by mail. Business day is defined as any day other than a Saturday, Sunday, legal holiday, or day preceding a legal holiday. A receipt from a U.S. Postal Service, or comparable agency performing such function, shall be conclusive evidence of the date of mailing.

28. **INTERPRETATION:** This Lease shall be interpreted in accordance with the laws of the State of Michigan.

29. **NO UNNAMED ENTITIES/ PARTNERS:** Lessee covenants that there are no unnamed entities or partners having authority over the operation or management of the Premises and further represents that Lessee is the only entity responsible for carrying out Lessee's responsibilities.

30. **SEVERABILITY:** Should any provision of this Lease or any addenda thereto be found to be illegal or otherwise unenforceable by a court of law, such provision shall be severed from the remainder of the Lease, and such action shall not affect the enforceability of the remaining provisions of the Lease.

31. **REQUIRED APPROVALS:** This Lease shall not be binding or effective on either party until executed (and witnessed and notarized as necessary) by Lessor and Lessee.

32. **ENTIRE AGREEMENT AND ENCLOSURES:** This Lease constitutes the entire agreement between the parties with regard to this transaction and may be amended only in writing and executed in the same manner as this Lease was originally executed.

**LESSOR**

WITNESS FOR STATE OF MICHIGAN

STATE OF MICHIGAN, by the  
DEPARTMENT OF NATURAL  
RESOURCES  
PARKS AND RECREATION BUREAU

Douglas Rich  
1st Witness Signature

Printed: Douglas Rich

Sandra Simpson  
2nd Witness Signature

Printed: SANDRA SIMPSON

Lowen Schuett 10-9-03  
Signature / Date

Lowen Schuett  
Acting Division Chief  
Parks and Recreation Bureau  
Department of Natural Resources

State of Michigan, County of Ingham

The foregoing instrument was acknowledged before me on this 9th day of Oct., 2003,  
by Diane Munson, for the Michigan Department of Natural Resources.

\_\_\_\_\_, Notary Public in the County of Oakland,  
Acting in the County of Ingham, State of Michigan.  
My Commission expires: 7-4-04.

**LESSEE**

IN WITNESS WHEREOF, the parties to this Lease subscribe their names on the date set forth below:

WITNESS TO LESSEE:

LESSEE:

*P. Timassey*  
1st Witness Signature

Printed: Patricia Timassey

*Howard Dillman* 8/14/03  
Signature /Date

Printed: Howard Dillman

Title: Supervisor

*Laura Gibson*  
2nd Witness Signature

Printed: Laura Gibson

Federal I.D. No.: 38-1855320

State of Michigan, County of Livingston, Township of Hamburg

The foregoing instrument was acknowledged before me on this 14<sup>th</sup> day of Aug., 2003,  
by Brittany K. Campbell, Notary Public in the County of Livingston,  
Acting in the County of Livingston, State of Michigan.

My Commission expires: 12/14/2005.

*Brittany K. Campbell*

**BRITTANY K. CAMPBELL  
NOTARY PUBLIC LIVINGSTON CO., MI  
MY COMMISSION EXPIRES: Dec. 14, 2005**

**LESSEE**

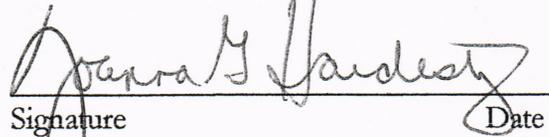
IN WITNESS WHEREOF, the parties to this Lease subscribe their names on the date set forth below:

WITNESS TO LESSEE:

  
1<sup>st</sup> Witness Signature

Printed: Susan J. Murray

LESSEE:

  
Signature Date

Printed: Joanna Hardesty – Township Clerk

  
2<sup>nd</sup> Witness Signature

Printed: Janet J. Bentley

Federal I.D. No.: 38-1855320

State of Michigan, County of Livingston, Township of Hamburg Township

The foregoing instrument was acknowledged before me on this 27<sup>th</sup> day of August 2003, by Linda E. Hartman, Notary Public in the County of Livingston, Acting in the County of Livingston, State of Michigan.

My commission expires: January 10, 2006.



**LINDA E. HARTMAN**  
Notary Public, Livingston County, MI  
My Commission Expires Jan. 10, 2006

## ENCLOSURE A

15-21-400-054

SEC 21 T1N R5E A PORTION OF FORMER GTWRR ROW DESC AS 100 FT WIDE STRIP OF LAND BEG AT INTERSECTION OF ROW & E LINE KRESS RD IN NE 1/4 SEC 21 CONT SELY OVER & ACROSS PT OF SD SEC TO PT WHICH IS LN PERPENDICULAR TO ROW LINES 253.5 FT W OF E SEC LN OF SEC 21 CONT 1.49 AC SPLIT FROM 22-400-019 10/95

15-22-400-020

SEC 22 T1N R5E THAT PORTION ABANDONED ROW GTRR PROP DESC AS 100 FT FORMER GTRR, ROW ACROSS NE1/4 SW1/4, EXC AARR ROW NW1/4 SW1/4 E OF GIRARD RD, W1/2, SE1/4, SE1/4 SE1/4. 11.48 AC SPLIT FROM 22-400-018 27-200-016 26-100-013 & 25-300-058 2-13-89

15-26-100-014

SEC 26 T1N R5E THAT PORTION ABANDONED ROW GTRR DESC AS 100 FT ROW ACROSS NW1/4 OF NE1/4 S1/2 OF NE1/4 N1/2 OF NW1/4 SE1/4 OF NW1/4 NE1/4 OF SE1/4 13.83 AC SPLIT FROM 22 400 018 27 200 016 26 100 013 & 25 300 058 2/13/89

15-25-300-059

SEC 25 T1N R5E THAT PORTION ABANDONED ROW GTRR DESC AS 100 FT FORMER GTRR ROW ACROSS NE1/4 SW1/4 W OF MAIN ST .16 AC SPLIT FR 22-400-018 27-200-016 26-100-013 & 25-300-058 2/13/89

15-27-200-019

SEC 27 T1N R5E 100 FT FORMER GTRR ROW ACROSS NE 1/4 OF NE 1/4 SPLIT 2/89 FROM 200 016

15-23-300-020

SEC 23 T1N R5E THAT PORTION OF ABANDONED ROW OF GTRR PROP DESC AS 100 FT FORMER GTRR ROW ACROSS SW1/4 SW1/4. .09 AC SPLIT FR 22-400-018, 27-200-016, 26-100-013 & 25-300-058, 2-89 DESC CHG 7-89

15-23-300-017

SEC 23 T1N R5E ABANDONED GTRR ROW 0.06 AC

15-21-100-057

SEC 21 T1N R5E 100 FT WIDE BIKE PATH FORMER GTWRR ROW ACROSS N 1/2 SAID SEC PER DNR 2/03

15-20-100-034

SEC 20 T1N R5E 100 FT WIDE BIKE PATH FORMER GTWRR ROW ACROSS N  
1/2 SAID SEC PER DNR 2/03

15-19-100-057

SEC 19 T1N R5E 100 FT WIDE BIKE PATH FORMER GTWRR ROW ACROSS N  
FRAC 1/2 SAID SEC 2/03 PER DNR