

CAPITAL AREA TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS
SPECIAL MEETING

MONDAY, SEPTEMBER 9, 2024
4:00 P.M. – LANSING CENTER GOVERNOR'S ROOM
333 E. MICHIGAN AVENUE, LANSING, MI 48933

PRESENT: Nathan Triplett, Chair
Shanna Draheim, Vice Chair
Phil Deschaine, Secretary/Treasurer
Doug Lecato
Derek Melot
Jack Schmitt

CALL TO ORDER:

Chair Triplett called the meeting to order at 4:02 p.m.

ROLL CALL: Phil Deschaine, Shanna Draheim, Doug Lecato, Derek Melot, Jack Schmitt, and Nathan Triplett were all present.

ABSENT: John Prush, Maggie Sanders, Eric Tans, and Terrance Augustine

LATE: Mark Grebner

Chair Triplett welcomed everyone to the special Board meeting. He also mentioned that the meeting is being offered on Zoom for those who wish to view the Board meeting virtually.

PUBLIC COMMENTS:

None

CHAIR'S COMMENTS:

Chair Triplett requested a motion to excuse Maggie Sanders and Eric Tans.

MOTION:

Doug Lecato motioned to excuse Maggie Sanders and Eric Tans. Derek Melot supported the motion.

VOTE: The motion carried unanimously.

Mark Grebner arrived 4:03 p.m.

ACTION ITEMS – PROPOSED DISCUSSION AGENDA

A. APPROVAL OF PURCHASE AGREEMENT FOR 511 S. WASHINGTON AVENUE (ROLL CALL VOTE)

PROPOSED MOTION: That the CATA Board of Directors authorize Board Chair, Nathan Triplett, and Chief Executive Officer, Bradley T. Funkhouser, to approve the purchase agreement for 511 S. Washington Avenue, as written, in the amount of \$1,025,000, on such other terms and conditions as the Board Chair and Chief Executive Officer deem necessary.

Bradley Funkhouser stated that it became apparent that the designated space for CATA in the new city hall project was not going to meet CATA's needs while staying within the approved budget. Mr. Funkhouser explained that during this time, Staff discovered a former Greyhound station that was for sale across from CATA's CTC. He noted that Andrew Brieschke, Deputy CEO, reached out to a real estate broker and had a showing scheduled right after the last Board meeting. The property is in very good condition and has a lot of potential. With the support of Chair Triplett, CATA went through negotiations with the property owner. In order to secure the property, a special Board meeting was called to approve a purchase agreement. Mr. Funkhouser then deferred to Andrew Brieschke, Deputy CEO, for more details.

Andrew Brieschke, Deputy CEO, stated that the property was built in 1950 and went under an extensive renovation in 2001. The space is already built for office use and has a second floor that could be expanded to hold a resource center and/or other meetings. Mr. Brieschke shared that CATA has been working with real estate attorney, Norbert Madison, and local broker, Jeff Ridenour. He also noted that CATA will have 60 days to conduct any inspections, assessments and appraisals. CATA will also work with Progressive AE to develop a remodeling plan. An earnest money deposit of \$20,000 will be placed in an escrow account as part of the purchase agreement which is refundable if the property does not pass inspections and/or surveys.

Bradley Funkhouser stated that there is a lot of information in the Board packet. He also stated that he and Mr. Brieschke have had extensive discussions with both Mr. Madison and Mr. Ridenour over this purchase.

Derek Melot inquired whether any asbestos was taken care of during the property's 2001 renovation.

Andrew Brieschke stated that he was unsure.

Bradley Funkhouser stated that CATA is doing their due diligence and an environmental assessment will be part of the process.

Phil Deschaine inquired about the property being vacant and on the market.

Norbert Madison stated that the property has been listed since February 2024.

Phil Deschaine inquired about the property's current square footage and the square footage that CATA may add in an extension.

Andrew Brieschke stated that currently, the property is approximately 10,500 square feet and CATA is looking to add approximately 1,000-1,100 square feet to the building.

Bradley Funkhouser stated that CATA's designated space at the new city hall was approximately 10,000 square feet with another 1,000 square feet on the lower level. He also noted that CATA received capital improvement funds to improve the CTC; however, CATA may be able to move to another building without spending more money.

Phil Deschaine expressed that he likes the idea of a resource center but wonders whether it is CATA's responsibility to take on that role.

Bradley Funkhouser stated that CATA has already taken on that role at the CTC. He also stated that the mayor has expressed his commitment to building a resource center and would like to partner with CATA in this endeavor.

Jack Schmitt inquired about the costs associated with renovating the property.

Andrew Brieschke stated that at this point, it is difficult to know the associated costs. He noted that the décor is a bit dated, but overall, the building is in good shape.

Doug Lecato inquired about the property having unpaid taxes.

Bradley Funkhouser stated that it is his understanding that any unpaid taxes will be paid at the closing.

Norbert Madison confirmed that the taxes will be prorated and paid by seller at closing.

Shanna Draheim commented on affordable housing and inquired whether this project could be the driving force behind bringing affordable housing to the area.

Bradley Funkhouser stated that once the building is renovated and operating and the resources are built, he believes that there will be a need for more affordable housing. Mr. Funkhouser explained that by ensuring transportation stays downtown, CATA will be able to anchor other projects that will benefit the community.

Chair Triplett stated that CATA first began having conversations for a potential partnership with the Lansing Housing Commission, and then city hall, of which neither panned out. Now, CATA has the opportunity to delegate the amount of space they

need without negotiating. He expressed his belief that in the long run, this is CATA's best option.

Doug Lecato inquired about parking.

Bradley Funkhouser stated that currently, CATA leases Lot 1 for parking; however, that will stop once construction on the new city hall begins. Mr. Funkhouser noted that CATA will have some parking spaces, but the emphasis will be on using transit.

Doug Lecato stated that he agrees with Chair Triplett and purchasing the old Greyhound station is the best plan.

Chair Triplett stated that CATA will be leading the way by promoting transit.

Bradley Funkhouser stated that he is excited for CATA's future.

MOTION:

Shanna Draheim motioned to approve the Discussion Agenda, Item A, Approval of Purchase Agreement for 511 S. Washington Avenue, and Mark Grebner supported the motion.

DISCUSSION:

Shanna Draheim stated that she is very proud of how CATA is working with other agencies to help the community. She also expressed her excitement for what is to come.

Mark Grebner shared some history on the old Greyhound station. He stated that he has been pushing for CATA to be downtown for a long time. Mr. Grebner also expressed his excitement for this project and hopes that CATA will restore some of the buildings original art deco form.

Chair Triplett thanked Mr. Funkhouser and Mr. Brieschke for their persistence and dedication to this project. He also thanked Board members for their patience and authorization to keep this project moving forward.

ROLL CALL VOTE: Phil Deschaine, aye; Shanna Draheim, aye; Mark Grebner, aye; Doug Lecato, aye; Derek Melot, aye; Jack Schmitt, aye; and Nathan Triplett, aye.

Ayes: 7

Nays: 0

Bradley Funkhouser thanked Staff and ATU, Local 1039, who have all been very supportive.

Phil Deschaine inquired about the wages for those involved in the remodeling.

Bradley Funkhouser stated that there will be a formulated plan with union involvement.

Chair Triplett thanked everyone who worked on this project.

PUBLIC COMMENT:

Daniel Black commented on the special Board meeting being scheduled at the last minute. He expressed his opinion that the special meeting was not necessary, and CATA could have waited until the next regular scheduled Board meeting next week.

Wendy Veltman expressed her concern over her pension packet that she received from Principal. Ms. Veltman stated that she does not agree with the numbers and contacted CATA's Human Resources Department for assistance. She further expressed her frustration over the lack of information she has received.

Chair Triplett stated that someone from CATA will follow up.

ADJOURNMENT:

Chair Triplett adjourned the meeting at 4:43 p.m.

Respectfully Submitted,



Phil Deschaine
Secretary/Treasurer



Tina Orlando
Recording Secretary