

Approved March 6, 2006

THE INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY
MONDAY, FEBRUARY 6, 2006
Minutes

Members Present: Dale Copedge, Curtis Hertel Jr., Eric Schertzing, Andy Schor

Members Absent: Debbie DeLeon

Others Present: Timothy Perrone, Mary Ruttan, Susan Pigg, George Banna, Rick Kibbey, Bruce Johnston

The meeting was called to order by Chair Schertzing at 5:35 p.m. in the Personnel Conference Room of the Human Services Building, 5303 S. Cedar, Lansing.

Approval of Minutes

Minutes of the December 13, 2005 Meeting were reviewed.

MOVED BY SCHOR SUPPORTED BY HERTEL TO APPROVE THE MINUTES AS PRESENTED.

Aye: Copedge, Hertel, Schertzing, Schor Nay: none. Absent: DeLeon

Additions to the Agenda - None

Limited Public Comment – None

1. Presentation by Ingham County Housing Commission - Rick Kibbey & Bruce Johnston

Housing Commission has the infrastructure in place to rehabilitate properties. This is pretty much what they currently do for owner occupied.

Commission has contractors that specialize in rehabilitation and government programs as well as the software for bid tracking and comparison.

Objectives of ICHC and Land Bank are closely matched.

Question by Schor about resource sharing. ICHC is very open to what works for both entities. Land Bank and ICHC can work throughout county, including Lansing and East Lansing.

ICHC strategic plan and potential of Land Bank dove tail very well. Land Bank has inventory of property from foreclosure process and ability, with County backing, to borrow in the marketplace to rehabilitate purchased homes.

ICHC is hiring a Deputy Director to free up Bruce's time to review rehabilitation opportunities.

Paul Wyzgoski from Dickinson Wright and James Blanchard Jr. from Citizens bank are working on loan package using limited tax pledge by County to allow acquisition of property.

Kibbey expressed excitement with statutory potential of Land Bank at this time of tight money. Johnston can bring together all the regulatory issues faster and for less money.

2. Resolution to Approve Priorities, Policies and Procedures (exhibit 1)

Chair reviewed document. The priorities, policies and procedures represent Genesee's County needs. Many powers left with Chair and Executive Director. Schor expressed comfort with document, but would like reporting back to Board at monthly meetings and even in-between. He would rather error on side of flexibility.

Chair and Ruttan will clean up document and bring final version for adoption on March 6th.

Title Insurance discussed. Problem with providing affordable title. We may be able to use expedited clean title action from Land Bank statute to obtain market rate title insurance. The situation is working its way through the Courts.

3. Resolution to Approve Investment Policy and Establish Banking Relationship (exhibit 2)

Chair discussed need to have policy for investments. Citizens Bank is trying to be helpful to Land Banks so it made sense to use them for banking.

**RESOLUTION TO APPROVE THE INVESTMENT POLICY AND ESTABLISH
BANKING RELATIONSHIP OF THE INGHAM COUNTY LAND BANK FAST TRACK
AUTHORITY**

RESOLUTION #06-01

WHEREAS, the Land Bank Fast Track Act, 2003 PA 258, being MCL 124.751 *et seq.*, ("the Act") establishes the State Land Bank Fast Track Authority; and

WHEREAS, the Act allows a foreclosing governmental unit, such as the Ingham County Treasurer, to enter into an intergovernmental agreement with the State Land Bank Fast Track Authority providing for the exercise of the powers, duties, functions, and responsibilities of an authority under the Act, and for the creation of a County Land Bank Fast Track Authority (the "Authority") to exercise those functions; and

WHEREAS, the Ingham County Treasurer, with Ingham County Board of Commissioners approval, has entered into such an intergovernmental agreement under the Act; and

WHEREAS, Section 4.08(i) of the Intergovernmental Agreement requires the Board to adopt an investment policy in accordance with 1943 PA 20, MCL 129.91 to 96, and establish banking arrangements for the County Authority;

THEREFORE BE IT RESOLVED, that the Authority approves the Investment Policy as adopted by the County of Ingham with agency appropriate modifications (Exhibit 2) subject to approval by the County Attorney, and establish a primary banking relationship with Citizens Bank; and

BE IT FURTHER RESOLVED, that the Authority Chair is designated as the investment officer for the Land Bank and that a copy of this resolution shall be attached to the investment policy as Appendix #1.

MOVED BY HERTEL SUPPORTED BY SCHOR TO ADOPT RESOLUTION ON INVESTMENT POLICY AND BANK RELATIONSHIP.

Aye: Copedge, Hertel, Schertzing, Schor,. Nay: none. Absent: DeLeon.

4. Budget issues

a. Action on request to County Board of Commissioners

The County Board passed a resolution authorizing \$50,000 from the delinquent tax revolving fund as start up funding for the land bank handed out. A copy of this resolution is in the packet. This may be an annual occurrence for varying amounts. All other Land Bank funding is expected to be self generating.

b. Limited Tax Pledge discussion

Copy of the County Board passed resolution authorizing a \$500,000 limited tax pledge for the Land Bank handed out.

Copedge asked about the use of contractors. One of the advantages of working with Housing Commission is the use of their bidding process. Pigg noted that MSHDA also has preferred contractors.

Hertel asked whether a living wage is required under Land Bank and Housing Commission. Johnston believe living wage is paid, but not because of a policy. County policies do not extend to Land Bank.

c. Acquisition for rehab

Chair discussed homes that will come through foreclosure process and also the purchase of properties in need of rehabilitation. Breaking even on purchased property will be more difficult than foreclosed properties. Board is comfortable with purchase. The number of structures foreclosed upon that are rehab candidates will vary from year to year, but is a small number.

5. Chair's Activity Report

a. Operations – Post foreclosure

County handles forfeiture and foreclosure. Karen Conroy runs this process. Treasurer Schertzing will probably handle auction process. The Land Bank will review properties to acquire using County local option right.

Land Bank will consult with nearby property owners, neighborhood associations, non-profits and any other interested parties in deciding what parcels to acquire and the mean used to acquire them.

Land Bank will contact adjoining owners concerning their interest in parcels. Vacant parcels in Land Bank inventory will be offered to non-profits for housing development.

Land Bank and County Treasurer will need some way to display inventory held in inventory. Will work on web site.

On December 30, 2005 we received a donation of our first piece of property. The undevelopable parcel is located in Meridian Township on Green Road.

b. Local government meetings & other discussions

Chair did Land Bank presentations to Delhi Township on December 21st, participated in several housing transition meetings for Mayor-elect Bernero, interviewed with Mott Foundation for their March newsletter, conducted continuing education training for Mid-Michigan Chapter of Appraisers Institute with Semone James from the Michigan Land Bank Authority, and participated in 8 round table discussions at the Michigan Association of Housing Officials winter meeting.

Chair was in DC in mid January and met with staff in the offices of Congressman Rogers and Senator Stabenow to discuss funding opportunities.

c. Staffing – Contract for Executive Director

Perrone will provide samples of contracts for Executive Director position that Mary Ruttan will fill in late spring.

d. City Pulse Article and Interview

Copies of January 11th City Pulse provided to Board. Chair was also on their radio program that evening with Bob Johnson from the City of Lansing.

- e. Advisory Committee(s) – no discussion. None set up at this time.

Announcements - None

Public Comment - None

The meeting adjourned at 7:00 p.m.