

Resolution #2016-31

A RESOLUTION AUTHORIZING MEMORANDUM OF UNDERSTANDING WITH THE
CALHOUN COUNTY LAND BANK AUTHORITY

Purpose and Findings: In April, 2009, the City of Albion ("City") and the Calhoun County Land Bank Authority ("CCLBA") entered into an agreement relative for the use of the old Harvard Transportation garage facility to house fire vehicles, located at 923 Austin Avenue, Albion, MI. The City agreed to make repairs and improvements and the CCLBA agreed to reimburse the City for documented costs incurred, not to exceed \$7,500, when the building was sold. The City incurred costs of approximately \$7,000. The building was recently sold to a new buyer.

The CCLBA also recently sold a parcel located at 200 S. Superior Street (Parcel #55-000-888-00) to become part of the hotel project. Under the Tax Reverted Clean Title Act, MCL 211.025a, the CCLBA is entitled to fifty (50%) percent of the eligible tax reverted property for the next five (5) years. There is also a prohibition against combining such parcels for this 5-year period.

The Memorandum of Understanding stipulates that the CCLBA waives its entitlement to 5-year, 50% tax revenue and consents to the parcel being combined with the surrounding/adjacent parcels. The City stipulates to waive the reimbursement from the garage agreement.

It is found that this agreement will assist and provide economic benefits for the City of Albion.

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

RESOLVED, that the City of Albion agrees to the terms of the attached Memorandum of Understanding with the Calhoun County Land Bank Authority ("CCLBA") and authorizes the City Manager to sign on behalf of the City of Albion.

Date: May 2, 2016

Ayes: 6
Nays: 1 (Domingo)
Absent: 0

I certify that this resolution was adopted by the City Council of the City of Albion on May 2, 2016.



Jill Domingo
City Clerk

MEMORANDUM OF UNDERSTANDING

Memorandum of Understanding (MOU) entered into this ___ day of May, 2016, by and between the City of Albion ("City") and the Calhoun County Land Bank Authority ("CCLBA");

WHEREAS, the City and CCLBA entered into a certain letter agreement ("agreement") executed on April 9, 2009, by the City and April 6, 2009, by the CCLBA; and

WHEREAS, said agreement provided for certain obligations relative to the old Harvard Transportation garage facility ("garage") at 923 Austin Avenue in the City; and

WHEREAS, the parties wish to set forth in writing their agreement that all obligations under said agreement by either have been satisfied or otherwise released as set forth herein;

WHEREAS, the parties further wish to set forth additional concessions and stipulations which have been agreed to in exchange for considering the agreement satisfied or otherwise released.

NOW THEREFORE, the parties hereby agree as follows:

1. The parties acknowledge that the City did temporarily house its equipment in the garage and did incur certain costs relative to the maintenance of said garage.
2. The parties acknowledge that the CCLBA sold the garage and, under the terms of the agreement, certain costs were to be reimbursed by the CCLBA to the City.
3. In consideration of the work done by the CCLBA in undertaking demolitions in the City, applying for, receiving, and carrying out numerous other grant funded residential demolitions in the City, undertaking both demolitions and refurbishment of commercial structures in the City's downtown business district, the City hereby releases and waives any obligation for reimbursement by the CCLBA relative to the sale of the garage that was or may have been contained in the agreement.
4. In further consideration of the City's release and waiver of CCLBA's obligation for reimbursement to the City, the CCLBA hereby waives its entitlement to its fifty (50%) percent of the eligible tax reverted property specific tax, under the Tax Reverted Clean Title Act, MCL 211.1025a, for the next five (5) years for parcel number 51-000-888-00, commonly known as 200 S. Superior St., Albion, MI 49224. The parties herein stipulate and agree that pursuant to MCL 211.1025a(1), CCLBA's waiver as to the parcel described in this paragraph will assist with economic development benefits for the City. CCLBA further waives its five (5) year prohibition on parcel combination and specifically consents to the combination of parcel number 51-000-888-00 with surrounding and/or adjacent parcels.
5. The parties hereby release one another from any and all claims relative to the ownership of the garage by the County Treasurer or by the CCLBA and any and all claims which either party may have had in the past, now, or in the future against the other arising out of the

agreement. By mutual understanding as set forth herein, parties consider the 2009 agreement terminated.

6. The City specifically releases and waives any claims relative to the garage which it may have had against the Calhoun County Treasurer relative to the 2009 agreement..

7. This MOU sets forth the parties' complete understanding of the subject matter and may not be explained, modified or amended except in writing signed by the parties.

8. This MOU may be executed in any number of counterparts, and each counterpart shall be deemed to be an original instrument, but all counterparts shall together constitute only one agreement.

9. The invalidity or unenforceability of any particular provision of this MOU shall not affect the other provisions hereof, and this MOU shall be construed in all respects as if such invalid or unenforceable provision was omitted.

10. This MOU shall be interpreted under the laws of the State of Michigan.

11. This MOU is effective upon the signature of both parties herein.

City of Albion

Calhoun County Land Bank Authority

By: _____
Sheryl Mitchell
Its: City Manager
Dated: _____

By: Christine Schauer
Christine Schauer
Its: Board Chairperson
Dated: 4/28/2016

LETTER AGREEMENT

The City of Albion is in the process of building a new ambulance/fire station on N. Clinton Street in Albion. Originally the City had planned to complete this facility in time to move its fire vehicles out of its old station before construction started on the replacement of the N. Clinton Street Bridge. Once this bridge construction begins, it will not be possible for the City to access the old fire station. The contractor for the bridge project is scheduled to begin on April 1, 2009 and the new ambulance/fire station will not be ready for about 4 months. Therefore the City needs to find a temporary facility to house its fire vehicles.

It is hereby agreed between the City of Albion and the Calhoun County Treasurer that the City of Albion can temporarily use the old Harvard transportation garage facility on Austin Avenue under the following conditions:

- a. The City at its expense will clean up the facility and make necessary repairs to get the building, utilities and overhead doors operational.
- b. The City will temporarily house its fire equipment at this location while it is waiting for the completion of the new ambulance/fire station.
- c. The City will provide insurance coverage (property & liability) during the time that it occupies the building.
- d. The City will cover all normal operating costs for the facility during the time that it occupies the building.
- e. Since the repairs and improvements being made by the City will add value and make the facility more marketable for the County, it is agreed that when the County sells the garage facility, the County will reimburse the City for the documented costs incurred by the City (at a cost not to exceed \$7,500.00) to get the garage facility operational.

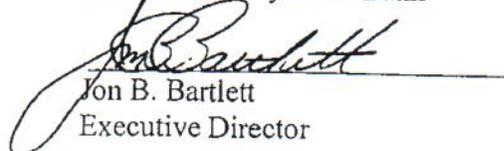
Approved

City of Albion


Michael S. Herman
City Manager

Date: 4-9-09

Calhoun County Land Bank


Jon B. Bartlett
Executive Director

Date: 4-6-2009