

CLINTON COUNTY BOARD OF COMMISSIONERS

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Robert Showers
Vice-Chairperson
David Pohl

Members
Bruce DeLong
Jack Enderle
Eileen Heideman
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COURTHOUSE
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ST. JOHNS, MICHIGAN 48879-1571
989-224-5120



Administrator
Ryan L. Wood
Clerk of the Board
Diane Zuker

RESOLUTION 2018-23

RESOLUTION APPROVING LEASE TERMINATION AGREEMENT, ASSIGNMENT AND ASSUMPTION OF LANDLORD'S INTEREST UNDER GROUND LEASE, FIRST AMENDMENT TO GROUND LEASE, AND FIRST AMENDMENT TO SHARED OPERATING AGREEMENT

WHEREAS, the City of St. Johns (the "City"), and the County of Clinton (the "County"), cooperated in the acquisition and construction of a government center to house the City Offices and the County Offices (the "Government Center"), on the real property in the City of St. Johns, County of Clinton, State of Michigan, as more particularly described on Exhibit A attached hereto; and

WHEREAS, Clinton County Building Authority (the "Authority") borrowed the sum of \$14,500,000 and issued bonds for the purpose of acquiring and constructing the Government Center; and

WHEREAS, the County transferred the site of the Government Center (the "Site") to the Authority by deed as required under the provisions of Act 31, Michigan Public Acts of 1948, as amended; and

WHEREAS, the Authority, as Landlord, entered into a Limited Tax Full Faith and Credit General Obligation Contract of Lease dated June 9, 1998 (the "Contract of Lease") for the real property described on Exhibit A, with the County, as Tenant; and

WHEREAS, the Authority entered into a Ground Lease dated December 22, 1998 for a portion of the real property described on Exhibit A, with the City in order to facilitate the cooperation between the City and the County with respect to the Government Center; and

WHEREAS, the Bonds (as defined in the Contract of Lease) for the Government Center, including all principal and interest due thereon, have been paid in full by the County, requiring a termination of the Contract of Lease, and the Contract of Lease requires that Authority deed the real property described on Exhibit A back to the County by quit claim deed without consideration; and

WHEREAS, in connection with deeding the real property to the County, the Authority must also assign the Authority's right, title and interest as Landlord under the Ground Lease with the City to the County, and the County must assume said Landlord's obligations under the Ground Lease; and

WHEREAS, the City has determined that the City Offices in the building on the real property described on Exhibit A contains approximately 1,444 extra useable square feet of space not needed by City, and desires to convey, transfer and assign said extra space to the County on the terms herein provided; and

WHEREAS, the County has determined that the County is in need of additional useable square feet in the building on the real property described on Exhibit A, and desires to acquire said extra space from the City on the terms herein provided; and

WHEREAS, a form of Lease Termination Agreement for termination of the Contract of Lease, a form of Quit Claim Deed for conveyance of the real property, and a form of Assignment Assumption of Landlord's Interest Under Ground Lease, form of First Amendment to Ground Lease, and a form of First Amendment to Shared Operating Agreement have all been prepared by County's counsel, submitted to the County's Clerk, and presented same to the County for its approval.

NOW, THEREFORE, the County hereby resolves as follows:

1. The County hereby approves the form of the Lease Termination Agreement, and the form of Assignment and Assumption of Landlord's Interest Under Ground Lease, and hereby authorizes the Chairperson and Clerk to execute and deliver both of said instruments in substantially the form on file with the Clerk of the County, or such other form as may be approved by the County's legal counsel, and to take all other actions required of the County to execute and deliver said instruments to the Authority.
2. The County hereby approves the form of the Quit Claim Deed from the Authority for the real property described on Exhibit A, and hereby authorizes the Clerk of the County to accept said Quit Claim Deed and record same in the real property records for Clinton County.
3. The County hereby approves of the acquisition of the approximate 1,444 useable square feet of the City Offices from the City for a payment in the amount of Two Hundred Five Thousand Twenty-Four and 35/100 Dollars (\$205,024.35) as provided in the proposed First Amendment to Ground Lease, and hereby authorizes the Chairperson and Clerk to make such payment and execute and deliver said First Amendment to Ground Lease to the City in substantially the form on file with the County Clerk, or such other form as may be approved by the County's legal counsel, and take all other actions required of the County to execute and deliver said First Amendment to Ground Lease to the City.

4. The County hereby approves of the proposed First Amendment to Shared Operating Agreement which reduces the City's Pro Rata Share of the costs of operation and maintenance of the Improvements on the real property, and increase the County's Pro Rata Share of the costs of operation and maintenance of the Improvements on the real property, to reflect the approximately 1,444 useable square feet of the City Offices to be conveyed, transferred and assigned by the City to the County.

5. All other resolutions and parts of resolutions in conflict with the provisions of this resolution are hereby repealed, to the extent of the conflict.

I certify that the foregoing is a true and complete a copy of a resolution duly adopted by the Clinton County Board of Commissioners at a meeting held on November 27, 2018, at 9 a.m. prevailing Eastern Time, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of the meeting were kept and will be or have been made available as required by the Open Meetings Act.

I further certify that the following board members were present at the meeting:

Commissioners Kam Washburn, David Pohl, Bruce DeLong, Kenneth Mitchell, Robert Showers, Dwight Washington and Adam Stacey

and that the following board members were absent:

None

I further certify that board member DeLong moved for adoption of the resolution and that board member Washburn supported the motion.

I further certify that the following board members voted for adoption of the resolution:

Commissioners Pohl, Washburn, DeLong, Mitchell, Washington, Stacey and Showers

and that the following board members voted against adoption of the resolution:

None

Diane Zuker, Clerk

EXHIBIT A

That property located at 100 E. State Street, City of St. Johns, Michigan, referred to as: COUNTY BUILDINGS BLOCK, City of St. Johns, Clinton County, Michigan according to the recorded plat thereof in the frame on the wall in the Office of the Register of Deeds, Clinton County. FORMERLY DESCRIBED AS: Block A, Village of St. Johns, Clinton County, Michigan, according to the Plat recorded April 19, 1856, Clinton County Records. ALSO FORMERLY DESCRIBED AS: A parcel of land lying in the Village of St. Johns, Clinton County, Michigan bounded on the North by the South line of State Street; on the East by the West line of Linden Avenue so called; and on the South by the North line of Cass Street and on the West by the East line of Maple.