

Approved July 17, 2006

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

MONDAY, June 5, 2006

Minutes

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

Members Absent: none

Others Present: Timothy Perrone, Mary Ruttan, Dorothy Boone

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 May 1, 2006 meeting were reviewed.

Notation on member arriving late incorrect and will be removed.

MOVED BY DELEON SUPPORTED BY HERTEL TO APPROVE THE MINUTES AS CORRECTED.

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

Additions to the Agenda - None

Limited Public Comment – None

1. Foreclosure list (final)

a. Discussion of acquisitions

The final list of properties that the County will acquire for transfer to the Land Bank was reviewed. The selection process includes a SEV exceeding the taxes owed; the property can be built on or there is an existing structure; other specific purpose. Certain properties with IRS tax liens will be acquired, but the lien does not expire until the end of July. There are also legal issues with certain properties that may change transfer.

MOVED BY COPEDGE SUPPORTED BY HERTEL TO REQUEST COUNTY ACQUIRE ATTACHED LIST OF PROPERTIES FOR TRANSFER TO THE LAND BANK.

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

b. Discussion of disposition policies

i. appraiser – structures & land

Paul Hickner is familiarizing himself with valuations on vacant land in Lansing. He will become a valuable expert on this topic. Cost of appraisals is reasonable because of volume.

Mark Lee at Molenaar & Associates is providing valuations on structures.

ii. lot splits/shared drives/side lots

This is an area where Ingham County is likely to differ from Genesee. The real estate market provides value to parcels in Lansing. We should be able to receive some value for these parcels.

iii. orphans – non-buildable

These will be essentially given to adjoining land owners who agree to care for them and pay the taxes.

c. Discussion of Michigan Avenue property

Liability and other issues continue to be monitored. Not much action from former owners. Treasurer is moving forward with eviction and service will occur in near future. A person did die on the dance floor in early May. Liquor Control had contacted Treasurer in April with concern about ownership of property. Bar operator apparently was not in compliance with certain licensing requirements and did have the license suspended briefly in mid-June.

2. Property maintenance & disposition

a. review of F.G.U. activity

Chair discussed the seamless transition of property maintenance and vendor relationships as property moves from F.G.U. status to Land Bank. Any F.G.U. legal defense specific to properties will be done by Clark Hill with cost to foreclosure process.

With the upcoming transfer of properties from the County to the Land Bank the issue of rehabilitation is in front of us. The County Housing Commission has a long list of General Contractors and does extensive work with several. When a property is being rehabilitated the process of contractor selection arises. A general contractor can be selected from the pre-qualified list or bids can be solicited from 3 general contractors.

After some discussion it was the pleasure of the Board that bids be solicited for the work. Bruce Johnston will draw up bid specifications and solicit bids on behalf of the Land Bank.

The appraisal is scheduled for 861 Waldo Road. That will be available at next meeting for a Board decision on how to proceed with any sale.

b. real estate attorney

Current line up of attorneys does not include specialist in complex real estate matters. Clark Hill could do this work, but to avoid any appearance of conflict Dwight Ebaugh at Dickinson Wright will represent Land Bank. Dickinson assisted us with the borrowing.

c. staffing – contract/employee

Chair discussed the likely need for additional staff later in year, or in 2007. To keep expansion cost to a minimum an interest in a contract staff rather than an employee was expressed.

Skill set of urban development and planning preferred, but simple need to check on parcels takes time and may be greatest need.

d. LIAA web product

Land Information Access Association has provided a web product to Genesee. We need a way to present information to other government entities and the public. It is unlikely anyone else will have the expertise to provide such a product for the same money. Budget contains line item for this purpose.

MOVED BY HERTEL SUPPORTED BY DELEON TO AUTHORIZE CHAIR TO SIGN CONTACT WITH LIAA FOR WEB PRODUCT DEVELOPMENT COST NOT TO EXCEED \$10,000.

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

e. Down Payment Assistance – demand creation

Conversations with City of Lansing about number of properties for sale. Creating supply is not as big an issue as creating demand. Existing programs are not moving product for Greater Lansing Housing Coalition. Amy Hovey will continue research on creating a program that would allocate \$50-100 thousand to down payment assistance for owner occupied affordable housing. Program will team up with City of Lansing and others to achieve maximum benefit. Qualifying product will initially be Land Bank houses, but can expand to GLHC and other non-profit housing providers.

3. Contracts & Bills

a. approval of bills

MOVED BY COPEGE SUPPORTED BY DELEON TO APPROVE LIST OF LAND BANK BILLS.

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

- b. payment of bills between meetings

Chair requested policy on payment of ongoing bills up to \$1,000.

MOVED BY HERTEL SUPPORTED BY COPEGE TO AUTHORIZE PAYMENT OF LAND BANK BILLS UP TO \$1,000 BETWEEN MEETINGS.

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

Payment of bills at meetings to include a list of all payments made.

Chair requested motion for a policy on loan draws.

MOVED BY COPEGE SUPPORTED BY DELEON TO AUTHORIZE CHAIR TO INITIATE LINE OF CREDIT DRAWS FOLLOWED BY EMAIL TO BOARD.

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

4. Chair's Activity Report

- a. Monthly report – hand out

No hand out.

Dorothy Boone and Bruce Johnston have both expressed need for a market study. They both have some funds available and the Land Bank would need to contribute. Further investigation will take place and be brought back to the Board. Copedge inquired about bid process for work.

- b. Local government meetings & other discussions

Chair plans a June visit with each of the governmental units that have foreclosed property.

Announcements - None

Public Comment - None

MOVED BY DELEON SUPPORTED BY HERTEL TO ADJOURN.

Aye: De Leon, Hertel, Jr., Schertzing, Schor. Nay: none. Absent: Copedge.

The meeting adjourned at 6:45 p.m.