

**Part A:**  
**Acceptance of Terms and Conditions by the Applicant**

Date: June 17, 2005

To: U.S. Department of the Interior, National Park Service,

Ms. Elyse LaForest  
U.S. Department of the Interior  
National Park Service  
15 State Street.  
Boston, MA 02109-3572

The undersigned, City of Frankfort

Hereinafter referred to as the Applicant or Grantee, acting by and through Joshua J. Mills, City Superintendent, 412 Main St., P.O. Box 351, Frankfort, MI 49635. Tel: (231) 352-7117.

Hereby makes application to the U.S. Department of the Interior, National Park Service, acting for and on behalf of the Secretary of the Interior pursuant to 40 U.S.C. § 550 (e), and in accordance with the regulations and policies of the U.S. Department of the Interior for the transfer of the following property which has been declared surplus by the U.S. General services Administration.

And is subject to assignment to the National Park Service for disposal for public park or recreational purposes:

Property: Portion of Station Frankfort  
City of Frankfort  
Benzie County, Michigan

Acres: 0.78

General Services Administration Control Number: 1-U-MI-582A

The property is more fully described in Part B of this application, attached hereto and made a part thereof. Enclosed herewith as Part C of the application is a resolution or certified statement showing the authority of the undersigned to execute this application and to do all other acts necessary to consummate the transaction.

The following agreement is made by the Applicant in consideration of and for the purpose of obtaining the transfer of any or all property covered by this application, and the Applicant recognizes and agrees that any such transfer will be made by the United States of America in reliance on said agreement. The undersigned understands and agrees that the application is made and the property is conveyed subject to the

following terms and conditions which may be enforced through a reversionary right in the property reserved to the United States of America:

1. This application and its acceptance by the National Park Service shall constitute the entire agreement between the Applicant and the United States of America, unless modified and approved in writing by both parties. This agreement becomes binding once the instrument of conveyance has been executed by the applicant. The applicant is required to duly record the instrument of conveyance in a timely manner.
2. The description of the property set forth herein is believed to be correct, but any error or omission shall not constitute ground or reason for nonperformance of the agreement resulting from the acceptance of this application.
3. The Applicant understands and agrees that the property is to be conveyed "as is" and "where is" without representation, warranty, or guaranty as to quantity, quality, character, condition, size or kind, or that the same is in condition or fit to be used for the purpose intended and no claim for any adjustment upon such grounds will be considered after this application has been accepted. Notwithstanding the foregoing, the United States is bound by any covenants contained in the deed regarding Section 120(h) of CERCLA, 42 U.S.C. §9620(h).
4. The Applicant agrees to assume constructive possession of the property upon receipt of written notification from the National Park Service. Should the Applicant fail to assume constructive possession of the property, it shall nonetheless be charged with constructive possession upon receipt of such notification from the National Park Service.
5. At the date of assumption of constructive possession of the property, or the date of conveyance, whichever ever occurs first, the Applicant shall assume responsibility for any general and special real and personal property taxes, which may have been or may be assessed on the property, and to prorate sums paid, or due to be paid, by the United States of America in lieu of taxes; and for care and handling and all risks of loss or damage to the property, and have all obligations and liabilities of ownership.
6. If a purchase price is due, the Applicant shall tender the purchase price to the United States of America on a mutually agreeable date after the property has been assigned to the National Park Service.
7. Conveyance of the property shall be accomplished by an instrument, or instruments, in a form satisfactory to the National Park Service without warranty, express or implied, and shall contain substantially, but may not be limited to, the following reservations, restrictions, and conditions:

- (a) The Grantee shall forever use the property exclusively for public park and recreational use in accordance with its application for property, particularly the Program of Utilization contained in Part B of the application, and approved amendments thereto, as provided below.
- (b) The Program of Utilization contained in Part B of the application may be amended only for the continued use of the property for public park or recreational purposes at the request of either the Grantee or the National Park Service with the written concurrence of the other party. Such amendments will be added to and become a part of the original application and of this Quitclaim Deed, and shall be consistent with purposes for which the property was originally transferred. The Grantee shall furnish any documentation, maps, photographs, studies, and other information to support the request as requested by the National Park Service to evaluate any proposed use or development of the property.
- (c) The property shall not be sold, leased, assigned, or otherwise disposed of except to another eligible governmental agency that the National Park Service agrees in writing can assure the continued use and maintenance of the property for public park or recreational purposes subject to the same terms and conditions in the original instrument of conveyance. Any mortgage, lien, or any other encumbrance not wholly subordinate to the reverter interest of the Grantor shall constitute an impermissible disposal. However, this provision shall not preclude the Grantee and its successors or assigns from issuing revenue or other bonds related to the use of the property to the extent that such bonds shall not in any way restrict, encumber, or constitute a lien on the property, or from providing related recreational facilities and services consistent with the approved application through concession agreements, permits, and licenses entered into with third parties, provided prior concurrence to such agreements is obtained in writing from the National Park Service.
- (d) The Grantee shall, within three months of the date of the recording of the instrument of conveyance, erect and forever maintain a conspicuous sign or signs near the principal point or points of access to the property that states: "The National Park Service, U.S. Department of the Interior, donated this land to the City of Frankfort for public recreational use through the Federal Lands to Parks Program."
- (e) Beginning two years from the date of conveyance, the Grantee shall prepare biennial reports describing the development and use of the property, and any revenue generated from its operation during the preceding two-year period. The Grantee shall prepare and submit ten consecutive biennial reports to the appropriate National Park Service office and further as the National Park Service may determine to be necessary.

- (f) All revenue received by the Grantee through concession agreements, use permits, or other fees generated by activities on the property shall be used only for the implementation of an approved Program of Utilization or the operation of park and recreation facilities and programs on the property. After the Program of Utilization is fully implemented, and as long as the property is properly and sufficiently operated and maintained, the revenue maybe used only for other public park and recreational purposes by the Grantee. Any revenue received by the Grantee which is generated through the operation of the property shall e listed and accounted for in its biennial reports to the National Park service.
- (g) The Grantee further covenants and agrees for itself, its successors, and assigns, to comply with the provisions of the Federal Disaster Protection Act of 1973 (897 Stat. 975); Executive Order 11988, relating to the evaluation of flood hazards; Executive Order 11288, relating to the prevention, control, and abatement of water pollution; and Executive Order 11990, relating to the protection of wetlands, where and to the extent said Act and Orders are applicable to the property herein conveyed, and the Grantee shall be subject to any use restrictions issued under said Act and Orders.
- (h) The Grantee further covenants and agrees for itself, its successors and assigns, to comply with all Federal laws relating to nondiscrimination in connection with any use, operation, program, or activity on or related to the property requested in this application, including, but not limited to:

All requirements imposed by or pursuant to the regulations of the U.S. Department of the Interior (43 C.F.R. Part 17);

Title VI of the Civil Rights Act of 1964 (42 U.S. C. § 2000d-1), which prohibits discrimination on the basis of race, color, or national origin;

The Age Discrimination Act of 1975, as amended (42 U.S. C. § 6101 et seq.), which prohibits discrimination on the basis of age;

Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S. C. § 794), which prohibits discrimination on the basis of handicap;

The Architectural Barriers Act of 1968, as amended (82 Stat. 718), which requires facilities located on the property to be accessible to the physically handicapped; and

The Americans with Disabilities Act of 1990 (104 Stat. 337), which requires that no otherwise qualified handicapped individual shall, solely by reason of his or her handicap, be excluded from the participation in, be denied benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance.

The Applicant further agrees to require any other person or entity who, through contractual or other arrangements with the Applicant, is authorized to provide services or benefits on or in connection with the property requested herein, and to promptly take and continue to take such action as may be necessary to effect this agreement

- (i) Title of the property transferred shall revert to the United States of America at its option for non-compliance with any of the terms and conditions of the conveyance. In the event that there is a breach of any of the conditions and covenants herein contained by the Grantee, its successors and assigns, whether caused by legal or other inability of the Grantee, its successors and assigns, to perform said conditions and covenants, or otherwise, all right, title, and interest in and to the said premises shall revert to and become the property of the Grantor at its option which, in addition to all other remedies for such breach, shall have the right of entry upon said premises, and the Grantee, its successor and assigns, shall forfeit all right, title, and interest in said premises and in any and all of the tenements, hereditaments, and appurtenances thereunto belonging.
- (j) The Grantee, by its acceptance of this deed, covenants and agrees for itself, and its successors and assigns, that in the event the Grantor exercises its option to revert all right, title, and interest in the property to the Grantor, or the Grantee voluntarily returns title to the property in lieu of a reverter, then the Grantee shall provide protection to and maintenance of said property at all times until such time as the title is actually reverted or returned to and accepted by the Grantor, including the period of any notice of intent to revert. Such protection and maintenance shall, at a minimum, conform to the standards prescribed by the General Services Administration in its Federal Property Management Regulations in effect at the time of the reversion. Prior to any such reversion, the Grantee further agrees to complete and submit to the Grantor an environmental assessment of the property that sufficiently documents and evaluates its condition in regard to the release of hazardous substances as defined under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended [42 U.S.C. § 9620 (h)].
- (k) The National Park Service, and any representative it may so delegate, shall have the right of entry upon said premises at all reasonable times to conduct inspections of the property for the purpose of evaluating the Grantee's compliance with the terms and conditions of the conveyance.
- (l) The failure of the National Park Service, or any other agency of the United States, to exercise any right or remedy granted under this instrument shall not have the effect of waiving or limiting the exercise of any other right or remedy or the use of such right or remedy at any other time.

(m) The Grantee, its successors and assigns, shall hold harmless, defend, and indemnify the United States, its employees, agents, and representatives from and against any suit, claim, demand or action, liability, judgment, cost or other fee arising out of any claim for personal injury or property damage (including death, illness, or loss of or damage to property or economic loss) that arises from the Grantee's or the Grantee's agent's use or occupancy of the property and/or the Grantee's failure to comply with the terms of this deed.

(n) The United States of America shall have the right to reserve all oil, gas, and mineral rights in the property.

8. Any title evidence which may be desired by the Applicant will be procured by the Applicant at its sole expense. The National Park Service will, however, cooperate with the Applicant or its authorized agent in this effort and will permit examination and inspection of such deeds, abstracts, affidavits of title, judgments in condemnation proceedings, or other documents relating to the title of the premises and property involved as it may have available. The United States of America will not be obligated to pay for any expense incurred in connection with title matters or survey of the property.
9. The Applicant shall pay all taxes imposed on this transaction and shall obtain at its own expense and affix to all instruments of conveyance and security documents such revenue and documentary stamps as may be required by Federal and local law. All instruments of conveyance and security documents shall be recorded at the Applicant's expense within 30 days of their receipt in the manner prescribed by local recording statutes. The Applicant shall provide the National Park Service with a certified copy of the instrument of conveyance within 30 days of the date of recordation which indicates the date, location, and book and page number of its recording.
10. The Applicant agrees to comply with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. § 470) by (a) consulting with the State Historic Preservation Officer and conducting investigations, as necessary, to identify sites and resources on the property listed on or eligible for nomination to the National Register of Historical Places, (b) notifying the National Park Service and disposal agency of the existence of any such sites and resources, and (c) complying with the requirements of 36 C.F.R. Part 800, as established under the National Historic Preservation Act of 1966, as amended, to avoid or mitigate adverse effects on such sites and resources.
11. The National Park Service or disposal agency may require additional reservations, restrictions, and conditions in the instrument of conveyance to safeguard the interests of the United States of America, including covenants relating to environmental protection and historic preservation. The National Park Service will give the Applicant sufficient opportunity to review any additional requirements prior to the conveyance of title to the property.

I agree that the instrument effecting the transfer to the Applicant of any property covered by this application will contain provisions satisfactory to the United States of America, incorporating the substance of the foregoing agreement, with such provisions to consist of (1) a condition, coupled with a right reserved to the United States of America to cause the property to revert to the United States of America at its option in the event of any breach of such condition, and (2) a covenant running with the land. The Applicant understands that the United States of America shall have the right to seek judicial enforcement of this agreement, and that this agreement shall be binding upon the successors and assigns of the Applicant.

6/20/05

(Date of Application)

Joshua J. Miller

(Signature)

City Superintendent

(Title)

City of Frankfort

(Agency)

**Part B:**  
**Justification for Acquiring Property**  
**Federal Lands to Parks Application**  
**City of Frankfort, MI**

**1. Description of Property**

- (a) Narrative: The subject property is a portion of "Station Frankfort", 100 Coast Guard Road, Frankfort, MI 49635, GSA Control #1-U-MI-582A. The property consists of a .78 acre site, a two story station building with basement level, an attached multi-bay garage and a storage garage with a total combined under roof space of approximately 11,141 sq. feet. The property is accessed off of Main Street in Frankfort by way of Second Street which turns into Coast Guard Road (City map attached). The site is flat and grass covered other than the buildings, access road and driveway/sidewalks. It is adjacent to the remaining "Station Frankfort" on the south and west, borders a private marina to the east and private homes to the north.
- (b) Maps: Maps and aerial photographs showing the location of the subject property and developed features are attached. Detailed boundary survey maps will be submitted once the metes and bounds description is finalized and a formal survey can be completed.
- (c) Legal Description: A legal description will also follow once the metes and bounds description has been finalized and a survey completed.
- (d) Photographs: Color photographs of the site are attached.

**2. Program of Utilization**

- (a) Narrative: The proposed use of the subject property is for a community recreational/cultural center. The property is developed with one main building, an attached two bay garage/boat storage area and a detached three bay garage with approach driveway off of Coast Guard Road. The Crystal Lake Art Center, a 501-c-3 non-profit, has received approval from its board of directors to partner with the City and we jointly intend to fully utilize the facility. There are no plans to further develop the property at this time other than to increase available parking to accommodate public use.

The planned use for the main structure is to hold public art exhibits, promote local artisans, hold art classes and have an art gallery. We also plan to be able to facilitate exhibits and short-term classes using traveling artisans. The attached garage and boat storage area will be renovated into an artisan gallery/showroom. The detached garage will be used for pottery classes and will house the pottery wheels and kilns necessary to promote this area of the arts.

This facility will be open to the public seven days a week during the peak times of the year (April to October). During the balance of the year, we would expect to



be open Thursday through Sunday. The Crystal Lake Art Center (CLAC) is extremely excited about the possibility of this partnership and has already commissioned a feasibility study to determine if the proposed plans are realistic. The preliminary reports are positive and address all of the potential areas identified in this application. The CLAC has also set aside a capital fund account to be able to begin necessary renovations immediately upon conveyance of the property to the City. The plans include increased parking facilities, meeting ADA handicapped accessibility requirements, including an elevator if necessary, improvements/maintenance to maintain the exterior character of the building and meet any State Historical Preservation Office (SHPO) requirements that may evolve as renovation and restoration of the site proceeds.

- (b) Schedule of Development: The schedule of development will proceed immediately upon conveyance of the property to the City of Frankfort. In partnership with the CLAC, we will be ready to commence with necessary renovations. Although the commissioned feasibility study is not finalized as of this submission, there are a few things we know need to be completed. Additional parking area(s), handicapped accessibility, renovation of the detached garage for use in pottery classes and conversion of the boat storage area to a gallery are all items to be addressed in the first year.

At this point we are not aware of any structural or physical plant areas that require immediate attention for occupancy. If any are identified, they will be addressed as soon as practical. It is our intent to maintain the structural and historical integrity of the buildings and complete interior and exterior renovations over the ensuing four to five years that will ensure the building's architectural and aesthetic integrity is maintained.

- (c) Site plan: We have not had access to a current site plan of the property from the Coast Guard. The physical features of the property and the basic layout of the site appear on the attached aerial photograph. Once we are sure conveyance is to occur and we have exact boundary definitions, we will have the site surveyed and a site plan developed.
- (d) Historic Preservation Plan: The main building was constructed in the 1930's and qualifies as a historic building. To our knowledge it has not been nominated for inclusion on the National Register of Historic Places. We do fully recognize the value of its architecture, and historical significance to our community and will work closely with the State Historic Preservation Office (SHPO) to meet all requirements and to potentially work towards inclusion on the National Register. It is also our intent to fully comply with the conveyance terms and conditions outlined in #10 and #11 of Part A.

### **3. Need**

The City of Frankfort is currently in the process of transition from its historic past as an industrial/port community to a tourist/resort destination. We are doing

everything within our power to provide an atmosphere and environment that utilizes our natural resource assets as a draw while maintaining the small Great Lakes shoreline community atmosphere that makes us an attractive place to visit and spend the summer. Our ultimate long term goal is to maneuver through this transition and get back to an economically stable and functionally growing community. Our parks, Betsie River, Lake Betsie, Lake Michigan shoreline and associated recreational opportunities are those assets that make us a desirable place to visit. The addition of the former Coast Guard building as a cultural arts recreation facility will be a huge boost to our recreational amenities.

The cultural arts are one of the most difficult areas to develop in a rural area. We have boat launches and fishing piers, playgrounds and picnic areas, beaches and bike paths but a place to enhance the arts and cultural recreation is hard to justify in a small community. We are extremely excited about our partnership with the CLAC and this opportunity to move a giant step forward for our community and its cultural future.

- (a) The resident population of Frankfort has remained stable at around 1,513 residents for the past several years. Frankfort is the only City in our county (Benzie County) but is not the county seat. More than 450 blue collar jobs have been lost in our community over the past 20 years. Even though our employment base has dropped, the City continues to provide services to other parts of the County and continues to be a retail and recreational hub for the County. As we mentioned previously our major asset is the beauty of our natural surrounding; and the opportunities we offer the public to enjoy those assets are what draw people to this community. The ability to offer a cultural and recreation center in Frankfort, at this location, could only enhance our appeal to county residents and visitors from across the Midwest.
- (b) We have included a copy of our Michigan Department of Environmental Quality (MDEQ) approved Recreation Plan for your review. It lists all of the current parks and recreation areas as well as delineates our plans for the future. We are on a long term mission to increase and enhance the quality recreational opportunities available in our community and the addition of this art center would be a huge step toward broadening the base of those opportunities.
- (c) We mentioned previously that we have been blessed with natural resources. Frankfort has parks for all types of outdoor recreation including swimming, fishing, a boat launch and marina, playgrounds, picnic areas, etc. Until now the opportunities for the arts and cultural recreation have been limited to outdoor art shows, music in the park and some short term classes. The "Station Frankfort" former Coast Guard building is a perfect match for the proposed use as an art center. The cooperative agreement between the City and the CLAC will allow the long term goal of the CLAC

and the community to come together and enhance our overall quality of life. The addition of this property to our parks and recreation inventory would have a dynamic impact on the community, county and visitors from across the country.

#### 4. Suitability

The Station Frankfort .78 acre U.S. Coast guard is an ideal location for a recreational facility in Frankfort. It is close to our Cannon Park and Lake Michigan Beach Park, has sufficient grounds to facilitate public use and has buildings with sufficient square footage to meet the needs of our intended use.

- (a) Appropriateness: The building and grounds are perfect for our intended use as a cultural arts recreation center. The main building will house a gallery and gift shop as well as rooms for art classes and exhibits by local artisans and/or traveling artists. The detached garage will be renovated to provide a place for pottery classes and is ideal for installation of pottery wheels and kilns.

The aesthetic nature of the buildings, grounds and proximity to the Betsie Lake channel and Lake Michigan make it a beautiful setting for an art center. The grounds will be ideal for outdoor shows and the setting will give students and traveling artists plenty of opportunity to find subject matter for drawing and painting.

- (b) The buildings, as mentioned previously, amount to over 11,000 sq. ft. of floor space and the main building is architecturally consistent with the "Main Street" downtown retail district of Frankfort. The buildings, infrastructure and grounds are ideal for the intended future use. There are some renovations to be completed which include conversion of the detached garage to a pottery arts center, the conversion of the lower level and attached garage to a large gallery and some asphalt work to increase the available parking facilities. In addition, some work needs to be completed to bring the building up to ADA standards.
- (c) Location of the property is very accessible to the main Frankfort business district. Coast Guard Road is a continuation of Second Street, one block off of Main Street at the west end of town (map attached). The site is in our tourist district, one block from Lake Michigan Beach Park, one block from Cannon Park, adjacent to a local marina and a block away from a resort condominium facility. The property is also walking distance (2 blocks) from our main downtown retail district, the other major asset of our community.
- (d) As mentioned above, Frankfort's road system adequately serves the property. In addition, a bike path, part of the Betsie Valley Trail system, runs through Cannon Park, one block away and there is significant boat

traffic to Frankfort, which is accessible from the adjacent privately owned marina and the City marina a few blocks to the east. We expect the summer transient traffic to be major visitors to the art center.

## **5. Capability**

The City of Frankfort in cooperative partnership with the Crystal Lake Art Center is more than capable of carrying out the program as identified above.

- (a) The City of Frankfort is more than capable of maintaining this property and assisting in development and operation of the proposed program. The City of Frankfort has a DPW department and a Parks and Recreation Board that reports to the City Council. Both of these entities will be involved in seeing this project to completion under direction of the City Superintendent.
- (b) The cooperative agreement between the City of Frankfort and the Crystal Lake Art Center has been approved by the Frankfort City Council for this project. The CLAC has a cash reserve on hand to begin the necessary improvements and has several fund raisers on line to help meet the total restoration needs. The City of Frankfort is committed to providing any in kind services and assistance by staff in the planning, development and implementation of the project plans. A City operating budget for 2005 is attached.
- (c) The organization of the ultimate development and operation staff for this project is not completed in concept at this point in time. The Crystal Lake Art Center is in the process of completing a feasibility study which should be available shortly. Once that document is complete we will have a better feel for how the oversight and operation of the project will be set up organizationally between the CLAC and the City of Frankfort.

**Part C:**  
**Resolution/Certification of Authority to Acquire Property**

Whereas, certain real property owned by the United States of America, located in the City of Frankfort, County of Benzie, State of Michigan, has been declared surplus and, at the discretion of the U.S. General Services Administration, may be assigned to the Secretary of the Interior for disposal for public park or recreational purposes under the provisions of 40 U.S.C. § 550 (e), and any regulations and policies promulgated pursuant thereto, more particularly described as follows:

Property:      Portion of Station Frankfort  
                    City of Frankfort  
                    Benzie County, Michigan

Acres:            0.78

General Services Administration Control Number: 1-U-MI-582A

Whereas, the City of Frankfort needs and will use said property in perpetuity for public park or recreational purposes as set forth in its application and in accordance with the requirements of said Act and any regulations and policies promulgated thereunder;

Now, therefore, Be It Resolved, that the City of Frankfort shall make application to the National Park Service for, and secure the transfer to, the above-mentioned property for said use and subject to such exceptions, reservations, terms, covenants, agreements, conditions, and restrictions as the National Park Service and the Federal disposal agency may require in connection with the disposal of said property under said Act and the regulations and policies issued pursuant thereto.

Be It Further Resolved that the City of Frankfort has legal authority, and is willing and able, to properly develop, maintain, operate, and assume liability of the property, and that Joshua J. Mills, City Superintendent, is hereby authorized, for and on behalf of the City of Frankfort to do and perform any and all acts and things which may be necessary to carry out the foregoing resolution, including the preparing, making, and filing of plans, applications, reports, and other documents, the execution, acceptance, delivery, and recordation of agreements, deeds, and other instruments pertaining to the transfer of said property, including the filing of copies of the application and the conveyance documents in the records of the governing body, and the payment of any and all sums necessary on account of the purchase price thereof or fees or costs incurred in connection with the transfer of said property for survey, title searches, recordation or instruments, or other costs identified with the acquisition of said property.

City of Frankfort  
412 Main Street, P.O. Box 351  
Frankfort, MI 49635

I, Joshua J. Mills, hereby certify that I am the City Superintendent of the City of Frankfort; and that the foregoing resolution is a true and correct copy of the resolution adopted by the vote of a majority of the members of said City of Frankfort City Council, present at meeting of said body on the 20<sup>th</sup> day of June, 2005, at which a quorum was present.

  
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(Signature)