

## CITY OF HOWELL

### MEMORANDUM

**To:** MAYOR AND CITY COUNCIL

**Re:** RECYCLE LIVINGSTON LEASE AGREEMENT

Currently Recycle Livingston LLC is leasing property on Catrell Street owned by the City of Howell. This lease agreement is from 1991 and has automatically renewed annually for the past 26 years. Recycle Livingston has approached the City on potentially building a permanent structure onsite to replace the mobile office style building currently located on the south side of the property. Based on the potential for a new permanent structure and the fact that the current agreement is 26 years old, the City and Recycle Livingston Staff feel that updating the agreement and terms is appropriate. The current agreement that is attached with this memo is a lease for one dollar annually and is automatically renewed annually with a 90 day termination upon proper notice. I have spent some time researching the evolution of this partnership and offer the following time line for your reference:

- In 1987 the City along with their waste hauler, Mr. Rubbish conducted a recycling and composting pilot program to reduce rubbish going into landfills. (this movement was statewide and encouraged by the Federal and State Governments due to decreasing landfill space). The pilot study was conducted on the South East Quadrant and resulted in low participation and high cost.

- In 1988 the City was approached by Mrs. Judith Schmania to “initiate a recycling plan for Livingston County”.

- In 1989 Recycle Livingston LLC was formed and introduced as a non-profit organization developed to research, educate and implement a recycling philosophy in Livingston County. Additionally they had a plan to develop a non-permanent recycling drop off site for Livingston County residents to be located in Howell and ran by volunteers.

- Also in 1989 Recycle Livingston was able to provide a very successful non-permanent residential recycling drop off location in the VG's parking lot.
- In 1990 Recycle Livingston requested the City help them find a permanent location for drop off recycling. Based on their letter, participation went from 175 vehicles in 1989 to serving over 1300 vehicles in five hours.
- In 1990 the City purchased the Erb Lumber site located next to Cotter Electric on Catrell Street.
- In 1991 the City and Recycle Livingston entered into the agreement for them to utilize the site for drop off recycling through a lease agreement for the sum of one dollar annually.

Attached are historical documents on the formation of Recycle Livingston along with the current lease agreement from 1991. Over the course of 26 years a lot has changed, such as; In 2000 the City of Howell began offering curb side recycling and today we are proud to have a robust program with participation in the 70%, a greater market for recycling materials exists in industry, townships population have sky rocketed and Recycle Livingston collects many different types of recycling materials, just to name a few.

These changes along with Recycle Livingston's plans to build on the site is steering staff to revisit the existing agreement. Depending on the scope of changes, we can either amend the existing agreement or create an entirely new lease agreement that reflects current conditions. At this time staff is seeking direction from Council on the existing contract and any potential changes to it.

**REVIEWED & APPROVED FOR SUBMISSION:**

Shea Charles, City Manager