

Albion Building Authority
October 13, 2016
8:00 a.m.
Special Meeting
Mayor's Office-City Hall

AGENDA

- I. Call to Order
- II. Roll Call
- III. Approval of Minutes – August 24, 2016
- IV. Old Business
- V. Executive Session

The Board Chair requests an executive Session under the Open Meetings Act (Section 15.268 (d), P.A. 267 of 19676, as amended) to consider the purchase or lease of real property up to the time an option to purchase or lease that real property is obtained.

- VI. New Business
 - A. Discussion/consideration of actions for real estate properties
 - VII. Miscellaneous
 - VIII. Public Comment (Persons addressing the ABA shall limit their comments to no more than 5 minutes Proper decorum is required)
 - IX. Excuse Absent Board Member(s)
 - X. Adjournment
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Albion Building Authority
August 24, 2016

I. Call To Order

The August 24, 2016 ABA Meeting was called to order at 8:00 a.m. by Chairperson Brown.

II. Roll Call

S Brown, Chair; C Farmer; M Tymkew, Vice Chair; E Seedorf, S Mitchell, City Manager; J Domingo, City Clerk.

III. Approval of Minutes-July 14, 2016

Correction to the July 14, 2016 minutes as follows:

Pg. 2- Edward Jones will need a lease with the Albion Building Authority and also needs to be obtain their own insurance policy and add Albion Building Authority on as an additional insured.

Farmer moved, Tymkew supported, CARRIED to approve the July 14, 2016 minutes with the above correction. (voice vote)

IV. Old Business – None

V. New Business

A. Discussion-EDC Building Lease

City Manager Mitchell stated the building was purchased by the City of Albion for \$110,000. The City deeded the building to the ABA to be used for the EDC and DDA. The Developmental Agreement states the facility will be used as offices for the Albion Economic Development Corporation and the Downtown Development Authority or similar municipal corporations or non-profit corporations. The ABA has paid the City the \$110,000 plus interest. The ABA is currently losing money on the property. It takes approximately \$16,333.00 to operate the building and the EDC is currently paying \$10,080.00. Part of this loss is contributed to the Downtown Development Authority no longer occupying the building nor paying rent.

Questions Comments from the Board are as follows:

- Currently the building is housing the EDC, AmeriCorps Vista, Build Albion Fellows and Albion Community Foundation.
- What would the Board like to do with the other occupants of the building?
- Should there be a lease with the ABA and EDC?
- Should all occupants have a lease agreement with the ABA?
- Would it be better to have a memorandum of understanding with the non-profit occupants of the building?
- Would like to see the building operate at revenue neutral versus a loss.
- Lease would be helpful with liability issues should they arise.
- Every available space is currently being used in the building including the safe.
- The non-profit tenants in the building are temporary.
- The Albion Community Foundation wants to pursue a lease with the potential option to purchase.
- The EDC plans to remain in the building.
- The AmeriCorps Vista and Build Albion Fellows will be moving to 101 N. Superior St. location as soon as it is complete.
- Board would like to have Roger Caswell, Attorney pursue lease agreements with all parties.
- They would like payment of the building to be set at a break-even level.
- The Albion Community Foundation is obtaining costs for fixing up the building.
- Term of lease would be month to month. The EDC would utilize 2/3 of the building paying a cost of \$10,000 per year and The Albion Community Foundation would pay the remaining 1/3 cost of \$5,000 per year. They would ask Build Albion Fellows and AmeriCorps Vista to pay \$100.00 per month to cover the utilities
- Would like the lease agreements to be effective September 1, 2016.
- Would like Albion College to add the ABA on their insurance as an additional insured.
- Do we have previous years ABA budgets?
- Has the cost actually been paid back to the ABA using the following numbers:

Purchase Price-	\$110,000.00
Initial Renovation Cost-	\$50,000.00
Interest	5.5%
- If the ABA sold the EDC building, could the funds be used to renovate the apartments above the Food Hub which may be able to sustain the Food Hub building?

- If the Albion Community Foundation purchased the building, would the EDC be able to rent space from them?
- Have City Manager Mitchell notify the EDC and the Albion Community Foundation that the ABA will be pursuing lease agreements with them.
- The Board would like an assessment of the building with what repairs are currently needed and what may need to be repaired in five years.

Comments were received from Board Members Brown, Tymkew and Farmer; City Manager Mitchell and Mayor Domingo.

Tymkew moved, Seedorf supported, CARRIED, to have Roger Caswell, Attorney pursue a lease agreement with the Albion Community Foundation with an option to buy and also memorandum of understandings with Albion College for the AmeriCorps Vista and Build Albion Fellows. (voice vote)

B. Discussion-Evans Body Shop Lease (Gale St.) Public Safety

City Manager Mitchell stated we do not have a lease or any documentation for use of Evans Body Shop by Albion Public Safety. She stated Albion Public Safety is currently paying \$7,000 a year for the building of which \$5,000 is the cost of utilities. The building does need repairs and also has environmental issues.

Tymkew moved, Farmer supported, CARRIED, To have City Attorney Harkness draft language to transfer the property to the City of Albion and Albion Public Safety will pay the utilities and cost of repairs. (voice vote)

C. Discussion-Recycling Center Bldg. Lease (219 N. Eaton St.)

City Manager Mitchell stated the County is not willing to spend any funds to paint the building or repair the driveway at 219 N. Eaton St.

Comments were received from Board Members Tymkew and Brown.

Farmer moved, Tymkew supported, CARRIED, To obtain services of Roger Caswell, attorney and pursue lease agreement between the ABA and Calhoun County for the use of the property and building by the Recycling Center located at 219 N. Eaton St. (voice vote)

D. Discussion-Recreation Bldg. Lease (219 N. Eaton St.)

Farmer moved, Tymkew supported, CARRIED, To obtain services of Roger Caswell, attorney and pursue lease agreement between the ABA

and Albion Recreation Department for the use of the building by the Albion Recreation Department located at 219 N. Eaton St. (voice vote)

E. Discussion 201 N. Clinton St. Lease (Edward Jones)

City Manager Mitchell stated Edward Jones was still interested in the 201 N. Clinton St. property. She expects to receive the initial proposal this week.

Tymkew moved, Farmer supported, CARRIED, To seek an estimate for cost of work from Roger Caswell, Attorney. (voice vote)

The Board would also like an inventory of ABA owned properties and a copy of the Food Hub agreement.

VI. Miscellaneous-None

VII. Public Comment –

No public comments were received.

VIII. Excuse Absent Board Member(s)

No action was necessary as all board members were present. It is noted that the board still has one vacant seat.

IX. Adjournment

Tymkew moved, Farmer supported, CARRIED, to adjourn the meeting. Meeting adjourned at 9:15 a.m.

Recorded By: Jill Domingo, City Clerk