



IOOF Sub-Lease Agreement

City of Coburg and Coburg Main Street

Meeting Date	Staff Contact	Email
December 10, 2024	Adam Hanks, City Administrator	Adam.Hanks@ci.coburg.or.us

SUMMARY AND REQUESTED COUNCIL ACTION

As part of the completion of the Agreement for Services between the City of Coburg and Coburg Main Street (Item #4 – Use of Facilities), a sub-lease agreement was developed to formalize the transfer of the day to day operations and management of the IOOF building that the City has operated via lease with IOOF Board of Directors. The sub-lease provides an operating structure for both parties that clarifies and delineates responsibilities between the entities.

Suggested Motion

I move to approve the sub-lease agreement between the City of Coburg and Coburg Main Street as presented and direct the City Administrator to execute the agreement.

BACKGROUND

The City of Coburg and Coburg Main Street continue to build the partnership envisioned multiple years ago that included Main Streets formal non-profit entity establishment, an approved agreement for services contract and now a sub-lease agreement to enable Coburg Main Street to assume day to day operations and management of the IOOF building, with an objective of expanding and extending its use for economic development, tourism and community building consistent with the goals and objectives of the partnership.

A detailed summary of the agreement for services is attached to this staff report for reference as well as a submittal from Coburg Main Street outlining its intention of use for the IOOF Facility.

RECOMMENDATION

Staff recommends Council approve the attached sub-lease, which has been reviewed by the City’s insurance/risk management carrier as well as City staff.

BUDGET / FINANCIAL IMPACT

The intention of the sub-lease is to maximize the City’s investment (\$12,000/yr) of the IOOF building. As the City’s economic development, tourism and community events partner, Main

Street is a natural fit to manage the IOOF space to bring both direct and indirect economic activity to Coburg while also caring for this facility that is important to the entire community.

Most of the operating costs of the facility will shift from the City to MainStreet providing some savings to City budgets roughly proportionate to the limited revenues from rental of the facility. However, the value of the sub-lease lies not with operational cost shifts between the partners, but in the potential for exponential economic and community benefit with Main Street's direct role in managing the space.

PUBLIC INVOLVEMENT

The use of the IOOF Building was discussed with the Agreement for Services contract between the City and Coburg Main Street at the Council meeting of June 11, 2024 and has been discussed in several Coburg Main Street Board meetings and informally at prior Council meetings.

NEXT STEPS

Upon Council approval, staff will coordinate with Main Street and IOOF for acceptance and execution of the agreement.

ATTACHMENTS

1. June 11, 2024 City Council Meeting - City of Coburg/Coburg Main Street Agreement for Services Council Packet Materials
2. Coburg Main Street – Intention of Use for IOOF Facilities document