



ABRAMS MUNICIPAL AIRPORT ADVISORY COMMISSION

JANUARY 5, 2016 – 6:30 PM

GRAND LEDGE CITY HALL

CITY COUNCIL CHAMBERS

310 GREENWOOD STREET

- I. CALL TO ORDER/TAKING OF ROLL/PLEDGE OF ALLEGIANCE
- II. APPROVAL OF AGENDA
- III. COMMISSION MINUTES
 - A. Approval of the regular minutes for July 14, 2015
- IV. PUBLIC COMMENT
- V. STAFF REPORTS
 - A. Financial Report [Informational Item]
 - B. T-Hangar Report [Informational Item]
- VI. OLD BUSINESS
 - A. Airport Layout Plan Update [Informational Item]
 - B. Well Project Update [Informational Item]
 - C. T-Hangar Lease [Discussion Item]
- VII. NEW BUSINESS
 - A. Claim of Exemption from Personal Property Taxes [Informational Item]
 - B. 20:1 Letter [Discussion Item]
- VIII. COMMISSION COMMENTS
- IX. ADJOURNMENT

ABRAMS MUNICIPAL AIRPORT ADVISORY COMMISSION**JULY 14, 2015 – 6:30 PM****ABRAMS MUNICIPAL AIRPORT****16815 WRIGHT RD.****Minutes**

- I. CALL TO ORDER/TAKING OF ROLL/PLEDGE OF ALLEGIANCE – The meeting was called to order at 7:12 p.m. Those in attendance were Dave Powers, Peter Manina, Cana Garrison, Helen Hagg, Dan Harris, and Mark Wilkins. Others present were Assistant City Administrator Amee King and Stephanie Ward with Mead & Hunt
- II. APPROVAL OF AGENDA – Mr. Harris made a motion to add an item New Business A. Airport Capital Improvement Plan. Mr. Wilkins supported the motion. Motion passed 6 to 0. Ms. Hagg made a motion to approve the agenda as amended. Mr. Harris supported the motion. Motion passed 6 to 0.
- III. COMMISSION MINUTES
 - A. Approval of the regular minutes for March 3, 2015 – Ms. Garrison made a motion to approve the minutes for March 3, 2015 as presented. Mr. Manina supported the motion. Motion carried 6 to 0.
- IV. PUBLIC COMMENT - None
- V. STAFF REPORTS
 - A. Financial Report – Ms. King reviewed the financial reports. Mr. Manina made a motion to accept the financial reports. Ms. Hagg supported the motion. Motion carried 6 to 0.
 - B. T-Hangar Report – Ms. King reviewed the T-hangar report. At this time we have 6 vacancies. Staff is currently working on a flyer to be mailed to increase occupancy, which will be shared with the board when complete.
- VI. OLD BUSINESS
 - A. Airport Layout Plan Update – Ms. Ward from Mead & Hunt updated the board on the airport layout plan. The survey is complete. The title work cleared up an issue on the north end. There is one parcel that has a 2 deeds. The aerial photography is complete. The line work should be completed within 30 days. The draft report will then take an additional 30 days. Ms. King mentioned that staff were informed of an issue with the survey. There was a mile marker pin that was re-monumented. This in turn caused two areas to be slightly different. Eng staff members (surveyors) and City staff members have been working on a resolution. Ms. King will update the board when it is resolved.
 - B. Well Project Update – There was interest from one of the box hangar owners to place a well onto his leased property. The board asked staff to compile information on putting a well in. Staff obtained a quote from Johnson Well drilling in the amount of \$7,885. This would be a 5 inch well with a 1 hp motor to be located at the southernmost end of the T-hangar building. The pump and pressure tank would be housed inside an underground it located adjacent to the well and would be protected from freezing during the winter. There would be three frost free yard hydrants installed along the water line located at the north end, mid-point and south end of the pipe. It would be possible to extend water services to each of the box hangars by directional boring water lines under the roadway at an additional cost. Ms. King reported that she had contacted three neighboring airports with two of

them allowing their box hanger/property leasers to drill their own wells at their own cost. The board was in consensus to have staff continue research. Staff will bring back additional information to the board at the next meeting.

- C. T-Hangar Lease – The board reviewed the lease and made a few suggestions. Mr. Manina made a motion to request the attorney review and make suggestions based on our recommendations and concerns. Ms. Hagg supported the motion. Motion passed 6 to 0. Ms. King will provide the attorney the suggested changes.

VII. NEW BUSINESS

- A. Airport Capital Improvement Plan – Ms. Ward reviewed the project list:

- 2015: Carryover Funds
- 2016: Carryover Funds
- 2017: Design – Runway 9/27 Rehab
Design – Runway 9/27 Lighting and PAPI Installation
- 2018: Construct – Runway 9/27 Rehab
Construct – Runway 9/27 Lighting and PAPI Installation
- 2019: Design – Rehab Parallel Taxiway
Design – Rehab Apron
- 2020: Construct – Rehab Parallel Taxiway
Construct – Rehab Apron

The board was in consensus to move forward with the list of projects as is. MAP meetings are being scheduled and will begin August 19th.

- VIII. COMMISSION COMMENTS – Ms. Garrison indicated that in the past a new terminal building was discussed. Is that something we could add to the Capital Improvement Plan? Ms. Ward indicated that the runway will be a priority but could be added after that is complete.

- IX. ADJOURNMENT – Mr. Manina made a motion to adjourn the meeting at 8:27 p.m. Mr. Wilkins supported the motion. Motion carried 6 to 0.

Minutes compiled by Ameer King, Assistant City Administrator.

BALANCE SHEET

City of Grand Ledge

As of: 11/30/2015

Balances

Fund: 295 - AIRPORT FUND

Assets

001.000 CASH	125,882.21
040.000 ACCOUNTS RECEIVABLE	9,500.00

Total Assets	135,382.21
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Liabilities

255.001 DEPOSITS PAYABLE	3,900.00
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Total Liabilities	3,900.00
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Reserves/Balances

390.000 FUND BALANCE	161,100.74
398.000 CHANGES IN FUND BALANCE	-29,618.53

Total Reserves/Balances	131,482.21
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Total Liabilities & Balances	135,382.21
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REVENUE/EXPENDITURE REPORT

City of Grand Ledge

For the Period: 7/1/2015 to 11/30/2015

	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal%	Bud
Fund: 295 - AIRPORT FUND							
Revenues							
Dept: 170.270 AIRPORT							
665.001 INTEREST	200.00	200.00	145.55	37.94	0.00	54.45	72.8
667.002 AGRICULTURAL RENT	4,830.00	4,830.00	0.00	0.00	0.00	4,830.00	0.0
667.003 NATIONAL GUARD RENT	19,000.00	19,000.00	9,500.00	0.00	0.00	9,500.00	50.0
667.007 FBO - LEASE	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	0.0
667.010 HANGAR RENTS	34,000.00	34,000.00	13,000.00	2,000.00	0.00	21,000.00	38.2
667.012 HANGAR LAND LEASES	2,500.00	2,500.00	0.00	0.00	0.00	2,500.00	0.0
AIRPORT	61,530.00	61,530.00	22,645.55	2,037.94	0.00	38,884.45	36.8
Revenues	61,530.00	61,530.00	22,645.55	2,037.94	0.00	38,884.45	36.8
Expenditures							
Dept: 170.270 AIRPORT							
741.000 OPERATING SUPPLIES	2,500.00	2,500.00	497.95	497.95	0.00	2,002.05	19.9
811.000 CONTRACTUAL	8,500.00	8,500.00	7,888.00	78.00	0.00	612.00	92.8
840.000 INSURANCE	8,700.00	8,700.00	3,660.05	0.00	0.00	5,039.95	42.1
853.000 TELEPHONE/INTERNET	1,000.00	1,000.00	165.57	41.43	0.00	834.43	16.6
900.000 PRINTING/PUBLISHING	400.00	400.00	74.17	0.00	0.00	325.83	18.5
921.000 UTILITIES	5,000.00	5,000.00	2,050.17	506.04	0.00	2,949.83	41.0
931.000 BUILDING MAINTENANCE	1,500.00	1,500.00	170.00	170.00	0.00	1,330.00	11.3
935.000 RUNWAY/GROUNDS MAINTENANCE	20,000.00	20,000.00	32,333.17	13,251.90	0.00	-12,333.17	161.7
940.000 EQUIPMENT RENTAL	500.00	500.00	0.00	0.00	0.00	500.00	0.0
974.006 CONSTRUCTION	12,000.00	12,000.00	0.00	0.00	0.00	12,000.00	0.0
997.101 INDIRECT COST CHARGES	5,425.00	5,425.00	5,425.00	0.00	0.00	0.00	100.0
AIRPORT	65,525.00	65,525.00	52,264.08	14,545.32	0.00	13,260.92	79.8
Expenditures	65,525.00	65,525.00	52,264.08	14,545.32	0.00	13,260.92	79.8
Net Effect for AIRPORT FUND	-3,995.00	-3,995.00	-29,618.53	-12,507.38	0.00	25,623.53	741.4
Change in Fund			-29,618.53				
Grand Total Net	-3,995.00	-3,995.00	-29,618.53	-12,507.38	0.00	25,623.53	



TO: Abrams Municipal Airport Board of Directors

FROM: Amee King, Assistant City Administrator and Assistant Airport Manager

DATE: December 22, 2015

RE: T-Hangar Update

Below is an up to date listing of our vacancies and if payments are up to date.

Hangar 1	Up to date
Hangar 2	Up to date
Hangar 3	<i>Vacant</i>
Hangar 4	<i>Vacant</i>
Hangar 5	<i>Vacant</i>
Hangar 6	<i>Vacant</i>
Hangar 7	Up to date
Hangar 8	Up to date
Hangar 9	Up to date
Hangar 10	Up to date
Hangar 11	<i>Vacant</i>
Hangar 12	<i>Vacant</i>
Hangar 13	Up to date
Hangar 14	Up to date
Hangar 15	Up to date
Hangar 16	Up to date
Hangar 17	Up to date
Hangar 18	Up to date
Hangar 19	Up to date
Hangar 20 + storage	<i>Vacant</i>
Hangar 21	Up to date

**CITY OF GRAND LEDGE ABRAMS AIRPORT
T-HANGAR LEASE AGREEMENT**

THIS LEASE AGREEMENT (this "Lease" or this "Agreement"), made and entered into as of the ____ day of _____, 20__, by and between **THE CITY OF GRAND LEDGE**, a Michigan Home Rule City with principal offices at 310 Greenwood St., Grand Ledge, Michigan 48837 (hereinafter, the "Lessor") and _____, whose address is _____ (hereinafter, the "Lessee").

WITNESSETH:

WHEREAS, Lessee desires to lease an aircraft hangar owned by the Lessor at the Abrams Airport for the purpose of storing aircraft and related items, subject to the terms and conditions contained in this Lease; and

WHEREAS, Lessor is willing and has authority to lease said premises, and grant certain rights, licenses and privileges with respect thereto to Lessee;

NOW THEREFORE, for and in consideration of the rents, covenants and agreements herein contained, Lessor and Lessee agree as follows:

1. **Premises.** The Lessor hereby agrees to lease to the Lessee the T-Hangar identified as Unit _____, situated on the Abrams Airport located in the City of Grand Ledge, County of Clinton, State of Michigan (the "Premises" or the "Leased Premises"). Lessee(s) and Lessee's invitees shall have free use of a right-of-way for ingress and egress of aircraft and personal vehicles to the Leased Premises. The location of such right-of-way shall be determined and designated by Lessor.

2. **Rental.**

A. **Rate and Late Fees.** As consideration for the interest granted herein and for the authorization to Lessee for aircraft operations and permitted uses, Lessee shall pay to Lessor as rent the sum of twenty-four hundred dollars and ~~no cents~~ 00/100 dollars (\$2,400.00) per year, payable monthly at the rate of two hundred dollars and ~~no cents~~ 00/100 dollars (\$200.00) on the first day of the month, in advance. In the event this Lease shall commence other than on the first day of a month, the first monthly payment shall be prorated based on a thirty (30) day/month calculation, and shall be due and payable upon the execution of this Lease. In the event that rent is not paid when due, a late fee of twenty-five dollars and ~~no cents~~ 00/100 dollars (\$25.00) per month due on the sixth day of the month for each month of arrearage shall accrue until paid. All payments shall be applied first to late fees, then to arrearages, then to current payments due.

Field Code Changed

B. **Rate Increases.** Rent may be increased by the Lessor upon not less than sixty (60) days advance notice to the Lessee.

C. **Security Deposit.** Lessee shall deposit three hundred dollars and ~~no cents~~ 00/100 dollars (\$300.00) as security against damage or non-payment of rent upon the execution hereof. Upon termination of the tenancy, the security deposit shall be returned to Lessee, less any cost of repair to the premises and unpaid rent.

3. **Term and Termination.** Lessee's tenancy in this Lease is a year-to-year tenancy which, as to the first year of the lease, shall terminate at midnight June 30. If not terminated, each lease shall automatically renew on the first day of July. Either party may terminate this Agreement at any time upon thirty (30) days advance written notice.

4. **Lessee's Duties Upon Lease Termination.** Upon termination of this Lease, Lessee shall:

- A. Remove all of Lessee's property from the T-Hangar;
- B. Leave the premises in broom-clean condition, free of all debris and trash.

Upon Lessee's failure to remove Lessee's property or in the event the T-Hangar is not clean and free of debris and trash, Lessor may remove all such items and Lessee shall be liable to Lessor for all costs incurred by Lessor, including, but not limited to, disposal, labor and storage, and Lessee's security deposit may be utilized by Lessor for reimbursement of said costs.

5. **Use of Leased Premises.** The Leased Premises shall be used by Lessee for the purpose of housing and storage of aircraft owned by Lessee and the storage of related equipment. Storage of other items may be permitted within the fully enclosed hangar structure; however, such storage is deemed to be ancillary and will not be permitted as the hangar's primary use. No portion of the Leased Premises shall be used for a purpose which, in the opinion of Lessor, may interfere with the proper use of the airport by others or which constitutes a nuisance or which violates written rules, regulations and policies of the Lessor or other competent authority or agency having jurisdiction. A violation of this section by Lessee shall be considered a default of the conditions of the Lease by Lessee and may, in Lessor's sole discretion, result in termination of this Lease.

6. **Improvements to Leased Premises.** Lessee shall make no improvements to the Leased Premises except upon the prior written approval of the Lessor. Such approval may be conditioned upon amendment to this Lease, as Lessor shall, in its sole discretion, deem appropriate.

7. **Conditions of Use.** Lessee's use of the Leased Premises and the Abrams Airport Facility shall be and is conditioned upon adherence to the following requirements:

A. No signs or advertising matter shall be painted, posted or displayed upon any portion of the Leased Premises without prior written consent of the Lessor.

B. Lessee shall not engage in any unlawful use of the Leased Premises nor permit any such unlawful use thereof.

C. Lessee shall observe all federal, state and local laws, including the rules and regulations of the federal and state aeronautic authorities, the City of Grand Ledge, and Abrams Airport (a copy of which is attached and incorporated herein by reference).

D. The operations of the Lessee, Lessee's agents and invitees shall be conducted in an orderly and proper manner consistent with applicable rules, ordinances and laws, and so as not to annoy, disturb or be offensive to others at Abrams Airport.

E. All rules and regulations of the State Fire Marshal shall be complied with by the Lessee in the conduct of its use and occupancy of the Leased Premises. Lessee shall not create an environmental condition ~~upon the real property subject to this Agreement on or in the~~ Leased Premises or Abrams Airport, which, under applicable federal and/or state law, would require remediation.

F. Lessee shall comply with all applicable laws and regulations related to air quality, water quality, waste disposal or management, hazardous or toxic substances, and the protection of health and the environment.

G. Lessee shall pay when due all ~~real and~~ personal property taxes, assessments, license fees or other charges levied or assessed in connection with the Lessee's property, if any, during the term of this Lease or any renewal thereof.

H. Lessee agrees at all times to keep the Leased Premises in a neat, clean and orderly condition, free of weeds, rubbish or any unsightly accumulation of any nature whatsoever.

I. Lessee shall be responsible for hangar apron maintenance, including snow removal.

J. The Leased Premises shall not be used for any outside storage whatsoever.

8. Utilities. The parties acknowledge that the Leased Premises is only serviced by electric and gas service. The Lessor will pay for all reasonable electric and gas used to service the Premises during the term of this Lease. The Lessee shall be responsible for any telephone and internet service or any other utility service added to the Premises by the Lessee.

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89. Inspection of Premises.

Lessor, or its designated representative, shall have the right to enter upon the Leased Premises at a reasonable time for the purpose of inspection of any portion thereof. Except under emergency circumstances, Lessor agrees to contact Lessee in advance and arrange a time to inspect the premises. Lessee will provide to the Airport Manager a list of names and telephone numbers of persons to contact in case of an emergency and will update the list annually or upon the change of any name or telephone number.

910. Security. Lessee shall comply with and abide by all rules, regulations, practices and other requirements adopted by Lessor to maintain, enhance or protect the security and safety of Abrams Airport, its users and tenants.

101. Assignments and Subletting. Assignment of this Lease by Lessee and subletting of the Lease Premises by Lessee are prohibited.

12. **Breach of Lease.** In the event of a breach by Lessee in the payment of rent when due to the Lessor or other breach of any covenant or condition to be kept, observed, and performed by the Lessee, and such breach continues for a period of ten (10) days after the Lessor gives the Lessee notice of the breach, then the Lessor may terminate this Lease and pursue all legal and equitable remedies against the Lessee. In the event of a breach, the Lessee shall pay the Lessor's costs, including without limitation the Lessor's actual attorneys' fees and other costs incurred as a result of the Lessee's breach.

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14.3. **Insurance; Risk of Loss.** Lessee may, at Lessee's sole expense, acquire such fire and casualty loss insurance covering the Lessee's property as Lessee deems appropriate. Risk of loss or damage to Lessee's property is Lessee's sole responsibility, and Lessor shall have no liability for such loss and damage whatsoever. Lessee shall maintain a policy or policies of comprehensive broad form general liability insurance with respect to the Leased Premises in the amount of five hundred thousand and 00/100 dollars (\$500,000.00) single and one million and 00/100 dollars (\$1,000,000.00) aggregate, with the premium thereupon fully paid on or before the due date. The Lessor should be listed as an additional insured on the Lessee's policy or policies of comprehensive general liability insurance and Lessee shall provide Lessor with current certificates of insurance evidencing the Lessee's compliance. The policy or policies of comprehensive general liability insurance shall contain language which provides that the Lessor shall be notified, in writing, at least thirty (30) days prior to the cancellation of the policy or policies. In the event of cancellation of coverage, the Lessor may obtain a policy or policies of comprehensive general liability insurance, the premium(s) of which shall be considered rent under

this Agreement, and the Lessee shall reimburse the Lessor within thirty (30) days from receipt of an invoice for the premium(s).

124. **Prohibited Activity.** In addition to conduct prohibited by the Rules and Regulations and by law, the following storage uses and activities are also precluded:

A. Boats, lawn mowers, tractors, snowmobiles, trailers, and all other personal property;

B. Flammable volatile liquids, gases, signal flares, fuels, lubrication or waste oil, acids, paint, and solvents shall not be stored in the T-Hangar;

C. All wastes, rags, paper and rubbish shall be removed by Lessee daily;

D. No fuel, oil, dopes, paints, solvents or acids shall be disposed of or dumped on the ramp areas, catch basins, ditches, trash receptacles, or elsewhere on Airport by Lessee;

E. No refueling of aircraft shall occur in the T-Hangar. Aircraft to be fueled must be moved out of the Hangar by Lessee. The aircraft must be a minimum of ten (10) feet from the building during refueling.

F. No smoking, doping, painting, fabric repairs, washing of aircraft or stored equipment, maintenance or repairs to aircraft or stored equipment is permitted in the T-Hangar. The following cleaning and maintenance activities only are exceptions to the general blanket maintenance and repair prohibition: waxing aircraft, cleaning windows, vacuuming, removal and installation seats and upholstery, radio removal and installation, spark plug removal, inspection and replacement, lights and other non-structural, FAA-approved owner allowed maintenance not involving grease, oil or fluids.

135. **Lessee's Covenants.** Lessee covenants and agrees that at all times during the term of this Lease:

A. To keep the T-Hangar free of all debris and the floor swept. Disposal of waste shall be off the Airport.

B. To provide a drip pan for engines. Pans will be kept clean. The Lessee shall dispose of oil off Airport property at an approved disposal facility.

C. To remove snow and ice in front of the T-Hangar and passenger doors. Salt may not be used. Urea fertilizer is the only allowed ice melter. No ice melters or any corrosive material or substance may be used in the T-Hangar.

D. To report hangar maintenance needs to Lessor.

E. To provide an Underwriter Laboratory approved fire extinguisher for use in the T-Hangar.

F. To keep the T-Hangar door closed at all times other than when the aircraft is being moved into or out of the T-Hangar, or when the Lessee is in attendance.

G. To comply with all rules and regulations now in effect or which may be promulgated by Lessor in the future. During the Term of this Lease, the Lessor reserves the right to make rules and regulations that, in the Lessor's sole discretion, are necessary or desirable for the safety, care, appearance, and cleanliness of the Leased Premises provided seven (7) days written notice.

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146. **Compliance ~~W~~with State ~~or~~and Federal Agreements.**

A. This Agreement shall be subordinate to the provisions of any existing or future Agreement between Lessor and the United States or the State of Michigan relative to the

operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of state or federal fund for the development of the Airport.

B. Lessee hereby grants the right to Lessor to, and Lessor hereby reserves the right to, subordinate this Lease at all times to any and all present and future obligations of Lessor arising from any government grants or loans. Lessee also covenants and agrees to execute and deliver upon demand such further instrument or instruments as may be required to carry out the intent of this paragraph, and hereby irrevocably appoints Lessor the attorney-in-fact of Lessee to execute and deliver any such instrument or instruments for and in the name of Lessee. Lessor shall notify Lessee in writing of any such obligations and instruments.

C. Lessor may assign this Lease to its successor in interest.

157. **Non-Limitation Of Lessor's Rights.** Nothing in this Lease limits the right of the Lessor to further develop the Airport and to lease the same for any lawful purpose or to provide or discontinue services it deems necessary or desirable in its sole and absolute discretion, regardless of the Lessee's wishes.

168. **Indemnification.** Lessee shall indemnify and hold Lessor free and harmless from any and all liability, claims, loss, damage or expenses, including actual attorney fees, witness fees or other costs arising by reason of any death, injury or property damage sustained by any person including Lessee, or any agent or employee of Lessee, where such death, injury or property damage is caused or allegedly caused by any negligent or intentional act of Lessee, its agents or employees, or any guest, licensee or invitee of Lessee, or by Lessee's failure to perform any covenant, term, condition or act required by this Agreement.

179. **Peaceful Occupancy.** Lessor does covenant that Lessee, upon payment of the aforesaid installments and performing all the covenants herein, shall and may peacefully and quietly have, hold and enjoy the said Leased Premises for the term of this Agreement.

1820. **Agreement in its Entirety.** This Lease constitutes the entire agreement by and between the parties, and all prior agreements, oral or written, shall be merged and made a part hereof. No modifications or amendments of this Lease shall be valid unless they are in writing and signed by the duly authorized representatives of both the Lessor and the Lessee. This Agreement shall be deemed to have been made in and shall be construed in accordance with the laws of the State of Michigan.

231. **Mutual Draftsmanship.** This Lease will be construed for all purposes as having been drafted jointly by the parties hereto.

22. **No Waiver of Defenses.** By entering into this Lease, the Lessor is not waiving any defenses, including the defense of governmental immunity.

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23. **No Third Party Rights.** Nothing in this Lease shall provide any rights to any third party who is not a party to this Lease.

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24. **Non-Waiver.** Failure of Lessor to insist on strict performance of any term or conditions of this Lease shall not constitute a waiver of Lessor's right to later enforce such term of condition.

IN WITNESS WHEREOF, the parties have executed this instrument on the day and year

first above written.

IN THE PRESENCE OF:

LESSOR:

THE CITY OF GRAND LEDGE,
LESSOR, a Michigan home rule city

By: _____

Adam R. Smith

Its: City Administrator

LESSEE:

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By: _____

Its: _____

Instrument Prepared By:
J. Richard Robinson, Esq. (P19524)
Shane Bolley (P65338)
J. RICHARD ROBINSON, P.C.
2169 Jolly Road, Suite 1
Okemos, Michigan 48864

October 26, 2015

Ms. Patricia Scott
Foster Swift Collins & Smith PC
313 South Washington Square
Lansing, MI 48933

Subject: Exemption Request from paying Personal Property Taxes in City of Grand Ledge

Re: Greg Simmer Parcel # 700-836-400-009-00
 James Winstanley Parcel # 700-836-400-005-00

Dear Ms. Scott,

I am writing to you today regarding the above mentioned parcels of properties as I was directed in a letter dated September 30, 2015 by Mr. Greg Simmer and Mr. James Winstanley to refer all correspondences to you. In addition, as discussed in our phone call of October 15, 2015 you had indicated that a Mr. Mike Homier from your Firm would be contacting me to discuss this issue and to date I have not yet been contacted by Mr. Homier.

Having reviewed the request from Mr. Simmer and Mr. Winstanley for personal property tax exemption along with the lease for land located at the City of Grand Ledge Abrams Airport it is the opinion of the City Of Grand Ledge Assessing Department that the subject parcels do not qualify for tax exemption for the following reasons;

- 1) In both lease agreements the "Lessee" pays an annual lease payment to the City of Grand Ledge for the use of the land.
- 2) The "yield and deliver up" provision as outlined in Mr. Simmers and Mr. Winstanleys letter not does apply in this case as the lease agreement is not clear on who will own the improvements at the end of lease or if in the fact the improvements will remain.

If you should have any questions please contact me at (517) 323-8520.

Respectfully,



Brian Thelen
Grand Ledge City Assessor

cc/adam smith

KDUB Enterprises LLC
PO Box 181
Grand Ledge, MI 48837

RECEIVED

OCT 08 2015

CITY OF GRAND LEDGE
ASSESSORS OFFICE

September 30, 2015

City of Grand Ledge
310 Greenwood St.
Grand Ledge, MI 48837

Subject: **Claim of Exemption from Personal Property Taxes**

Re: Property Tax Invoice mailed SEP 22 2015 for 2015 Summer Tax
Property ID #: 700-836-400-005-00 (1222 Hangar Way)

The building referenced in the invoice is on land leased from the City of Grand Ledge by KDUB Enterprises LLC. No notice of proposed property tax assessment was received prior to issuance of the referenced invoice.

Pursuant to the Michigan General Property Tax Act, all real and personal property within the jurisdiction of this State, not expressly exempt, shall be subject to taxation, MCL 211.1. I contend that referenced property is entitled to tax-exempt status under the property of local government units or agencies exemption MCL 211.7m.

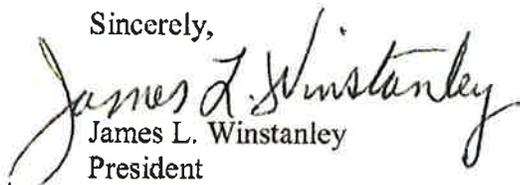
I refer the City of Grand Ledge to *Brasseur v. Rutland Charter Township*, 2004 WL 725239 (Michigan Tax Tribunal) (Feb. 5, 2004) (No. 0292326).

The City of Grand Ledge Abrams Airport Property Lease Agreement dated the 1st day of October 2013, by and between the City of Grand Ledge and KDUB Enterprises LLC established a bona fide conveyance of the hangar building to Abrams Municipal Airport. This agreement contains in paragraph 4 a "yield and deliver up" provision.

In accordance with the information presented above, I hereby claim exemption from personal property taxes on the hangar built by KDUB Enterprises LLC at 1222 Hangar Way, Abrams Municipal Airport, Grand Ledge, Michigan 48837.

Other than acknowledgement of receipt of this claim, please refer all correspondence to my lawyer Patricia J. Scott, Foster at the address listed below.

Sincerely,


James L. Winstanley
President
KDUB Enterprises LLC

Copy to: Patricia J. Scott, Foster Swift Collins & Smith, P.C.
313 South Washington Square, Lansing, MI 48933

Greg Simmer
13667 W. Eaton Hwy
Grand Ledge, MI 48837

RECEIVED

OCT 14 2015

CITY OF GRAND LEDGE
ASSESSORS OFFICE

September 30, 2015

City of Grand Ledge
310 Greenwood St.
Grand Ledge, MI 48837

Subject: **Claim of Exemption from Personal Property Taxes**

Re: Property Tax Invoice mailed SEP 22 2015 for 2015 Summer Tax
Property ID #: 700-836-400-006-00 (1241 Hangar Way)

The building referenced in the invoice is on land leased from the City of Grand Ledge by VSI Properties LLC (Greg Simmer). No notice of proposed property tax assessment was received prior to issuance of the referenced invoice.

Pursuant to the Michigan General Property Tax Act, all real and personal property within the jurisdiction of this State, not expressly exempt, shall be subject to taxation, MCL 211.1. I contend that referenced property is entitled to tax-exempt status under the property of local government units or agencies exemption MCL 211.7m.

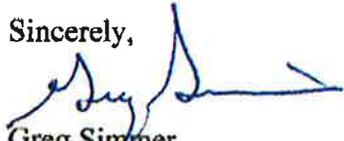
I refer the City of Grand Ledge to *Brasseur v. Rutland Charter Township*, 2004 WL 725239 (Michigan Tax Tribunal) (Feb. 5, 2004) (No. 0292326).

The City of Grand Ledge Abrams Airport Property Lease Agreement between the City of Grand Ledge and VSI Properties LLC established a bona fide conveyance of the hangar building to Abrams Municipal Airport. This agreement contains in paragraph 4 a "yield and deliver up" provision.

In accordance with the information presented above, I hereby claim exemption from personal property taxes on the hangar built by VSI Properties LLC at 1241 Hangar Way, Abrams Municipal Airport, Grand Ledge, Michigan 48837.

Other than acknowledgement of receipt of this claim, please refer all correspondence to my lawyer: Foster Swift Collins and Smith, PC, 313 South Washington Square, Lansing MI 48933, Attention Patricia Scott

Sincerely,


Greg Simmer
Managing Member
VSI Properties LLC