

Memo

To: Honorable Mayor Armitage; City Council

From: Bryan Myrkle, Community Development Director

Date: September 16, 2022

Re: Staff report on easement acquisitions for Beach Airport obstruction removal

Background

As City Council members know, the City is engaged in a process to acquire easements over several properties located in proximity to the Charlotte airport. The purpose is to enable the removal of trees that threaten the airport approach.

The city's representative in this process, Tim Davis of 4DAcquisitions, has negotiated the purchase of the next of these easements, with the owners of parcel E20 (1671 Lansing Road), JRRS Investments. The purchase of easement plus closing costs \$31,118.00. If approved at your meeting on September 19, the close would be scheduled for September 27.

This represents the second of 4 parcels necessary to complete the project.

Recommendation

It is my recommendation the City of Charlotte move forward with the acquisition of this avigation easement as negotiated on our behalf by Time Davis and 4DAcquisitions.

Financial Impacts

The financial impact of these easement acquisitions will be limited to 5% of their total cost, including not just purchase, but also title work, negotiation and consultation. The balance of the expense will be borne by the state and federal government. The funds used will not be available for other projects at the airport. However, this is unlikely to result in the City taking on these projects at its own expense; rather, it will result in any other projects being delayed until there are sufficient state and federal funds in place again.

Suggested Motion

See Resolution

CITY COUNCIL RESOLUTION NO. 2022-

A RESOLUTION TO AUTHORIZE THE PURCHASE OF AN AVIGATION EASEMENT THAT WOULD ALLOW FOR THE REMOVAL OF OBSTRUCTIONS IN THE FITCH H BEACH MUNICIPAL AIRPORT RUNWAY APPROACH AREA

- WHEREAS, The City of Charlotte is the owner and sponsor of the Fitch H. Beach Municipal Airport; and
- WHEREAS, The City of Charlotte has made assurances to the Michigan Department of Transportation Bureau of Aeronautics and Federal Aviation Administration that it will maintain the airport in safe and operable condition; and
- WHEREAS, The City of Charlotte's areas of responsibility for the airport extend beyond the boundaries of the airfield into approach areas; and
- WHEREAS, trees and other vegetation have grown into certain approach areas, becoming hazardous obstacles that require removal; and
- WHEREAS, The City of Charlotte must establish rights to remove these obstructions through the acquisition of permanent avigation easements that include the affected airspace; and
- WHEREAS, Tim Davis and 4DAcquisitions have represented the City of Charlotte in its negotiations toward purchasing these easements; and
- WHEREAS, the owner of a portion of the affected airspace has agreed to terms for the purchase of the necessary and permanent airspace rights by the City of Charlotte; and
- WHEREAS, this airspace is associated with the physical street addresses of 1671 Lansing Road, Charlotte, Michigan, more specifically described in other documents associated with the acquisition; and
- WHEREAS, the City of Charlotte City Council understands that 95 percent of the cost of this real estate transaction will be reimbursed by the state and federal government.
- THEREFORE, the City Council of the City of Charlotte hereby authorizes the purchase of an avigation easement from JRRS Investments, LLC, in the amount of \$30,000.
- BE IT FURTHER RESOLVED that the City Council of the City of Charlotte also intends to pay other fees and taxes associated with the acquisition in the amount of \$1,118.00.
- BE IT FURTHER RESOLVED that the City Council of the City of Charlotte hereby authorizes City of Charlotte staff, as well as Mayor Michael Armitage and City Clerk Mary LaRocque to review and execute those documents necessary to complete the purchase and acquisition of this avigation easement.



Lighthouse Title Agency Thornapple River, LLC 136 E. State Street, Suite A Hastings, MI 49058 Phone: (269)945-9770

Fax: (269)945-9771

DISCLOSURE AND ACKNOWLEDGMENT

Order No.: HA22-08541430
Date: September 27, 2022

Reference: The City of Charlotte, a Michigan municipal corporation/JRRS Investments, LLC, a Michigan

limited liability company

Property Address: 1671 Lansing Rd, Charlotte, MI 48813

By signing this statement the undersigned acknowledge the following:

- 1. That all closing documents prepared by Lighthouse Title Agency Thornapple River, LLC are prepared at the discretion and request of the parties to the transaction, their real estate agent(s)/broker(s) or attorney(s);
- 2. That Lighthouse Title Agency Thornapple River, LLC is not acting as our agent, attorney, representative or fiduciary, at this real estate closing;
- 3. That Lighthouse Title Agency Thornapple River, LLC's employee who has attended this closing represents only Lighthouse Title Agency Thornapple River, LLC;
- 4. That Lighthouse Title Agency Thornapple River, LLC's employee has identified certain documents to us and offered NO legal advice as to the meaning or effect of the documents. We understand that any of Lighthouse Title Agency Thornapple River, LLC's employee's statements about the documents are not legal advice to us. If we have an attorney, that attorney is our only attorney in this transaction;
- 5. That we have either read all of the closing documents or are responsible for our own failure to have read them. We understand that Lighthouse Title Agency - Thornapple River, LLC is not responsible for explaining to us the effect of the documents we have signed;
- 6. That the title policy, when issued, will contain all of the exceptions noted on the commitment, unless such exceptions are removed to the satisfaction of Lighthouse Title Agency Thornapple River, LLC;
- 7. That we have read this statement and understand it.

Borrower(s):	Seller(s):
The City of Charlotte, a Michigan municipal corporation	JRRS Investments, LLC, a Michigan limited liability company
BY: Michael Armitage Mayor	BY: Rita Salmo Sole Member
BY: Mary LaRocque City Clerk	

Disclosure And Acknowledgment (Continued)



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ACKNOWLEDGMENT OF WAIVER OF INSPECTIONS

DATE:	September 27, 2022			HA22-08541430
PROPERTY:	1671 Lansing Rd Charlotte, MI 48813			
SELLER(S):	JRRS Investments, LLC,	a Michiga	n limited liabili	ty company
PURCHASER(S):	The City of Charlotte, a M	ichigan n	nunicipal corpo	pration
been advised by				perty hereby acknowledge that they have so of same to obtain inspections on the
		WA	IVED	
		YES	NO	
Water/Septic Insp Termite Inspection Electrical, Plumb Structural Inspection Survey	on ing, Heating Inspections			
noted above and Insurance Compa responsibility and/	hereby release the selling I ny, and Lighthouse Title A	broker an gency - T	d/or the listing lihornapple Rive	e chosen not to obtain the inspections as broker and agents, Fidelity National Title r, LLC and employees from any and all at may or may not have been determined
			Purchaser(s):	
			The City of Ch corporation	arlotte, a Michigan municipal
			BY: Michael Ari Mayor	mitage
			BY: Mary LaRo City Clerk	cque



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CLOSING AGREEMENT

Order No: HA22-08541430
Date: September 27, 2022

Reference: The City of Charlotte, a Michigan municipal corporation / JRRS Investments, LLC, a Michigan

limited liability company

Property Address: 1671 Lansing Rd, Charlotte, MI 48813

It is agreed, between the Purchaser(s) and Seller(s) of this property that all contingencies and addendums to the Offer to Purchase thereto, dated August 8, 2022 have been met or are hereby resolved or removed to the satisfaction of the parties concerned.

Purchaser(s) understand and acknowledge that he/she/they are buying the property "As Is" condition and that neither the Seller(s) nor Realtor(s) make any warranties as to the land and structure purchased or the condition thereof.

Purchaser(s):	Seller(s):
The City of Charlotte, a Michigan municipal corporation	JRRS Investments, LLC, a Michigan limited liability company
BY:	
Michael Armitage	BY:
Mayor	Rita Salmo
	Sole Member
BY:	
Mary LaRocque	
City Clerk	

Buyer's Settlement Statement

Lighthouse Title Agency - Thornapple River, LLC 136 E. State Street

Suite A Hastings, MI 49058

Phone: (269)945-9770 Fax: (269)945-9771

Settlement Date: 09/27/2022
Escrow officer/Closer: Becky Olmstead
Order Number: HA22-08541430

Buyer: The City of Charlotte, a Michigan municipal corporation

Seller: JRRS Investments, LLC, a Michigan limited liability company

1671 Lansing Rd Charlotte, MI 48813

Property location: 1671 Lansing Rd

Charlotte, MI 48813

	Buyer	
	Debit	Credit
Financial Consideration		
Sale Price of Property	30,000.00	
Escrow/Title Charges		
Title - Closing Fee (1/2 charged/Credit for Search Paid) to Lighthouse Title Agency - Thornapple River, LLC	275.00	
Title - Owner's Title Insurance to Lighthouse Title Agency - Thornapple River, LLC Coverage: 30,000.00 550.00 Version: ALTA Owners Policy (2006)	550.00	
Recording Charges		
Recording Fees to Eaton County Register of Deeds	35.00	
Transfer Tax to Eaton County Register of Deeds	258.00	
Subtotals	31,118.00	
Balance Due FROM Borrower	_	31,118.00
TOTALS	31,118.00	31,118.00

Acknowledgement

We/I have carefully reviewed the Settlement Statement and find it to be a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction and further certify that I have received a copy of the Settlement Statement. We/I authorize the funds to be disbursed in accordance with this statement.

Buyer
The City of Charlotte, a Michigan municipal corporation
BY: Michael Armitage Mayor
BY: Mary LaRocque City Clerk
Lighthouse Title Agency - Thornapple River, LLC Settlement Agent

PURCHASE OF EASEMENT AGREEMENT ADDENDUM

The undersigned parties to the Purchase Agreement dated August 8, 2022 on the property known as 1671 Lansing Rd, Charlotte, MI 48813, legally described as:

Township of Eaton, County of Eaton, State of Michigan:

The Southwesterly 115 feet in width of the following described parcel: That part of the Southwest 1/4 of the Southeast 1/4 of Section 5, Town 2 North, Range 4 West, Eaton Township, Eaton County, Michigan, described as: Commencing at the intersection of the Northwesterly line of Highway US-27 and the East and West 1/8 line of said Southwest 1/4; thence Southwesterly along said Northwesterly line of said Highway, 515 feet; thence Northwesterly at right angles to said highway to said East and West 1/8 line; thence East to place of beginning.

also known as Property Address: 1671 Lansing Rd, Charlotte, MI 48813

PIN: 23-110-005-400-140-00

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hereby mutually agree to amend said contract as follows:

BUYER WILL PAY ALL FEES ASSOCIATED WITH THE TRANSACTION. SELLER WILL NET FULL CONTRACT PRICE.

All other conditions of the Purchase Agreement to remain the same.

Dated. September 13, 2022	
Seller(s):	Buyer(s):
JRRS Investments, LLC, a Michigan limited liability company	The City of Charlotte, a Michigan municipal corporation BY:
BY:	Michael Armitage
Rita Salmo Sole Member	Mayor
	BY:
	Mary LaRocque
	City Clerk



August 13, 2022

Erin LaPere, MPAP City Manager City of Charlotte 111 E. Lawrence Avenue Charlotte, MI 48813

Subject: Request for Closing Document Signatures and Acquisition Funds

Project: Charlotte Airport

Parcel #E20 – JRRS Investments, LLC

Property address: 1671 Lansing Road (easement)

Dear Ms. Moore

Enclosed you please find closing statements for the property referenced above. The Lighthouse Title Agency company has arranged a closing date of September 27th. To accomplish the closing the title company requires receipt of the signed closing documents and of the funds for the purchase. The request for acquisition is:

Purchase Price: \$30,000
Closing Costs: \$1,118
TOTAL to be transferred: \$31,118

When possible, please have the attached documents signed and returned to me for distribution to the title company. Please also commence the wire (or check) to issue funds to Lighthouse.

If you have any questions, please contact me at 517-673-0053 or tim.davis@4Dacquisition.com.

Sincerely,

Tim Davis

Attachments: Buyer's closing statements

Cc: Bryan Myrkle Jon VanDuinen