

**MCCDC Board of Directors
Special Meeting
Tuesday, June 10, 2014**

Members Present: Rev. Dwayne Johnson, Mark Kornmann, Knut Panknin, David Lord, Dave Jenkins, Fenicia Ballard, Kathleen Carey

Members Absent: None

Guests Present: Antoinette Pinkney, Rev. Cathy Alexander, Brian Scott, Joe Dailey

I. Call to Order/Opening Prayer

Rev. Dwayne called the meeting to order and opened with prayer.

II. 472 Property

Both Mark and Kathleen have met over the last week with various attorneys to assess options with respect to the 472 project. Mark noted that MCCDC is in a problematic position because of historically not having ensured that we had proper documentation, permits, etc. Mark noted that as we move forward we need to focus on short-term compromise with a comprehensive long-term vision. In talking with one attorney, Mark noted that in order to pursue an option that would involve a larger foot-print for the 472 property we could:

- 1) Go to the Board of Zoning Appeals with a claim that we should be grandfathered in and should be allowed the larger footprint because of discrepancies in the certificate of occupancy (“COO”). This would take 4 to 5 months;
- 2) Retitle part of the Church property to 472 in order to increase the size of the lot/structure;
- 3) Seek as a matter of right change.

These options would potentially cost up to \$15,000 and could involve significant delay.

Antoinette stated that her aim was to move forward as a team and to get this project done as quickly as possible.

Kathleen met with George Keys, an attorney. Mr. Keys noted that the COO is internally inconsistent and unclear, but also noted that there is no COO in MCCDC’s name. The COO states that the building is zoned for two units. One possibility that this would allow would be to pursue the construction of a two-unit building. One unit would be a split-level flat and the second unit would be on a single floor. Mr. Keys noted that the problem with the original proposal that MCCDC was advancing is that it changes the façade from the front of the building and a variance was unlikely to be approved. He noted that a rooftop terrace would not likely be a significant issue if it was set back far enough that it was not seen from the street. An additional argument that Mr. Keys suggested might be the concept of estoppel. Under this argument, MCCDC would assert that it had relied to its detriment on the City’s actions in treating 472 as a three unit building and in paying for occupancy (through rental assistance) for a floor that is not otherwise habitable under the COO. Moreover, the City has conducted yearly inspections

and never noted any kind of issue. A variance would be needed from the Board of Zoning Appeals with the aim to get the COO amended to include three units of occupied space.

The consensus of the Group is that two viable options exist for proceeding:

Option A: Seeking only clerical changes to the COO (putting it in MCCDC's name, but otherwise leaving it at two occupied units). There would be a split-level unit on two floors. The second unit would be on a single floor. This option would have the easiest and quickest movement through the permitting/approval process and would permit immediate construction. The cost would be \$145,000 and Antoinette estimated that it would have an 8 week finish time. This option, however, would also result in less rental income.

Option B: Seeking a change to the COO that would both put this document in MCCDC's name and permit occupancy of three units. This would cost \$160,000 but would result in significantly more rental income. The estimated time would be 12 weeks (1 month for the approval process, 8 weeks for construction).

The Board was concerned about costs that have already been incurred for work completed in an effort to increase the footprint of the building to permit larger units, including a two bathroom two bedroom unit. Antoinette explained that these are not wasted costs because there were issues in the foundation that needed to be addressed regardless of the building size. Concern was also expressed about whether the contract between Antoinette and MCCDC could be constructed in such a way that it ensured that MCCDC's financial interests were protected if there were delays related to construction (that were not caused by delays in the zoning and permitting process). Antoinette confirmed that she would be in agreement with a proviso for the church to recover some costs if there were delays in completion of the project within the projected time.

III. Executive Session

Mark moved to go into executive session with Rev. Cathy and attending members of the Board of trustees as invited guests. David Lord seconded the motion and the motion was approved unanimously. David Lord moved to exit executive session. The motion was seconded by Dave Jenkins. The motion was approved unanimously.

IV. 472 Motion

David Lord moved that MCCDC execute the following steps with respect to the 472 property:

1. Authorize the hiring of an attorney (if it is deemed needed) with a maximum spending cap of \$5,000 (with the cost to come out of capital projects), for the purpose of getting a correct COO to reflect a unit in the basement, one on the first floor and one on the second floor and reviewing zoning/permit documentation as needed.
2. If we are successful in obtaining a modified COO direct Antoinette to redraw the plans for 472 to be for a three floor building with three occupied units and no increase to the footprint of the structure. Antoinette should seek zoning and permitting approval on those plans without delay.

3. Authorize the 472 Working Group to execute a contract with Antoinette for \$160,000 for the cost of this project with a provision to protect MCCDC's interest in terms of time overruns and performance.
4. If a new COO is not in place and zoning approved within roughly one month from today's date, the Board will look at moving to a two-unit project with immediate construction.
5. At all stages and under whichever scenario we pursue, Antoinette and the lawyer must provide the 472 Working Group with documentation regarding the architectural plans, permits, and zoning documents before they are submitted to government officials.

Kathleen seconded the motion. In discussion it was stated that the determination of whether a lawyer would be deemed needed would be based on Kathleen having a further conversation with George Keys about the utility of taking such a step. The motion was passed unanimously.

V. Other Building Issues

Mark noted that he met with World Wide Waterproofing ("WWW"). They stated that the issue MCCDC is having is with cracks in the electrical conduits. WWW claimed that they had prior discussions with Church staff at the time of executing their contract with us, stating that they could pull up the parking lot to resolve these issues and that we did not go that route. Moreover, WWW stated that they recommended at the time that we re-caulk the Sanctuary windows which is adding to the water seepage issues. Further repairs at this point are beyond the scope of the project in WWW's view. This project needs to be referred to the Trustees.

Mark has contacted Uncle Skeeter about meeting with an independent roof inspector and Board member to inspect Skeeter's work on the flat roof in an effort to resolve continuing issues and concerns with the quality of work performed .

VI. Adjournment

David Lord moved to adjourn at ?? time?. The motion was seconded by Dave Jenkins and was approved unanimously. Rev. Cathy closed the meeting in prayer.