

# CITY OF HART

## Property Improvement Grant Agreement

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THIS AGREEMENT, entered into this \_\_\_\_\_ day of \_\_\_\_\_, between the City of Hart, Michigan (hereinafter referred to as "CITY") and the following designated OWNER/LESSEE, to witness:

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

Lessee's Name: \_\_\_\_\_

Name of Business: \_\_\_\_\_

Tax ID#/Social Security#: \_\_\_\_\_ Address of Property to be improved:

\_\_\_\_\_  
\_\_\_\_\_

### WITNESSETH:

**WHEREAS**, the City of Hart has established a Property Improvement Program for application within the Hart TIFA District ("District"); and

**WHEREAS**, said Property Improvement Program is administered by the CITY with the advice of the TIFA Board and is funded by the TIFA District for the purposes of controlling and preventing blight and deterioration within the District; and

**WHEREAS**, pursuant to the Property Improvement Program, the City has agreed to participate, subject to its sole discretion, 1) in reimbursing owners/lessees for the cost of eligible exterior improvements to commercial establishments within the District up to a maximum of one-half (1/2) of the approved contract cost of such improvements, as set forth herein; and

**WHEREAS**, the OWNER/LESSEE'S property is located within the Hart Tax Increment Financing District, and the OWNER/LESSEE desires to participate in the Property Improvement Program pursuant to the terms and provisions of this Agreement.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, the CITY and the OWNER/LESSEE do hereby agree as follows:

### SECTION 1

With respect to the property improvements to the structural elevation fronting a public roadway and related improvements, the City shall reimburse the OWNER/LESSEE for the cost of improvements to the OWNER/LESSEE'S property at the rate of fifty percent (50%) of such of the

funds reimbursed by the CITY for the Property improvements.

The actual total reimbursement amounts per this Agreement shall not exceed \$ \_\_\_\_\_ for Property improvements. The improvement costs, which are eligible for CITY reimbursement, include all labor, materials, equipment, and other contract items necessary for the proper execution of the work as shown on the plans, design drawings, specifications, and estimates approved by the CITY. Such plans, design drawings, specifications, and estimates are attached hereto as EXHIBIT A.

## **SECTION 2**

No improvement work shall be undertaken until its design has been submitted to and approved by the CITY. Following approval, the OWNER/LESSEE shall contract for the work and shall commence and complete all such work within one hundred eighty days (180) from the date of such approval. The OWNER/LESSEE may request a ninety-day (90) extension provided there is a demonstrated hardship.

## **SECTION 3**

The City Zoning Administrator shall periodically review the progress of the contractor's work on the property improvements pursuant to the Agreement. Such inspections shall not replace any required permit inspection by the Building Inspectors. All work which is not in conformance with the approved plans, design drawings, and specifications shall be immediately remedied by the OWNER/LESSEE and deficient or improper work shall be replaced and made to comply with the approved plans, design drawings, and specifications and the terms of this Agreement.

## **SECTION 4**

Upon completion of the improvements and upon their final inspection and approval by the City Zoning Administrator, the OWNER/LESSEE shall submit to the CITY a properly executed and notarized contractor statement showing the full cost of the work as well as each separate component amount due to the contractor and each and every subcontractor involved in furnishing labor, materials, or equipment necessary to complete the property improvement related work. In addition, the OWNER/LESSEE shall submit to the CITY proof of payment of the contract cost pursuant to the contractor's statement and final lien waivers from all contractors and subcontractors. OWNER/LESSEE shall also submit to the CITY an executed and notarized Façade Easement Agreement, as provided in Section 6 below. The CITY shall, within forty-five (45) days of receipt of the Façade Easement Agreement, the contractor's statement, proof of payment, and lien waivers, issue a check to the OWNER/LESSEE as reimbursement for one-half of the approved construction cost

estimate or one-half of the actual construction cost, whichever is less, subject to the limitations set forth in Section 1 hereof.

**SECTION 5**

If the OWNER/LESSEE or the OWNER/LESSEE'S contractor fails to complete the improvement work provided for herein in conformity with the approved plans, design drawings, and specifications and the terms of this Agreement, then upon written notice being given by the City Manager to the OWNER/LESSEE, by certified mail to the address listed above, this Agreement shall terminate and the financial obligation on the part of the CITY shall cease and become null and void.

**SECTION 6**

Upon completion of the improvement work pursuant to this Agreement and for a period of five (5) years thereafter, the OWNER/LESSEE shall be responsible for properly maintaining such improvements in finished form and without change or alteration thereto, as provided in this Agreement, and for the said period of five (5) years following completion of the construction thereof, the OWNER/LESSEE shall not enter into any Agreement or contract or take any other steps to alter, change, or remove such improvements, or the approved design thereof, nor shall the OWNER/LESSEE undertake any other changes, by contract or otherwise, to the improvements provided in this Agreement unless such changes are first submitted to the CITY, and any additional review body designated by the City Manager, for approval. Such approval shall not be unreasonably withheld if the proposed changes do not substantially alter the original design concept of the improvements as specified in the plans, design drawings, and specifications approved pursuant to this Agreement. OWNER/LESSEE shall execute and record a Façade Easement Agreement in the form attached to this Agreement as Exhibit A and shall provide the CITY with a copy of the recorded Easement Agreement promptly after it is recorded.

**SECTION 7**

This Agreement shall be binding upon the CITY and upon the OWNER/LESSEE and its successors, to said property for a period of five (5) years from and after the date of completion and approval of the Property improvements provided herein. It shall be the responsibility of the OWNER/LESSEE to inform subsequent OWNER(S)/LESSEE(S) of the provisions of this Agreement.

**SECTION 8**

The OWNER/LESSEE releases the CITY from, and covenants and agrees that the CITY shall not be liable for, and covenants and agrees to indemnify and hold harmless the CITY and its officials, officers, employees, and agents from and against any and all losses, claims, damages, liabilities, or expenses, of every conceivable kind, character and nature whatsoever arising out of, resulting from or in any way connected with directly or indirectly with the property improvement(s). Including but not limited to actions arising from the Prevailing Wage Act (820 ILCS 30/0.01 et seq.) The OWNER/LESSEE further covenants and agrees to pay for or reimburse the CITY and its officials, officers, employees, and agents for any and all costs, reasonable attorney’s fees, liabilities, or expenses incurred in connection with investigating, defending against or otherwise in connection with any such losses, claims, damages, liabilities, or causes of action. The CITY shall have the right to select legal counsel and to approve any settlement in connection with such losses, claims, damages, liabilities, or causes of action. The provisions of this section shall survive the completion of said Property improvement(s).

**SECTION 9**

Nothing herein is intended to limit, restrict, or prohibit the OWNER/LESSEE from undertaking any other work in or about the subject premises, which is unrelated to the Property improvement provided for in this Agreement, provided such other work is consistent with and does not contravene the Façade Easement Agreement.

**IN WITNESS THEREOF**, the parties hereto have executed this Agreement on the date first appearing above.

OWNER/LESSEE

CITY OF HART

\_\_\_\_\_

\_\_\_\_\_

City Manager

ATTEST

\_\_\_\_\_

City Clerk