
LAND LEASE AGREEMENT

This agreement dated the FIRST DAY of ~~JUNEMAY~~, 2024 between ALPENA COUNTY, a local unit of government c/o 1617 Airport Road, Alpena Michigan 49707, LESSOR, and LESSEES:

~~Alpena Resource Recovery Facility~~ Northeast Michigan
Materials Management Authority

WITNESSETH:

In consideration of the covenants and conditions contained herein, LESSOR leases to the LESSEES the premises herein described on the terms contained herein.

1. TERM:

This agreement will commence on the FIRST day of ~~JUNEMAY~~, 2024 and continue for ~~TWENTYFIVE (25) YEARS~~ THIRTY (30) YEARS thereafter unless terminated earlier in accordance with the provisions herein contained. Further, this lease may be renewed for an additional ~~TWENTYFIVE (25) YEARS~~ THIRTY (30) YEARS by the mutual consent of both parties. If renewed, the cost of rent will be reevaluated at the end of the first term. LESSEES must give written notice of their intention to renew not later than ONE (1) YEAR prior to the expiration of the initial term.

2. PREMISES:

The LESSOR leases to the LESSEE and LESSEE takes from the LESSOR for its use as defined herein those certain premises at the Airport consisting of Parcels 7,8,9, and 20, totaling 13.0 acres of land, as described on ATTACHMENT A.

3. RENT:

LESSEE shall pay \$5,576.00 as rent annually per year as determined by the land appraisal (Attachment B), 60 days in advance of ~~JUNE 14 MAY~~ each year, without the necessity of the LESSOR submitting a statement therefor.

There shall be a LATE CHARGE of 10 PERCENT (10%) for rent not paid on time, and LESSOR may accelerate up to TWO (2) YEARS rent in the event the LESSEE is NINETY (90) DAYS DELINQUENT. The rent payable under this lease will be increased at the annual rate of THREE PERCENT (3%) per year, increasing on the FIRST DAY of JUNEMAY for the duration of the lease.

4. BUILDING:

LESSEES will erect a recycling facility (to include any outbuildings) at their own expense within ~~ONE (1) YEAR~~ TWO (2) YEARS from the effective date of this lease, in conformance with plans heretofore submitted to the Alpena County Board of Commissioners and the airport manager. Prior to the start of construction the LESSEES shall demonstrate the financial ability to complete same and secure any necessary building permits. LESSEES will comply with any and all federal, state, and local laws and regulations concerning the same, including those promulgated by the Federal Aviation Administration.

Maintenance of the facility is the responsibility of the LESSEES to include roofs, doors, or any other structural and minor maintenance. LESSEES will maintain the facility in a structurally sound and aesthetically pleasing finished appearance. LESSEES shall also maintain the premises in a clean and orderly condition. At no time will any composting be conducted, nor outside storage of recyclable materials.

LESSEES are responsible for the collection and disposal of all trash occasioned by their operation. LESSEE(S) will provide adequate control of rodents, insects, and other pests in its Leased Premises. In the event the LESSOR determines that LESSEE(S) rodent, insect, and pest control program is not acceptable or sufficient, LESSOR may, after 15 day notice, seek to control rodents, insects, and other pests by other means, with the LESSEE fully reimbursing the LESSOR for the associated expense.

In the event the LESSEE fails to keep and maintain the premises and improvements in good condition and repair, reasonable wear and use excepted, and in a sanitary and slightly condition for a period of thirty (30) days after written notice from LESSOR to do so, LESSOR, upon expiration of such thirty (30) day period, may, but shall not be obligated to, enter the premises involved and perform the obligation of LESSEE charging LESSEE the reasonable cost and expense thereof, and LESSEE agrees to pay LESSOR such charge in addition to any other amounts payable by LESSEE; provided, however, that if the LESSEE's failure to perform any such obligation adversely affects or endangers health and safety of the public or of employees of LESSOR, and if LESSOR so states in its notice to LESSEE, LESSOR may, but shall not be obligated to, perform such obligation of the LESSEE at any time after giving of such notice and without awaiting the expiration of the thirty (30) day period, and charge to LESSEE, and LESSEE shall pay, the reasonable cost and expense of such performance. It is further agreed that if the LESSOR shall perform any of the LESSEE's obligations in accordance with the provisions of this Section, LESSOR shall not be liable to LESSEE for any loss of revenue to LESSEE resulting from such performance.

[Heavy metals and other hazardous materials](#), FUEL or CHEMICAL spills will be reported to the Airport Manager at once. Cost of the cleanup of any spills is solely the responsibility of the LESSEE and will be conducted immediately. Spills will be reported to the State of Michigan Department of Environmental Quality Inspector for cleanup supervision.

USE of the facility will be solely for the recovery of recyclable materials **and the collection of household hazardous waste and other hard to recycle materials for safe disposal only.** In addition to materials classified as household hazardous waste, this includes waste utilization and hard to recycle materials including, but not limited to, latex paint, batteries and electronics. No vehicles (those owned by the recycling center excepted), and no fuel or other flammables, other than the fuel in the tanks of vehicles, shall be stored on the premises.

LESSEES will provide and maintain fire suppression systems and fire extinguishers on the premises for types A, B, and C fires. The suppression systems and extinguishers shall have a current and valid inspection tag or documentation at all times.

5. GROUNDS MAINTENANCE and SNOW REMOVAL:

LESSEE is responsible for grounds maintenance to control wildlife and maintain safety in and around the facility and access road. The LESSEE is responsible for controlling vegetation at the facility to include grass cutting and the clearing and removing of snow from access roads and grounds leased from the LESSOR. To control wildlife and maintain a clean and aesthetically pleasing environment the LESSEE will not allow loose trash to be found along Airport Road, nor any land leased from the County, nor any adjacent properties.

6. INSURANCE:

The facility and related equipment shall be stored solely at the LESSEE'S risk. LESSOR does not provide security or surveillance of the premises. LESSEE shall be responsible for all personal injury or property damage occasioned by their negligence or misconduct and LESSEE further covenants and agrees that he/she will not hold the County of Alpena or any of its agents, employees, representatives or underwriters responsible for any loss occasioned by fire, theft, rain, windstorm, hail, or from any cause whatsoever, whether said cause be the direct, indirect, or merely a contributing factor in producing the loss of any equipment, personal property, parts, or surplus that may be located or stored in the facility at the airport; and LESSEE agrees that the facility, and its contents are to be stored at LESSEE'S risk.

LESSEE agrees to indemnify, defend, and save Airport, its agents, officers, Representatives, employees, and underwriters harmless from and against any and all liability or loss resulting from claims or court actions arising directly or indirectly out of the acts of the LESSEE, their (its) agents, servants, guests, or business visitors under this agreement or by reason of any act or omission of such person.

LESSEE shall further maintain insurance for personal liability and property damage in the amount of not less than Five Hundred Thousand and no/100 (\$500,000.00) with a Company authorized to do business in the State of Michigan and to show proof of such insurance to the County of Alpena upon signing of this lease, and annually to the Airport Manager.

7. COMPLIANCE WITH RULES:

LESSEES shall conduct no unlawful activities upon the premises, and shall abide by all laws, ordinances, rules and regulations promulgated by any governmental authority, including rules and regulations promulgated by the Airport Authorities. ~~If rules are not followed the LESSOR can exercise their right to terminate this contract immediately.~~ If FAA rules are not followed, the LESSOR can exercise their right to terminate this contract immediately

The Airport Manager shall have the right and authority to take all steps necessary to enforce the above provisions.

8. VEHICLES:

LESSEES and any associated contractor or material supplier shall be allowed to operate motor vehicles in and around the facility under the following conditions:

- a. Vehicles will not be an obstruction to traffic on Airport Road
- b. Vehicles will not present a hazard or jeopardize the safety of any person
- c. Vehicles will not hamper or obstruct mowing, snow removal, nor any other airport operations along Airport Road or upon adjacent Airport property

Should the Airport Manager receive written complaints demonstrating violations of the above conditions the Airport Manager will report such violations to the Board of Commissioners.

Seasonal or long term (7 days or more) storage of private vehicles, boats, recreational vehicles, etc. is prohibited.

9. UTILITIES:

LESSEES shall be responsible for the installation, maintenance, and cost of any utilities. Installation of any utility must be approved by the Alpena County Board of Commissioners and coordinated with the Airport Manager.

10. TAXES:

LESSEES shall be responsible for all real and personal property taxes levied against the land, building, or its contents.

11. ASSIGNMENT:

LESSEES shall not assign this lease, nor sublet the premises, without the written consent of the Airport Manager after approval by the Alpena County Board of Commissioners. Should it be discovered a LESSEE has, contrary to this agreement, allowed an unauthorized person(s) use of the premises the following actions will be taken:

- a) The unauthorized party will be immediately removed
- b) The Airport Manager will request the Alpena County Sheriff Department to conduct an investigation to determine the amount of time the unauthorized person(s) was using the premises
- c) A penalty will be assessed to the responsible LESSEE of \$500.00
- d) The matter will be presented to the Alpena County Board of Commissioners, or similar authority, to determine if the LESSEE will have their lease terminated.

LESSOR may assign this lease in the event the airport facilities are transferred to another.

12. TERMINATION:

In the event the LESSEES shall default in their obligations hereunder, LESSOR may terminate this lease upon ~~THIRTY (30) DAYS~~ SIXTY (60) DAYS ~~ONE HUNDRED TWENTY (120) DAYS~~ written notice to LESSEES specifying the cause for termination. In the event the cause for default is not cured within said 30 DAY period, this lease shall terminate and LESSEES shall have ~~FOURTEEN (14)~~ ONE HUNDRED TWENTY (120) DAYS thereafter in which to vacate the premises.

In the event of termination under the above paragraph, or any other provisions of this lease, LESSOR may remove and put out LESSEES without liability vehicles, materials, or any other equipment removed.

Should the land being leased be required by the County of Alpena for economic or any other development, the LESSEE will be notified by the Airport Manager as soon as possible but in no event less than one year in advance. ~~advance.~~ In the event the facility requires relocation the County of Alpena will be responsible for all costs associated with said relocation. Costs associated with relocation include not just transportation costs, but any costs needed to redevelop a new site. Should it be necessary to purchase the facility, the facility will be assessed for its fair market value.

13. ACCESS:

LESSOR shall have the right to inspect the premises with LESSEES' presence to ensure that the terms of this lease are being adhered to. LESSEE cannot deny access when notice is given.

14. REMOVAL:

In the event this lease is terminated, LESSEES ~~shall~~ must leave the buildings and fixtures. The LESSEE must receive permission for all improvements to the land, have the right, and upon LESSOR'S demand, the obligation to remove the facility and any foundation or slab upon which it sits and to restore the premises to its original condition by leveling and reseeding ground cover. In the event any structure is left with the LESSOR'S permission, it shall All structures shall become the property of the LESSOR. LESSEE does not receive any implied benefit due to added facilities. This will be left in as the topic was discussed and it is the County's option to remove the structure, and that wouldn't be likely.

In the event this lease is not extended by mutual consent of the parties pursuant to paragraph 1, then LESSOR, shall be required to purchase the building and any fixtures that remain on the property at the greater of:

- A. Its then fair market value
- B. The sum total cost by LESSEE of
 - 1. Land development cost, including cost to connect utilities
 - 2. Building and construction costs.

LESSOR, acknowledges that if there is any outstanding lien on the building, equipment or fixtures added to the land, that such do not become the property of the LESSOR if any creditor has an outstanding claim to such property. In the alternative, LESSOR agrees to become guarantor as it relates to any outstanding lien on the building, equipment or fixtures.

Should termination of this lease become necessary due to economic or any other development, the LESSOR shall work in good faith with LESSEE to find a new location for the facility, including making available property currently owned by LESSOR.

15. PARTIES:

Notwithstanding the designation of the individuals constituting the LESSEES in the opening recitations, this lease shall be binding upon all those individuals who actually sign this lease whether all do or not, and those individuals shall be jointly and severally liable hereunder.

16. NOTICES:

All notices shall be given to the parties at their addresses provided above, or such other address furnished to the other from time to time in writing. Additionally, LESSEE NOTICES will be distributed by the Airport Manager via email to any provided email address.

17. PRONOUNS: Awaiting attorney review

Masculine, feminine, and neuter pronouns shall each include all genders, and the singular shall include the plural, and vice versa, where the facts or context so admit.

18. LAW:

This Agreement shall be construed according to the law of the State of Michigan, and shall be binding upon the parties, their respective heirs, assigns, successors, and legal representatives.

IN WITNESS WHEREOF, we have hereunto set our hands and seal the day and year first written above.

ATTEST (Printed Name and Signature):

ATTEST (Printed Name and Signature):

ALPENA COUNTY, a Local Unit of Government

Robert Adrian **LESSOR**
Chairman
Alpena County Board of Commissioners

Kenneth Lobert BILBO BAGGINS
—LESSEE
Chairman TITLE
Northeast Michigan Materials
Management
Board ORGANIZATION