Memorandum

TO: Board of Trustees

FROM: Steve Bulthuis

DATE: June 17, 2025

SUBJECT: Purchase of 402 East 8th Street

The Township's Comprehensive Land Use Master Plan contains a sub-area plan for the area historically referred to as the Federal District which stretches along 8th Street from Chicago Drive to US-31. The sub-area plan calls for the redevelopment of vacant or underutilize properties in an effort to activate those spaces and spur more vibrancy in the area. An excerpt from the Master Plan related to the goals for the subarea is attached.

There is an opportunity to implement the vision of the Master Plan through the acquisition of the former Lemon Fresh Cleaners building at 402 E. 8th. The attached purchase and sale agreement would allow the Township to secure a key property that would be used as a catalyst to encourage other desired redevelopment activities. Staff is working with Ottawa County to secure funding to complete necessary environmental assessment work.



Staff is seeking action approving the attached Purchase-Sale Agreement and authorizing the Manager to proceed with necessary next steps in the acquisition process.

Sub-area Plan Visions and Principles

The Federal District—a coherent neighborhood where community assets are strengthened, makerspaces co-mingle with services, and connectivity is enhanced.

Principles and Intentions

CONNECT

- Create a complete pedestrian and bicyclist network within the neighborhood and across municipalities
- Enhance connections to the Macatawa Greenway across Chicago Drive and through the Holland Energy Park

CALM

- Install / Improve crossings along Chicago Drive and E. 8th Street
- Provide traffic calming devices to slow travel speeds along Chicago Drive.

GREEN

- Enhance the landscaping along the US-31 right-of-way, Chicago Drive, and E. 8th Street
- Identify opportunities to re-green parking spaces and underutilized spaces
- Place powerlines underground to support tree-lined streets

ACTIVATE

- · Identify vacant properties or underutilized spaces for (re)development and enhancement
- Create an active streetfront / street presence along Chicago Drive and E. 8th Street
- Encourage mixed uses, including residential, some commercial and recreational
- Integrate opportunities for community gathering and active public uses (e.g. plazas, parks)

PRESERVE

- · Enhance existing neighborhoods between E. 8th Street and Chicago Drive as well as along Lane & Hoover Ave
- Support / Enhance existing commercial and industrial uses

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement is entered into as of June ____, 2025, by and between Lemmen Enterprises, LLC, a Michigan limited liability company, whose address is 4160 Estate Drive, Holland, Michigan, 49424 ("Seller"), and Holland Charter Township, a Michigan municipality, whose address is 353 N. 120th Avenue, Holland, Michigan 49424 ("Buyer"). For good and valuable consideration and the mutual covenants in this Agreement, the parties agree to the following understandings, covenants and agreements:

- 1. Legal Description. Buyer agrees to buy and Seller agrees to sell certain property in Holland Township, Ottawa County, Michigan, commonly identified as 402 E. 8th Street, Holland, Michigan 49423, and legally described as Lot 8 and the East 32 feet of Lot 9, Keppel's Addition (the "Property"). The property includes the real property, including all appurtenances, and all improvements on it (the "Improvements"). The Property shall be free and clear of liens and security interests on the Closing Date, except for real property taxes and assessments not yet billed.
- **2. Purchase Price.** The purchase price shall be One Hundred Ninety-Five Thousand (\$195,000.00) ("Purchase Price"). Buyer shall pay the Purchase Price as follows:
 - **a. Deposit.** Within five (5) business days after execution of this Agreement by Buyer and Seller (the latter date of signing being the "Effective Date"), Buyer shall deposit the sum of Five Thousand Dollars (US\$5,000.00) (the "Deposit") with the escrow holder (as defined herein in Section 7.d.), to be held as earnest money, subject to the terms of this Agreement. The Deposit shall be placed in a federally insured noninterest-bearing account and shall be applied to the Purchase Price at closing.
 - **b. Balance.** At the closing, Buyer shall pay Seller the balance of the Purchase Price, after credits for the Deposit and any other credits due Buyer under Section 7, certified and immediately-available funds.

3. Conditions Precedent.

a. Buyer's Conditions Precedent. Buyer's obligations under this Agreement shall be subject to Buyer's satisfaction of each of the following conditions (collectively "Conditions"). The cost of obtaining the inspections or investigation of the Conditions shall be the responsibility of Buyer, except for the premium for the owner's policy of title insurance. Buyer shall have a period of sixty (60) days beginning with the Effective Date (the "Due Diligence Period") in which to satisfy itself regarding each of the Conditions. Buyer shall have the right to terminate this Agreement by written notice to Seller during the Due Diligence Period and receive a refund of the Deposit if not satisfied itself with

regard to any Condition. If Buyer has not notified Seller that any Condition remains unsatisfied upon the expiration of the Due Diligence Period, all of the Conditions will be conclusively deemed to have been satisfied or waived.

- (1) Title. Seller shall provide Buyer a commitment for a standard ALTA owner's policy of title insurance which shall contain no exceptions which are not acceptable to Buyer.
- **Survey.** If Buyer obtains a survey of the Property, it shall show no overlaps, gaps, gores or other irregularities, and be otherwise acceptable to Buyer.
- (3) Inspections. Buyer may obtain an ASTM Phase I Environmental Site Assessment by a qualified environmental assessment professional person or organization selected by Buyer. If recommended by the Phase I, Buyer may obtain a Phase II environmental site assessment of the Property. If the Phase II determines the Property has soil or ground water contamination at levels exceeding permitted standards, Buyer may file a Baseline Environmental Assessment with the Michigan Department of EGLE after closing.
- Access to Property. Buyer shall have access to the Property during the Due b. Diligence Period for the purpose of completing the above-referenced inspections, but shall not enter the building located thereon. Buyer has asserted that the building on the Property is not safe for occupancy. Buyer shall indemnify and hold Seller harmless from and against all loss, damage, liabilities or expenses, including costs and reasonable attorney's fees, by reason of Buyer or its designees' activities on the Property, unless the loss, damage, liability, or expense is the result of the negligence of the Seller. Buyer shall keep all information, data and reports regarding the Property confidential to the extent permitted by applicable law and shall not disclose or divulge such information, data or reports to any third parties except Buyer's attorneys or consultants, without Seller's prior written consent, which Seller may withhold in its sole and absolute discretion but subject to applicable law. For any third parties to whom Buyer is permitted to disclose information, data and reports described in this section, Buyer agrees to instruct such parties to maintain the confidentiality in the information, data and reports, to the extent allowed by law.
- c. **Seller Condition.** Seller's obligation to close is contingent upon it obtaining a mutual release of a prior purchase and sale agreement with regard to the Property between Seller and David DeKruyter.
- **4. Condition of the Property.** Seller makes no warranties or representations regarding the condition of the Property. Buyer will take the Property in its existing condition "as is" and shall assume all responsibility for obligations and liabilities arising out of such condition of the Property upon transfer of title.

- 5. Closing and Possession. The Closing shall occur within fifteen (15) days after the expiration of the Due Diligence Period through the escrow agent identified in Section 7.d. below as the settlement agent or such other settlement agent the parties agree upon in writing. Possession of the Property shall be delivered to Buyer at the Closing. Seller shall have no obligation with regard to the condition of the building on the Property and Buyer shall raze the building promptly after closing.
- 6. Marketable Title. At the Closing, Seller shall convey to Buyer good and marketable title to the Property by covenant deed, free and clear of all liens and encumbrances and the rights to take liens and encumbrances, except easements and restrictions of record, public rights of way, conditions that would be revealed by an accurate survey of the Property, and the lien for any real property taxes not yet billed. Seller shall also sign (i) an affidavit representing that it is not a foreign person to satisfy Section 1445 of the Internal Revenue Code, (ii) a closing statement, (iii) a resolution of Seller authorizing the sale and conveyance of the Property and (iv) such other documents required by the title company consistent with this Agreement.

7. Prorations at Closing.

- a. Taxes. All property taxes paid by or on behalf of Seller in the calendar year of the closing shall be prorated to, but not including, the date of the Closing, as if paid in advance for the twelve (12) months succeeding the date such taxes had to be paid to avoid penalty. Seller shall be responsible for that portion of such taxes from such date to, but not including, the date of the Closing. Buyer shall reimburse Seller for the remainder and shall be responsible for all future taxes. Seller shall be responsible for all property taxes billed in preceding years and Buyer shall be responsible for all property taxes billed in succeeding years. There shall be no further proration of taxes. Assessments and other state or municipal fees and charges affecting the Property shall be prorated as of the date of Closing on the basis of the most recent ascertainable amounts of or other reliable information in respect to each such item with the adjustments made at closing. All prorations hereunder shall be final at closing.
- **closing Costs.** Buyer shall pay all recording fees, due diligence and survey charges, any lender's title insurance premium, any premium surcharge on the owner's policy for waiving standard exceptions or for any endorsements, one-half of any closing fee, and one-half of any other closing costs not otherwise designated by this Agreement to be paid by Seller, and Seller shall pay the premium for the owner's title insurance policy, transfer taxes, one-half of the closing fee, and one-half of any other closing costs not otherwise designated by this Agreement to be paid by Buyer.
- **c. Attorney Fees.** Each party shall pay the fees and expenses for its respective counsel in connection with transaction contemplated herein.

- **d. Escrow.** The parties, through their respective attorneys and representatives, shall establish an escrow account with Chicago Title or such other company as the parties agree ("Escrow Holder") until the transaction contemplated herein is closed. Said escrow shall be auxiliary to this Agreement, and this Agreement shall not be merged into or in any manner superseded by said escrow.
- **8.** Cessation of Compliance Enforcement. Buyer, in its municipal role, is pursuing legal action against Seller with regard to the building on the Property. Buyer shall hold that action in abeyance from the Effective Date through closing and dismiss that action upon the closing of this transaction.
- 9. **Default by Seller.** Seller shall be in Default hereunder if, (a) Seller fails or refuses to deliver good and marketable title to the Property at the Closing or; (b) Seller shall fail to comply with any material term, provision or condition of this Agreement. Upon the occurrence of any default of Seller, Buyer shall give Seller written notice specifying the nature of the default. If Seller does not cure the default within thirty (30) days, or other period of time agreed upon by the parties, and provided Buyer is not in default hereunder, the Buyer may (a) take title subject to the defect, exception, objection, inaccuracy or failure with no adjustment in the Purchase Price; (b) cancel future obligations under this Agreement by giving written notice of such cancellation to Seller, in which case the Escrow Holder shall release the Deposit to Buyer on the fifth (5th) business day following such notice to Seller unless Seller objects to Buyer's right to the Deposit, and neither party shall have any further obligation under this Agreement; or (c) obtain specific performance of this Agreement.
- 10. **Default by Buyer.** Buyer shall be in Default hereunder if Buyer (a) fails to comply with any material term, provision or condition of this Agreement; (b) fails to timely close the purchase of the Property and such closing deadline is not extended in writing by Seller; (c) enters into a general assignment or arrangement for the benefit of creditors; (d) files a voluntary petition in bankruptcy; (e) has filed against it a petition in bankruptcy and the same not having been dismissed within ninety (90) days after its filing; or (f) has appointed a receiver with respect to the property or assets of Buyer. Upon the occurrence of a default by Buyer, Seller shall give Buyer written notice specifying the nature of the default. If Buyer does not cure the default within thirty (30) days, or other period of time agreed upon by the parties, and provided Seller is not in default hereunder, Seller may (a) terminate this Agreement upon written notice to Buyer, in which case the Escrow Holder shall release of the Deposit to Seller on the fifth (5th) business day following such notice to Buyer unless Buyer objects to Seller's right to the Deposit and neither party shall have any further obligation under this Agreement; (b) obtain specific performance of this Agreement; or (c) declare Buyer to have forfeited its right to purchase the Property pursuant to this Agreement, proceed to market the Property to another buyer and recover actual benefit of the bargain, incidental and consequential damages from Buyer.

- 11. **Brokers.** Each party shall be responsible for any commission claimed by any real estate broker it retained and shall indemnify and hold harmless the other party from any such claim relating to this transaction.
- 11. Notices. Notice to a party required or provided for herein shall be in writing and shall be deemed given when emailed to the intended recipient or deposited in the U.S. mail, certified or registered, postage prepaid, or a courier service providing comparable verification of delivery, at the addresses shown below:

Lemmen en Enterprises, LLC Estate Drive d, MI 49424 : Estate Drive Holland Charter Township 353 N. 120 th Avenue Holland, Michigan 49424 Email: steveb@hct.holland.mi.us
Estate Drive d, MI 49424 Holland, Michigan 49424 Email: steveb@hct.holland.mi.us
d, MI 49424 Holland, Michigan 49424 : Email: steveb@hct.holland.mi.us
: Email: steveb@hct.holland.mi.us
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copy to: With a copy to:
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or such other address as the intended recipient has provided to the other in writing.

13. Miscellaneous.

- a. Entire Agreement, Amendments and Waivers. This Agreement contains the entire agreement and understanding of the parties in respect to the subject matter hereof, supersedes all prior agreements, if any, between the parties, and may not be amended, modified, or discharged nor may any of its terms be waived except by an instrument in writing signed by the party against whom enforcement is sought or both parties.
- **b.** Further Assurances. The parties each agree to do, execute, acknowledge and deliver all such further acts, instruments and assurances, and to take all such further action before or after the closing as shall be necessary or desirable to fully carry out this Agreement and to close this transaction.
- c. No Third Party Benefits. This Agreement is for the sole and exclusive benefit of the parties hereto and their respective successors and assigns, and, except as otherwise provided, no third party is intended to or shall have any rights hereunder. Buyer shall not assign its rights or obligations under this Agreement without Seller's written approval, which shall not be unreasonably withheld.

- **d. Severability.** In case any one or more of the provisions contained in this Agreement for any reason be held to be invalid, illegal or unenforceable in any respect, that provision(s) shall not affect any other provision hereunder.
- e. Interpretation. The headings and captions herein are inserted for convenient reference only and shall not be used in construing this Agreement. This Agreement and any document or instrument executed pursuant hereto may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures delivered by telefax shall be deemed the original signatures. Whenever under the terms of this Agreement the time for performance of a covenant or condition falls upon a Saturday, Sunday or holiday, such time for performance shall be extended to the next business day. Otherwise all references hereto to "days" shall mean calendar days. Any reference to "business day" shall mean any day other than Saturday, Sunday, or a holiday. This Agreement shall be governed by and construed in accordance with the laws of the State in which the Property is located, without regard to conflicts of law rules. Time is of the essence of this Agreement.
- **14. Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective executors, administrators, legal representatives, successors and assigns.
- 15. Contract as Offer. The execution of this Agreement by the first party to do so constitutes an offer to purchase or sell the property. Unless within five (5) days from the date of execution of this Agreement by the first party, the other party returns a fully executed copy to the first party, the offer of the first to sign shall be automatically revoked and terminated, and the Deposit, if already deposited, shall be returned to Buyer.

To witness their agreement, the parties have signed and delivered this Agreement on the respective dates in each of their signatures.

Seller: Dated: June, 2025	Buyer: Dated: June, 2025
Lemmen Enterprises, LLC	Holland Charter Township
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By	By
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Its	Its