

## Development Agreement

Agreement made and entered into this \_\_\_ day of \_\_\_\_\_ by and between the City of Marshall, Michigan, a municipal corporation, having offices at 323 West Michigan Avenue, Marshall, Michigan 49068 (“City”) and the Ella E.M. Brown Charitable Circle, d.b.a. Oaklawn Hospital of 200 North Madison Street, Marshall, Michigan 49068 (“Oaklawn”).

WHEREAS, the City of Marshall is contemplating the adoption of a Hospital Campus Overlay District (“District”), a copy of which is attached hereto as Exhibit A, and

WHEREAS, Oaklawn acknowledges that it, its employees, physicians, and the citizens of the Marshall area who are the recipients of health care services received at Oaklawn will be the primary beneficiaries of the District, and

WHEREAS, Oaklawn and the City of Marshall acknowledge that there are residents of the neighborhoods in and surrounding the District, who are opposed to the District and who believe that the creation of the District will permit the destruction of buildings within the District which have historical significance in the opinion of those objecting to the District, and

WHEREAS, Oaklawn has agreed that it will, upon creation of the District, impact certain structures in the event that it acquires title to the structures, and intends to utilize the underlying real estate for purposes which are incompatible with the existing structure.

NOW THEREFORE BE IT AGREED AS FOLLOWS:

In the event the City of Marshall adopts the District in the form attached hereto, Oaklawn agrees as follows:

### **Definitions:**

Neighborhood – residences within 300 feet of the boundary of the Hospital Campus Overlay District Zone (HCOZ)

Historic Structures – residences located within the HCOZ which are designated by the National Park Service as contributing structures to Marshall’s National Historic Landmark (NHL) status.

Non-residential use – use of a structure originally built as a residence for a purpose other than as a dwelling

Neighborhood Historic Advisory Committee (NHAC) – A Committee, solely advisory in nature, which comprises approximately 3-4 neighborhood homeowners, who shall not be Hospital employees, and approximately 3-4 Hospital representatives. The neighborhood and Hospital shall be represented in equal numbers.

### **Formation of Neighborhood Historic Advisory Committee (NHAC)**

Hospital agrees to create a NHAC with equal representation from the neighborhood and the Hospital. The NHAC will have six (6) – eight (8) members. The NHAC will be an ongoing Committee which will meet at least semi-annually. Neighborhood

representatives will be selected by the Hospital from those defined herein as being part of the neighborhood, who express an interest in participating in the work of the NHAC, and who exhibit a willingness to work collaboratively. The purpose of the NHAC is to provide input to the Hospital regarding relevant aspects of historic integrity when Hospital determines that its operations will directly impact a historic structure within the HCOD. The membership of the NHAC will be reviewed, and may be revised, as deemed necessary by Hospital or requested by a majority of the NHAC members.

### **Process for addressing impact on historic structures**

When Hospital, in its sole discretion, determines that its operational or strategic needs require new non-residential use of a historic structure, or that a historic structure be removed from its current location by either relocation or demolition, Hospital and City agree to the following.

#### Oaklawn shall:

1. Convene a meeting of the Neighborhood Historic Advisory Committee (NHAC) within the following time frames.
  - a. For adaptive reuse which
    - i. Does not require a building permit: meet at least 30 days prior to Hospital's intended date of utilization of structure for new non-residential purposes
    - ii. Requires a building permit: meet prior to Hospital's application for the building permit, and at least 60 days prior to Hospital beginning exterior modifications
  - b. For removal of a structure which
    - i. Hospital intends to move: meet at least 90 days prior to intended moving date
    - ii. Hospital does not intend to move: meet at least 6 months prior to intended removal date
2. Consider the recommendation of the NHAC in making final determination regarding historic structures. The NHAC may consider the following, as appropriate, in making its recommendation to Hospital:
  - a. For adaptive reuse situations (adapted from Secretary of the Interior's Standards for the Treatment of Historic Structures):
    - i. Relative importance in history of the individual structure
    - ii. Physical condition
    - iii. Proposed use(s)
    - iv. Mandated code requirements
    - v. Applicability of rehabilitation, restoration or reconstruction
  - b. For situations involving structure removal
    - i. Structure to be moved by Hospital
      1. Appropriateness of available locations within NHLD owned by Hospital
      2. Locations outside NHLD owned by Hospital
    - ii. Structure not to be moved by Hospital

1. Whether or not the structures are of sufficient significance to warrant relocation.
  2. Availability of interested party to purchase and move impacted structures
  3. If none, advise regarding presence of historically significant architectural elements that could be salvaged
3. Make available for sale, for the price of one (1) US dollar, any historic structure within the HCDO meeting the following criteria:
  - a. Hospital determines that structure must be removed, and Hospital determines that structure does not warrant the cost of relocation.
  - b. NHAC recommends that structure is of sufficient historic significance to consider relocation
  - c. Purchaser of said structure(s), if one is found, will conclude the sale within 90 days of structure(s) being placed on the market
  - d. Purchaser will relocate structure within 90 days of purchase. If winter conditions prohibit moving structure within 90 days of purchase, then purchaser shall move structure no later than the subsequent June 1<sup>st</sup>. In no event shall the time between purchase of structure and moving of structure exceed 9 months. Failure to move structure within time frames specified herein will cause structure to revert back to Hospital ownership, and Hospital is then free to immediately raze structure. All costs associated with relocation of structure shall be borne by Purchaser, except that Hospital agrees to contribute to Purchaser, following the successful relocation of structure, the costs Hospital would otherwise have incurred, as determined by Hospital, to raze structure.
4. Prior to razing a structure, make available for salvage to interested parties those architectural elements identified by NHAC as having historical value, as long as Hospital concurs that such elements can be safely removed. All interested parties must notify Hospital of their interest within 30 days of Hospital's communication that a salvage opportunity exists, and must meet Hospital's requirements for liability insurance coverage, and any other health, safety and legal requirements specified by Hospital, prior to beginning salvage operations. All salvage operations shall be completed within 30 days after Hospital gives permission to an interested party to perform such salvage operation.
5. When requesting a permit for building, demolition or relocation associated with a historic structure, or presenting a plan for site plan review which impacts a historic structure, provide City with a letter from the NHAC that the process described herein was properly executed prior to the Hospital making application to the City for said permit or site plan review.

City, and its respective Committees, Boards, Agencies and Agents shall:

When Hospital presents a request for a permit for demolition, relocation or building associated with a historic structure, or presents a plan for site plan review which impacts a historic structure, accept that the affirmative statement of the Hospital as noted above is full and complete proof of Hospital's compliance with this Agreement. City agrees that the contents of the minutes of the NHAC meetings are not to be considered in making a

determination for permits or site plan approval and therefore shall not be required to be submitted to City or its Committees, Boards, Agencies or Agents.