

**Economic Development Corporation Board Meeting
Oak Business Center
Minutes of November 1, 2016**

Present

Derwin Munroe
William Hammond
Councilman Kerry Nelson

Absent

Mayor Karen Weaver
Councilman Herbert Winfrey

Other Present

Mark Evans, Metro Community Dev.
Richard Cummins, Simen, Figura & Parker Law

Staff Present

Glenda R. Dunlap
Wade Goble
Gloria Shavers

I. MEETING CALL TO ORDER:

There being a quorum, the Economic Development Corporation board meeting was called to order by Councilman Kerry Nelson at 8:56 a.m.

II. PUBLIC COMMENTS:

There were no public comments.

III. Approval of Previous Meeting's Minutes

There were no minutes presented for approval.

IV. Reaffirming Resolution

Councilman Nelson stated that the reaffirming resolution reaffirms the actions taken by the EDC President to carry out the OBC day to day operations between meetings.

It was moved by Mr. Hammond and supported by Mr. Munroe to approve the reaffirming resolution. Motion passed unanimously.

V. Financial Reports

EDC Financial Report for September 30, 2016

Mr. Goble reported on the Economic Development Corporation financial status for the period ended September 30, 2016.

It was moved by Mr. Hammond and supported by Mr. Munroe to approve the EDC September 30, 2016 financial reports. Motion passed unanimously.

- Budget to Actual Report
- Available Revenue

VI. Oak Business Center Committee Report.

- Occupancy Report

Ms. Dunlap stated at the September board meeting Councilman Nelson requested a list of OBC tenant names, what units they are leasing and if they are current with the rent.

- Rent Collections Report

The following tenants were reported on:

- AAQ Advanced Air Quality, Inc. is current in his rent.
- Brown Enterprise is behind four payments.
- Genesee County Land Bank is current.
- Jemerson Sewing is behind one month's rent. He was leasing two unit, now he is leasing only unit 4.
- Michigan State University is behind two payments. Ms. Shavers is current working with accounts payable to get those payments paid.
- Premier Powder Coating, is leasing units 6, 8 and 10. Starting November 1st, Mr. Hall will be leasing unit 12. His rent is current.
- W.T. Stevens is leasing suite 201, 202 and also leasing unit 18, the rent is current.

- Metro Flint Youthbuild Update – Property Manager

Mr. Evans presented his concerns to the board regarding the issues OBC faces if some of the repairs are not done in a timely manner. He said the drainage from the air conditioning unit has been repaired, however the roof has not.

Ms. Dunlap stated that she had the roofing expert, Mr. Brad Konvolinka to inspect the roof and obtain quotes to address the leak. A purchase order has been requested to authorize the repairs. Mr. Evans needs to set up an appointment with the successful roofer, Royal Roofing, to access the roof and make the necessary repairs once the purchase order has been approved.

Mr. Evans reported that the Metro Youthbuild program received Department of Labor funding and is preparing to hire staff for the program. He mentioned that he was scheduled to attend a meeting today at 11:00 a.m. at City Hall with the City Administrator, Ravi Yalamanchi, Suzanne Wilcox, and Glenda Dunlap, to go over the Metro Community Development lease to manage the OBC property.

Ms. Dunlap said when the Metro proposed lease/management agreement was reviewed, the payment from Metro for the units occupied are services in lieu of rent, or in-kind services.

Mr. Hammond said under the agreement, Metro is asking for an additional \$3,000 per month to manage the property.

Ms. Dunlap announced that the meeting scheduled for today to meet with City Administrator had been cancelled.

Mr. Hammond suggested a special OBC Committee meeting be set as soon as possible to work through the lease provisions for the new lease.

Mr. Evans stated when Metro went to the State of Michigan to be certified as a trading program for apprenticeship readiness, it was told that OBC has not had a current fire inspection certification, or a current certificate of occupancy.

Councilman Nelson asked Ms. Dunlap to arrange a meeting with EDC, the City Administrator and Fire Chief to discuss the problems at OBC.

There were lots of dialogue regarding the issues that OBC faces due to lack of funds to do the repairs to the building.

Councilman Nelson asked Ms. Dunlap to forward copies of bids to Mr. Evans, and then the board can make a decision from there.

Mr. Hammond asked Ms. Dunlap to check and see if those bids are still valid.

Mr. Hammond noted that there has to be a way to come up with some funds to repair OBC, so that we are not putting people's lives at risk..

It was moved by Mr. Hammond and supported by Mr. Munroe to accept the OBC report. Motion passed unanimously.

- Next Committee Meeting is December 6, 2016, 3:00pm

VII. Loan Review Committee Report

Ms. Dunlap reported that all of the EDC loans were paid except for Banks & Banks, Pasadena Fresh Meat Market and Metro Medical Ambulance. Banks & Banks and Pasadena Fresh Meat Market assured Ms. Shavers that they will be making their loan payment.

Ms. Shavers said she spoke with Mr. Adnan Kattoula and he informed her that he is going through hardship that may cause him to file for bankruptcy. She said he would be consulting with his accountant regarding the direction he should take, then he would be submitting a letter to the board.

She stated that Metro Medical has not made a payment since July 2016. She said she called Mr. Ekong numerous times, with no response. Mr. Darryl Buchanan, the contact person for Metro Medical, informed Ms. Shavers that the company is going through a hardship and that he would be bringing a payment to the office.

It was moved by Mr. Hammond and supported by Mr. Munroe to accept the EDC report. Motion passed unanimously.

- Next Committee Meeting Tuesday, November 22, 2016, 12:30 pm

VIII. New Business

Ms. Dunlap introduced Attorney Richard Cummins from Simen, Figura & Parker law firm to explain the proposed extension to the management agreement with BOJI Group for the Health and Human Services office building.

Attorney Richard Cummins explained the management agreement extension request by the BOJI Group and provided a written memo. He concluded that there would be no deleterious effect if the EDC board declined to extend the agreement, explaining that inaction by the board would only serve to maintain the status quo, with the agreement automatically renewing in 2031.

XI. Old Business

There was no old business.

X. Other New Business

There was no other new business.

XI. ADJOURNMENT

With no further business to conduct, Mr. Hammond called for a motion to adjourn the meeting at 9:35 a.m. Mr. Munroe seconded the motion. Motion passed unanimously