

**THE INGHAM COUNTY LAND BANK
FAST TRACK AUTHORITY**

June 2, 2008

Minutes

Members Present: Eric Schertzing, Comm. Rebecca Bahar-Cook, Comm. Dale Copedge,
Comm. Debbie DeLeon and Comm. Curtis Hertel

Members Absent: None

Others Present: Mary Ruttan, Dave Stoker, Steve Dougan, Michael Henderson, Diane
Wing, Nancy Hammond, Susan Stuin and others

The meeting was called to order by Chairperson Schertzing at 5:38 p.m. in the Personnel
Conference Room of the Human Services Building, 5303 S. Cedar, Lansing, Michigan.

Approval of the May 5, 2008 Minutes

MOVED BY COMM. BAHAR-COOK, SUPPORTED BY COMM. HERTEL, TO APPROVE
THE MAY 5 MINUTES AS SUBMITTED. MOTION CARRIED UNANIMOUSLY. Absent:
Comm. Copedge

Additions to the Agenda

- 1b. Resolution Requesting Purchase of Certain Tax Foreclosed Parcels by Ingham County for
the Lansing Bank Fast Track Authority
- 1a Bid Proposal

Limited Public Comment

Ms. Bondarenko stated she presented an offer to the Land Bank Authority for a vacant property
in Delhi Township. The offer was rejected. She stated she wanted to know why the offer was
rejected. Ms. Bondarenko also stated she wants to see the Land Bank Authority's policy for
rejecting offers. The Land Bank rejected the offer because it wants to have a home on the vacant
property.

(Comm. Copedge arrived at 5:42 p.m.)

Ms. Bondarenko stated the purchasers want to add the vacant property to their own properties.
The purchasers are Mr. Henderson and Mr. and Ms. Stuin. Ms. Stuin asked who pays for the
maintenance of the property. Ms. Ruttan indicated the property is maintained through the Land
Bank Authority. Ms. Stuin stated the property is poorly maintained.

Comm. Dougan distributed pictures of the vacant property to the Authority for its review. He
then stated he supports the concept of open space which is consistent with the Board of
Commissioners agricultural activities.

Chairperson Schertzing stated if the Authority wants to look into this matter, it should be on an
agenda in the near future.

1. Property Maintenance, Renovation & Development
 - a. 3411 E. Michigan Demolition Quotes

Chairperson Schertzing asked the Authority what it would like to do about this matter.

Mr. Stoker stated the Judge amended the complaint but left the title in the law suit. If the Authority's intent is to demolish the building without a clear title, we should have the appraisal checked. The Authority should also determine what the City of Lansing thinks about the demolition of the building.

The Authority held a general discussion about this item. Comm. Copedge asked if it is safe to occupy the building. Ms. Ruttan stated Mr. Swan informed her that the structure is not safe. His opinion is not in writing because he did not conduct a full inspection of the building. Mr. Stoker stated the City of Lansing is the authority to determine if the building should be torn down.

Comm. Hertel asked if the City is willing to conduct an inspection of the property. Ms. Ruttan stated she believes the City is willing to conduct the inspection. Comm. Hertel proposed that the Authority should move forward if the City's appraisal and inspections are complete.

MOVED BY COMM. HERTEL, SUPPORTED BY COMM. BAHAR-COOK, TO MOVE AHEAD WITH THE DEMOLITION PROCESS BY OBTAINING THE PROPER VALUE OF THE PROPERTY AND THE CITY OF LANSING INSPECTIONING THE PROPERTY. MOTION CARRIED UNANIMOUSLY.

- b. 2008 Foreclosures

Chairperson Schertzing stated there were 110 foreclosures this year. He also stated there will be more properties auctioned off in a group and separately.

MOVED BY COMM. BAHAR-COOK, SUPPORTED BY COMM. HERTEL, TO APPROVE THE RESOLUTION REQUESTING PURCHASE OF CERTAIN TAX FORECLOSED PARCELS BY INGHAM COUNTY FOR THE LAND BANK FAST TRACK AUTHORITY.

The Authority held a brief discussion about the foreclosed properties.

MOTION CARRIED UNANIMOUSLY.

- c. Property Update

The Property Update was received and placed on file.

- d. General Legal Update – Counsel

Mr. Stoker stated the Land Bank Authority won the Oak Tree law suit.

2. Contracts & Bills
 - a. Accounts Payable Approval – May 2008

MOVED BY COMM. BAHAR-COOK, SUPPORTED BY COMM. HERTEL, TO APPROVE THE MAY 2008 ACCOUNTS PAYABLE. MOTION CARRIED UNANIMOUSLY.

Ms. Ruttan responded to a question from Comm. De Leon re dues.

b. Monthly Statement - April 2008-06-02

The Monthly Statement for April 2008 was received and placed on file.

3. Items from the Chairman & Executive Director

a. Brownfield Update

Chairperson Schertzing stated the Brownfield Plan will be amended. He explained the amended Plan will allow the Authority to do infrastructure work. The Plan may be amended on a regular basis so that homes are eligible for reimbursement for Brownfield activity.

b. Lender Settlement Issue

Chairperson Schertzing stated the Authority slows down the foreclosure process to allow it time to think about the property before it is sent to auction. He then stated the Treasurer's Office has four properties with homes and one property with a pole barn that have issues. Chairperson Schertzing explained the issues which involves banks.

Chairperson Schertzing introduced Charlie Lawler to the Authority. He then stated Mr. Lawler can assist with the issues. The Land Bank could acquire the five properties. If it will pay 70% of the properties' value, Mr. Lawler would have the leeway to make those arrangements to remove any future litigation for the County and the Treasurer. A process methodology would be needed before Mr. Lawler could begin.

Mr. Lawler explained that each situation is unique. His job is to reduce the liability to the Treasurer's Office.

Comm. Copedge asked what criteria are needed for this arrangement. He then asked if there will be set guidelines or procedures. Chairperson Schertzing stated the property would be acquired per a specific statute. Comm. Hertel asked who would receive the money from these properties. Chairperson Schertzing stated the Land Bank would receive the funds. Comm. Hertel asked if the funds could be placed in the County's General Fund. Chairperson Schertzing explained the money would not be placed in the General Fund for two or three years if the property is auctioned. Comm. Hertel stated he believes this arrangement would be taking money from the General Fund.

Chairperson Schertzing stated he does not believe this arrangement will take money from the General Fund. The property cannot be returned to the owners. Comm. Hertel stated the two options are to settle the issues or to sell the properties at auction. Unless there is a Land Bank goal, he does not want to take money from the General Fund during these difficult financial times.

Mr. Stoker stated everyone who has lost taxes on the properties will be paid first. Ms. Ruttan explained there will not be enough surpluses to pay the full cost to the County.

Comm. De Leon asked if the negotiations could include that the money should not be passed to the third parties. Chairperson Schertzing stated he could work on that issue. Mr. Lawler stated there is the opportunity to get 70% back right away and the property will be placed back on the tax rolls. Comm. Bahar-Cook asked why the Land Bank could not request 75% instead of 70%. Mr. Lawler stated the third parties could look toward litigation if the rate is too high.

Comm. Hertel stated he would like to review the policies before voting on this matter tonight. Ms. Ruttan stated there is a policy that we will not sell the property back to the owner.

Comm. Bahar-Cook asked if the Land Bank should have a contract with Mr. Lawler. Chairperson Schertzing stated Mr. Lawler would be working for the Treasurer's Office. Comm. Bahar-Cook then stated she is comfortable with this process. Chairperson Schertzing stated Mr. Lawler could submit a report to the Authority's next meeting.

Announcements: None

Public Comment: None

The meeting adjourned at 6:57 p.m.

Respectfully submitted,

Debra Neff