

RBCC Executive Board Meeting Minutes: September 23, 2013

Meeting called by Jennifer Pritchard at 7:34 pm. Attended by: Jennifer Pritchard, Kathie Weibel, Kim Traverse, JoAnn Dechant, Su Harambe, Joyce Greenberg, Carol O'Brien, Don Andre and Sally Li.

Questions Regarding VFW Proposal:

- What is the relationship between RBCC and VFW? VFW will remain the landlord and RBCC will become the main leaseholder and will sublease to other parties.
- What is the duration of this relationship?: Unknown at this time.
- What will the VFW charge? Monthly rent will be \$500 per month to cover expenses.
- What are the approximate rental fees of other facilities? \$750 all day at Seward Park-Lakewood. \$1000 for Sunday rental at Mount Baker. All inclusive birthday packages available. RBCC rental fees will be less than competing properties.
- What are the 10 year capital requirements? Some improvements completed, i.e.; updated electrical panel. Building has passed Fire Department/Building Inspections every year. These types of improvements will be the Landlord's responsibility.
- Who will be responsible for maintenance? The VFW. RBCC may want to contribute to or pay for certain kinds of upkeep.
- Who will pay the property taxes? The VFW.
- What will happen to capital improvements once leasehold ends? In standard leases, these improvements cannot be removed and will not be reimbursed. Will treat it as a gift similar to the Filipino Community Center project, Hutchinson Park, etc. If there is damage to our improvements, VFW should file an insurance claim or repair independently to keep the building in usable condition. Board recommends that a first right of refusal clause is written into the proposed lease.
- How can RBCC decrease liability? Write an effective rental agreement for sub-lessees. Require sub-lessees to sign a liability disclaimer.
- What is the current zoning? City of Seattle currently recognizes the building name as "Rainier Beach Community Club" and has designated the building use as "club".
- What would happen if RBCC was unable to pay the rent? The club will be evicted and could be held liable for rent until another tenant is found.
- What building permits are required? Current discussion pertains to beautification projects only which do not require building permits. ADA compliance projects will come at a later date and RBCC may be able to apply for grants to help pay for the cost.
- Concerns about parking and noise? Tenants will agree to a set of rules and regulations that will detail noise and parking requirements and penalties. City noise and parking laws will coincide. Should there be a limit to evening events per month? What about activity outside of the building?

Proposed Lease Terms:

- Duration: Two years with 4-6 month grace period while remodeling projects wrap up. Grace period should start when lease starts.
- Rent amount: \$500
- Recurring costs and maintenance: VFW's responsibility. They have planned some projects including chimney work, exterior paint and updating the rear porch.

Su and Sally will lead the building project and event planning for now.

Other Questions: How will the sub-lease income be treated by the IRS? What if items are sold? How will they treat income if we have not attained 501-3(c) status? What is club zoning and how can we use the building? What improvements are necessary for ADA compliance and when will those need to be completed? Does the VFW have a list of projects they were planning to complete?

Waste Management Challenge 2014: Contest for group with the largest reduction in garbage. Prize is \$25,000. Each month the group that completes the most challenges receives \$2,000. At the end of the year, \$13,000 will be split between the groups who completed a challenge every month. May ask other community groups to lead this year and focus instead on the building.

Meeting Adjourned 9:14 pm.