

Resolution #2016-51

To Approve the Agreement with the Calhoun County Treasurer and the Calhoun County Land Bank Authority for the Dalrymple School Property

Purpose and Finding: The Calhoun County Treasurer ("Treasurer") acquired the Dalrymple School site (referred to herein as "Property") located at 406 S Ann Street and 407 S Dalrymple Street, Albion, MI 49224, on April 1, 2016, through property tax foreclosure (approximately \$18,500 in unpaid taxes). Generally, to recover the maximum amount of unpaid back taxes, most properties are offered as a single auction lot by the Treasurer; however, many blighted properties are offered together as a "bundled" auction lot with a surety bond required to assure demolition or rehabilitation of these properties. The bundled lot historically has not been purchased at either auction and the properties within the bundle ultimately remain in public ownership. They are either transferred to the local unit or the Calhoun County Land Bank Authority ("CCLBA") at the end of the auction process.

At the request of the City of Albion ("Albion"), the Treasurer has agreed to place the Property in the bundled auction lot so that it will stay in public ownership and ultimately go to the City or the Land Bank to hold while a longer term disposition of the property can be formulated with input from Albion stakeholders. This plan would include identifying funding to demolish the old school building as well as to discuss a strategy to make the Property redevelopment ready. To help defray long-term holding costs, the Treasurer is requesting that the City of Albion enter into a subsequent agreement with the Land Bank for routine maintenance of this property should the Land Bank assume ownership during the holding period. A Memorandum of Understanding between the City and the Treasurer establishing the decision to bundle the Property and the City's intent to enter into a maintenance agreement with the Land Bank is also requested. If the Land Bank becomes the owner of the Property, a MOU between it and the City will be created to finalize the maintenance agreement and address future plans, roles, and responsibilities.

It is in the public interest that the Property has regular maintenance for mowing, debris removal, securing and snow removal; the City has agreed to commit up to \$2,500 per year to cover these routine maintenance costs during the holding period if the Land Bank assumes ownership. It is imperative that the City work with community stakeholders, the Treasurer, and the Land Bank to identify a long-term solution for the demolition and redevelopment of the Property.

Council Member Barnes moved, supported by Council Member Krause, to approve the following resolution.

RESOLVED, that the Albion City Council hereby approves an Agreement between the City of Albion and the Calhoun County Treasurer as follows:

- The Treasurer will bundle the Property identified by parcel numbers #51-001-588-05 and #51-001-588-04 through the tax foreclosure auctions with the understanding that the City agrees to enter into a subsequent agreement with the Calhoun County Land Bank Authority ("Land Bank") to cover the cost of general maintenance should the Land Bank take ownership of said Property after the auction process.
- The City of Albion commits to maintenance (mowing, snow removal, and debris removal) of the Dalrymple School Property, for an amount not to exceed \$2,500 per year from the fund balance of the Solid Waste Fund. The term of the agreement ends on December 31, 2019, and may be extended or cancelled by either party with sixty (60) day's notice.
- If the Land Bank becomes the owner of the Property at the end of the auction process, the City shall enter into a MOU for maintenance with the Land Bank and shall assume maintenance costs, for an amount not to exceed \$2,500 per year from the fund balance of the Solid Waste Fund. The term of the MOU between the City and the Land Bank will end on December 31, 2019, and may be extended or cancelled by either party with sixty (60) day notice.

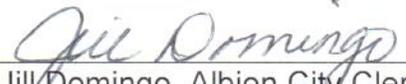
FURTHER RESOLVED, the City Manager is authorized to work with the Treasurer, Land Bank, and community stakeholders in seeking a long-term solution for the demolition and redevelopment of the Dalrymple site. The Memorandums of Understanding between the Treasurer, Land Bank, and the City that clarifies their respective obligations with regard to bundling and long term strategy will be brought back to the City Council for final approval.

I hereby certify that the above resolution was adopted on August 1, 2016, in a regular session of the Albion City Council, and this is a true copy of that resolution.

Ayes 7

Nays 0

Absent 0



Jill Domingo, Albion City Clerk