

Approved June 4, 2007

THE INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

Friday, April 20, 2007

Minutes

Members Present: Rebecca Bahar-Cook (late), Dale Copedge , Debbie DeLeon, Curtis Hertel, Jr., Eric Schertzing.

Members Absent: none

Others Present: Timothy Perrone, Mary Ruttan, Dorothy Boone, Susan C Adams, Todd M. Hammonds, Mary Lindemann, Diane Wing, Young Ho Cho, Nancy Hammond, Fred Woods, Leon Smith, David Krause, Dan Doneth, Marc Thomas

The meeting was called to order by Chair Schertzing at 4:03 p.m. in the Personnel Conference Room of the Human Services Building, 5303 S. Cedar, Lansing.

Approval of Minutes

Minutes of the March 5, 2007 regular meeting taken up when full Board have an opportunity to review. Minutes were taken up for approval just before adjournment.

Changes to Agenda – Item 1c remove “and Procedures” and the second 4a should be 4b

Additions to Agenda – None

Subtraction to the Agenda –None

Limited Public Comment – Todd Hammonds, Representing the Chesterfield Neighborhood Association; Diane Wing-presented petitions from the Neighborhood; Nancy Hammond-presented petitions from area business and Friendship Manor, Pastor Young Ho Cho. Representing New Hope Baptist Church

1. Governance

1a.

**RESOLUTION TO AMEND THE PRIORITIES, POLICIES AND PROCEDURES OF
THE INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY**

RESOLUTION #07-001

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(d) of the Intergovernmental Agreement requires the Board to adopt policies to implement day-to-day operations of the County Authority; and

WHEREAS, the Ingham County Land Bank Fast Track Authority on March 6, 2006 approved the general Priorities, Policies and Procedures; and

WHEREAS, the Land Bank process is one of continual evolution and learning which required the Priorities, Policies and Procedures to be updated;

THEREFORE BE IT RESOLVED, that the Authority approve the proposed amendment to make Contents item 1, 1A, and add contents item 1B and add a heading as included in "Exhibit 1" subject to approval by the Land Bank Attorney.

BE IT FURTHER RESOLVED, that a new Master Document will be created as amended and posted on the Land Bank web site.

The contents page item 1 is amended by adding an A & B as listed below:

1. Policies Governing the Acquisition of Properties
Policies Governing the Acquisition of Tax-Foreclosed Properties

Page 1 begins with the heading "Policies Governing the Acquisition of Properties"

Page 1, contents 1 becomes 1A and "Tax-Foreclosed" is added into the heading before Properties.

Page 2, at the end of 1A. has a new heading and text added as follows:

1B. Policies Governing the Acquisition of Non Tax-Foreclosed Properties

The Land Bank Fast Track Act, 2003 PA 258, MCL 124.755 et. Seq. allows for the direct purchase of property. While the foundation of the Land Bank property is acquired through the tax foreclosure process, there will be opportunities for direct purchase of mortgage foreclosed, redevelopment project, "red tagged", and other properties that represent the mission of the Land Bank. Policies and Procedures to carry out these Priorities are:

1. Accumulate property information including assessment data, map location, photos, code violation information and other pertinent information regarding the property.

2. Personal inspection of the interior/exterior of the property.
3. Contact the local jurisdiction and receive a written evaluation of the property relative to their community/neighborhood plan.
4. Conduct a rehabilitation evaluation including a cost analysis estimate or a vacant land redevelopment analysis.
5. Request a rehabilitation/redevelopment appraisal or market value estimate from professional service staff.
6. Professional staff will prepare a financial and policy analysis. Present the information to the chairman or executive director to establish purchase price and approval. If board approval is required, professional staff will prepare a Resolution and Resolution Staff Review Form for presentation to the board.
7. If purchase price is over \$100,000, board approval is required.
8. All commercial property acquisition required board approval.
9. If executive director is directly involved in the acquisition, chairman of board approval required

Moved by Comm. De Leon, supported by Comm. Copedge, to approve the resolution to amend the Priorities, Policies and procedures of the Ingham County Land Bank Fast Track Authority

Motion Carried Unanimously

1b.

RESOLUTION TO APPROVE THE ADMINISTRATIVE RULES OF THE INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

RESOLUTION #07-002

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(d) of the Intergovernmental Agreement requires the Board to adopt policies to implement day-to-day operations of the County Authority; and

WHEREAS, the Ingham County Land Bank Fast Track Authority has approved the general Priorities, Policies and Procedures;

THEREFORE BE IT RESOLVED, that the Authority approve the proposed Administrative Rules "Exhibit 2", that facilitate the carrying out of the Priorities, Policies and Procedures, subject to approval by the Land Bank Attorney.

ADMINISTRATIVE RULES – Exhibit 2

These administrative rules were written to facilitate and aid in the implementation of the Ingham County Land Bank Fast Track Authority Priorities, Policies and Procedures approved by the Board of Directors on March 6, 2006, as amended.

These rules will be implemented by the employees of the Land Bank and the professional service staff. The acquisition, use, maintenance and disposition of properties will be in accordance with the laws of Michigan and according to the bylaws of the Authority.

A. Rules for Priorities, Policies and Procedures Content item number 5

The Ingham County Land Bank is dedicated to improving the quality of our neighborhoods, strengthening our communities and innovative concepts to homeownership. This is accomplished through the selling of our properties.

The disposition of any given property will be based upon an assessment of the most efficient and effective way to maximize the aggregate policies and priorities.

1. Rehabilitation, new construction and vacant properties will be listed with a professional Realtor or sold by direct sale. At the discretion of the chairman/executive director professional realtors will be retained. Properties will be listed for sale on a revolving cycle, based on the number of listings and area of expertise. On new construction, listing agreements will be listed 60 days prior to completion and on rehabilitation projects, 10 days prior to completion.
2. Upon the request of a person making a residential or vacant lot direct sale offer, the grantee will be given a "Residential Land Transfer Application Form or the Non-profit Community Development Corporation Land Transfer Application Form and a copy of the Priorities, Policies and Procedures requirements.
3. Upon the return and review of the application, a written evaluation relative to the community/neighborhood plan will be obtained from the local jurisdiction.

4. An appraisal or market value estimate from the professional service staff will be obtained.
5. Any necessary local jurisdiction variances will be obtained by the Land Bank prior to approval.
6. All property will be covered by the owner occupancy requirement. Exceptions require approval of the chairman/executive director.
7. Professional staff will prepare a financial and policy analysis. They will prepare the Staff Review Form and present it to the chairman or executive director for approval. An offer to purchase form must be received and executed on each sale.
8. If the executive director is directly involved with the disposition, chairman or board approval required.
9. All transfers authorized by the Chairman/Director will be reported in writing to the Board of Directors at the next board meeting.

B. Rules for Priorities, Policies and Procedures Content Item number 6.

1. All commercial property will be sold through a Re-development Plan.
2. An appraisal will be conducted by professional service staff.
3. The property shall be posted with signage requesting Re-development Proposals.
4. Professional service staff will solicit "Requests for Re-development Proposals" from prior contacts, commercial brokers and Realtors, and through newspaper advertisement, web site and other sources as may be applicable. Proposals shall follow sections 6 A&B of the Priorities, Policies and Procedures that outline required documentation.
5. Upon receipt of the re-development plan, a written evaluation from the local jurisdiction relative to its master plan and community/neighborhood development plan is required.
6. Notification by first class mail or delivery to neighboring properties within 300 feet of the commercial property 14-28 days prior to the action item on board agenda is required.
7. Professional staff will prepare a financial and policy analysis that provides point rankings for all re-development proposals. Professional staff will present to the Board of Directors all commercial re-development plans. Professional staff will prepare a Resolution and Resolution Staff Review Form for the recommended re-development site proposal or proposals, as may be applicable.

C. Rules for Priorities, Policies and Procedures Content Item number 1A&B

The Land Bank through its many sources obtains title to real property. However, many times there are personal property items left on or in the property. These procedures define the disposition and abandonment procedures for the personal property items.

1. Inspection will be made of the personal property items. If illegal items are apparent, the Ingham County Sheriff Department will be contacted. If hazardous items are found, the appropriate agency will be contacted.
2. Certified mailings will be sent to everyone notified on the tax foreclosure mailing track record. They will be given 30 days to remove the property or it will be considered abandoned. If requested, one extension of 7 days may be granted.
3. Structures will be posted with same notice as above.
4. After 30 days, the personal property items shall be deemed abandoned and thereafter becomes the property of the Ingham County Land Bank to be disposed of or retained as necessary.

Disposition of abandoned personal property items is at the discretion of the Chairman/Executive Director. No items may be retained for personal gain.

Moved by Comm. Hertel, supported by Comm. De Leon to add to item B7 of the Priorities, Policies and procedures, professional staff will prepare resolutions and resolution staff review including ranking of all the proposals and a review of which proposals would be acceptable to staff based on their request for redevelopment proposals

Motion Carried Unanimously

Moved by Comm. Hertel supported by Comm De Leon, to approve with admendment the Administrative Rules of the Ingham County Land Bank Fast Track authority

Motion Carried Unanimously

1c.

RESOLUTION TO APPROVE THE PROCUREMENT POLICIES OF THE INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

RESOLUTION #07-003

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(d) of the Intergovernmental Agreement requires the Board to adopt policies to implement day-to-day operations of the County Authority; and

WHEREAS, the Ingham County Land Bank Fast Track Authority has approved the general Priorities, Policies and Procedures and the Administrative Rules;

THEREFORE BE IT RESOLVED, that the Authority approves the proposed Procurement Policies and Procedures "Exhibit 3" subject to approval by the Land Bank Attorney.

PROCUREMENT POLICIES – Exhibit 3

1. Any purchase of goods or services less than \$5,000.00 require the approval of the Chairman/Executive Director
2. Any purchase of goods or services between \$5,000.00 - \$25,000.00 require three written quotation requests and approval by the Chairman/Executive Director
3. Any purchase of goods or services over \$25,000.00 requires a formal sealed bid request and full board approval.
4. Request for Proposals will be used for a specific need and on all commercial re-development projects. They will be date and time specific. They will be opened and read publicly at the time and date specified in the proposal. Proposals received after the time and date specified will not be accepted.
5. Professional services are defined as unique, technical and/or infrequent functions performed by an independent contractor by education, experience and/or technical ability to provide services. Professional services engagements may involve partnerships, corporations, or individuals. The competitive bidding requirements are not applicable in the following circumstances:
 - a. Transactions between the Ingham County Land Bank and any other governmental unit;
 - b. Emergency repairs or services
 - c. Real Estate purchases
 - d. Sole-source purchases

- e. Construction purchases
- f. Professional services under \$25,000.00

- 6. Preference will be given to a vendor who operates a business within the legally defined boundaries of Ingham County
- 7. Ingham County Land Bank will follow the same procedures regarding the Living Wage as directed by the Ingham County Board of Commissioners.

Bruce Johnston provided an overview of the process for the implementation of the new Purchasing Plan

Moved by Comm. Bahar-Cook, supported by Comm. De Leon to approve the procurement policies of the Ingham County Land Bank Fast Track Authority.

Motion Carried Unanimously

1d.

Chairman Schertzing provided an update and handout on the process for the additional borrowing and stated that a recommendation and resolution will be presented at the next board meeting.

2. Property maintenance, renovation & development

- a. The property update and handout was presented to board members for their review
- b. Attorney Perrone provided an update on the Oaktree and Silver Dollar legal actions

3 Contract & Bills

- a. Accounts payable for March totaling \$101,620.79

Motion by Comm. De Leon, supported by Comm. Hertel to approve accounts payable.

Motion Carried Unanimously

b. Statement of Net Assets for the months of February & March presented for board review

3c.

RESOLUTION TO AUTHORIZE THE CHAIRMAN AND PROFESSIONAL STAFF TO PROCEED WITH THE NEGOTIATION FOR THE ACQUISITION OF THE PROPERTIES AT 219 & 225 N. MARTIN LUTHER KING BLVD AND 737 CLARK STREET, LANSING

RESOLUTION #07-004

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, these properties are “red tagged” parcels and meet the priority of the Land Bank for the removal and rehabilitation of abandoned property; and

WHEREAS, 737 Clark Street must be converted from a 3 unit dwelling to a single family home in an area where it is the only “red tagged” property; and

WHEREAS, the City of Lansing has expressed written support for the acquisitions; and

WHEREAS, the City of Lansing has HOME Funds available to help in the purchase of the 2 MLK properties in the form for a deferred interest mortgage loan at 1%; and

WHEREAS, two of the homes would be used for transitional housing or homeless assistance programs administered by the appropriate agency;

THEREFORE BE IT RESOLVED, that the Authority authorizes the Land Bank Chairman and Professional Staff to proceed with the acquisition of the properties at 219 & 225 N. Martin Luther King Blvd. and 737 Clark Street, Lansing.

Executive Director explained the issues involved with acquiring the property and how it complies with the mission of the Land Bank. This is an opportunity for a partnership between the City of Lansing and the Land Bank to provide housing services to the needy and homeless.

Motion by Comm. De Leon, supported by Comm. Copedgel to approve the Chairman and Professional Staff to proceed with the negotiation for the acquisition of the Properties at 219 & 225 N. Martin Luther King Blvd. and 737 Clark Street, Lansing

Motion Carried Unanimously

4 Items from the Chair

- a. Chairman provided a brief update on the Brownfield Plan
- b. Property at 149 Spartan in East Lansing was listed on 4/16/07 and sold on 4/20/07. The Property at 922 N Pennsylvania has been sold.

Comm Hertel, supported by Comm. Bahar-Cook to suspend the rules to allow public comment for a 10 minute period.

Motion Carried Unanimously

Public comment followed regarding time requirement to fulfill the Request for Development Proposals

Moved by Comm. Bahar-Cook, Supported by Comm. Hertel, the Land Bank Fast Track Authority, submit a request for re-development proposals on the property at 3411 E. Michigan Avenue, Lansing, that members of this board submit questions to the Land Bank Staff, and that proposals be submitted 45(60) days from the date in which the Requests for Re-development proposals appears in the paper.

Motion by Comm. De Leon, supported by Comm. Copedge to amend the time frame from 45 days to 90 days.

Motion Carried Unanimously

Amended motion Comm. Bahar-Cook, Supported by Comm. Hertel, the Land Bank Fast Track Authority, submit a request for re-development proposals on the property at 3411 E. Michigan Avenue, Lansing, that members of this board submit questions to the Land Bank Staff, and that proposals be submitted 90 days from the date in which the Requests for Re-development proposals appears in the paper.

Motion Carried Unanimously

Minutes from March 5, 2007, brought back before the Board.

Moved by Comm. Hertel, Supported by Comm. De Leon to approve minutes

Motion Carried Unanimously

Limited Public Comment – Mary Lindeman, Regarding the openness of the RFP process; Pat Lindeman, regarding the board doing the “right thing” and the need to contact the Michigan Corridor representatives; Susan Adams representing Century 21 Looking Glass and Fred Woods representing the Blue Gardenia.

Announcements – None

Moved by Comm. De Leon, Supported by Comm. Copedge to adjourn

Motion Carried Unanimously

The meeting adjourned at 6:30 p.m.