

Approved November 3, 2008

**INGHAM COUNTY LAND BANK
FAST TRACK AUTHORITY**
October 6, 2008
Minutes

Members Present: Eric Schertzing, Comm. Copedge, Comm. DeLeon and Comm. Bahar-Cook

Members Absent: Comm. Hertel

Others Present: Mary Ruttan, Dave Stoker, Joe Bonsall and Dorothy Boone

The meeting was called to order by Chairperson Schertzing at 5:40 p.m. in the Personnel Conference Room of the Human Services Building, 5303 S. Cedar, Lansing.

Approval of Minutes – August 4, 2008

MOVED BY COMM. DELEON, SUPPORTED BY COMM. BAHAR-COOK, TO APPROVE THE AUGUST 4 MINUTES AS AMENDED. MOTION CARRIED UNANIMOUSLY. Absent: Comm. Hertel

The Minutes were amended as follows:

Page 1, item 1a: Changed “OCOP” to “OCOF”

Approval of Minutes – September 8, 2008

MOVED BY COMM. BAHAR-COOK, SUPPORTED BY COMM. COPEdge, TO APPROVE THE SEPTEMBER 8 MINUTES AS AMENDED. MOTION CARRIED UNANIMOUSLY. Absent: Comm. Hertel

The Minutes were amended as follows:

Page one, Members Present: Removed Comms. DeLeon and Bahar-Cook

Additions to the Agenda: None

Limited Public Comment – 3 minutes per person: None

1. Property maintenance, renovation & development
 - a. Resolution to amend the 2008 Budget and approve 2009 Budget

Chairperson Schertzing informed the Committee that the 2009 Budget should be amended to delete "Start up funding Ingham County \$50,000.00" from the Budget. This is the second line of the Budget.

MOVED BY COMM. BAHAR-COOK, SUPPORTED BY COMM. COPEdge, TO APPROVE THE RESOLUTION TO AMEND THE 2008 BUDGET AND APPROVE THE 2009 BUDGET (AS AMENDED).

Ms. Ruttan reviewed the 2008 Budget. She said ten structures have been sold to date. We hope to sell four more structures by the end of this year. The Land Bank renovated 19 homes and built six new structures this year. Currently, there are eight parcels for sale and four more parcels are pending. The 2009 Budget is very aggressive for our economic times.

MOTION CARRIED UNANIMOUSLY. Absent: Comm. Hertel

b. Motion to approve sale of 4850 Lovejoy-Locke Twp.

Ms. Ruttan said she brought this item before this Authority because it is a different request. This property was foreclosed in 2006 and it has about \$15,000 of Brownfield eligible projects. The appraisal for this property is between \$30,000 and \$32,000.

Ms. Ruttan explained that the person who wants to purchase this property lives near the property. He wants to leave the property as green space. This person has offered \$21,000 for the property. Ms. Ruttan said she called the appraiser to discuss this offer. The appraiser said the \$21,000 offer is a great offer to maintain an open space for this property. This property cost the Land Bank about \$2,500.

The Authority discussed if this property is eligible for the Farmland Preservation Program. Comm. Bahar-Cook asked about the difference between not building any structures on this lot versus the side lot on Creole Way. Chairperson Schertzing said Lovejoy property would be adequate for a farmhouse.

Comm. DeLeon asked if the Authority will move forward on this offer. Chairperson Schertzing said Ms. Ruttan is ready to accept the offer for this property. Comm. Bahar-Cook stated she would like to address this issue in an educated manner.

Mr. Stoker, County Attorney, suggested the Authority could approve the purchase offer in a motion. Ms. Ruttan said the Land Bank normally sells property for the appraisal cost or close to that cost. We could sell the Lovejoy property for \$21,000 instead of the appraisal amount.

Comm. DeLeon asked if the Land Bank has developed criteria for this type of situation. Chairperson Schertzing said bringing this offer to the Authority is a way to waive our current policy. Comm. DeLeon stated we should make sure that we are doing this in a thoughtful process. She then asked if the Land Bank's policy addresses waivers.

Chairperson Schertzing explained the property is surrounded by cropland and there are a few far-spaced homes in the area. The purchaser does not want to place a structure on the property.

Chairperson Schertzing said the Authority has not developed a green space policy. Comm. DeLeon asked if the Authority should accept the offer or if it should include this option formally into its policy and procedures before we accept the offer. Comm. Bahar-Cook said this discussion reassures her on this item. The Authority could adopt a policy that includes criteria for granting this type of request.

Chairperson Schertzing stated this issue could be referred back to staff to review the Land Bank's policies and procedures for this type of offer.

Comm. Copedge asked if the purchaser owns property around the property he wants to purchase. Ms. Ruttan said the purchaser owns property across the street from said property. Comm. Copedge asked if the property has been designated as a wet land. Mary indicated it has not been designated as such.

Ms. Ruttan clarified that staff will put forth an amendment to our policies and procedures relative to the criteria for determining exceptions to our current policy.

c. 3411 E. Michigan Ave

Ms. Ruttan said the abatement cost is up to \$120,000 to \$140,000. The asbestos is everywhere in the structure. Bids will be solicited for the abatement. A bid price walk through was conducted last week. The bids are due soon. Ms. Ruttan further stated this project is eligible for Brownfield funds.

d. OCOF Nonprofit Housing Corporation

Chairperson Schertzing said there are profusion properties for this project. The three properties listed in the agenda material will move forward. Churches will be connected with Joan Jackson Johnson for the renovation projects. MSHDA wants top notch renovations for these properties.

Ms. Ruttan said Ms. Johnson wants three and four bedroom homes with nice basements on these lots. Currently, two of the homes have two bedrooms and crawl spaces.

Comm. Copedge asked if the Land Bank is giving these properties to the City of Lansing. Chairperson Schertzing explained the Land Bank is recouping its cost for these properties.

e. Property update

The Authority held a brief discussion regarding the sale amounts versus the costs it put into these properties. Ms. Ruttan then reviewed the Update as contained in the agenda

material. An open house will be held on the 824 Call Street property the end of this month.

- f. General legal update- Counsel

Mr. Stoker said the Land Bank currently is not involved in any litigation. Comm. DeLeon asked about the Michigan Avenue litigation. Mr. Stoker said that matter has been resolved.

Chairperson Schertzing said Mr. Stoker should look into Wayne County's foreclosure situation. Mr. Stoker said that situation will not directly affect the Ingham County Land Bank. He then explained this matter to the Authority.

2. Accounts Payable & Monthly Statement

- a. Accounts Payable Approval – August 2008 – Tabled

MOVED BY COMM. COPELGE, SUPPORTED BY COMM. BAHAR-COOK, TO APPROVE THE ACCOUNTS PAYABLE FOR AUGUST 2008.

Comm. Bahar-Cook asked about the lawn care issue. Ms. Ruttan said the concern has been resolved.

MOTION CARRIED UNANIMOUSLY. Absent: Comm. Hertel

- b. Accounts Payable Approval – September 2008

MOVED BY COMM. COPELGE, SUPPORTED BY COMM. BAHAR-COOK, TO APPROVE THE ACCOUNTS PAYABLE FOR SEPTEMBER 2008. MOTION CARRIED UNANIMOUSLY. Absent: Comm. Hertel

The Authority held a brief discussion about this item.

- c. Monthly Statement – July 2008 – Tabled

This is an informational item.

- d. Monthly Statement – August 2008

This is an informational item.

3. Items from the Chairman & Executive Director

- a. Vendor Breakfast

Chairperson Schertzing said the Vendor Breakfast was held last week. Approximately 50 vendors attended this event.

b. New York Avenue Alley Project September 17, 2008

Chairperson Schertzing said the Land Bank has two homes on New York Avenue. The neighbors on this street were asked to speak with the engineers and the Land Bank staff about this Project. A few of the neighbors responded to this request. Chairperson Schertzing stated the Land Bank wants the neighbors to view this Street in a positive manner. This Project will not be successful without interactions with the neighbors.

Comm. DeLeon asked for a copy of the flier that was distributed to the neighbors. She then stated John at Cristo Rey could generate some interest in this Project.

c. Building Capacity- Canaan & Cristo Rey

Ms. Ruttan said the Land Bank has a good relationship with Canaan and Cristo Rey. They have almost completed their first project and they are looking toward their second project.

The Authority held a general discussion about HUD homes. Chairperson Schertzing said discussions have been held on a non-owner occupant sales program. These properties would be sold to private developers. He also said the Land Bank is looking for more tax foreclosure homes.

Ms. Ruttan said the Land Bank needs to think out of the box to sell its properties. Comm. DeLeon asked if the Land Bank has placed an article in the Lansing State Journal regarding its homes. Ms. Ruttan said Mr. Bonsall has been working very hard on the Land Bank's web site, landbank.org.

d. Brownfield update

Chairperson Schertzing informed the Authority that the next meeting with the City of Lansing is next Wednesday at noon with a neighborhood group. The discussion will regard how to impact and influence more properties.

Chairperson Schertzing then spoke about auctioning some of the Land Bank's homes. Eight properties sold at an auction last Friday. He then explained this process.

Ms. Ruttan shared a thank you note she received from one of the Land Bank's sales people. Comm. DeLeon suggested the note be used to promote the Land Bank's programs.

Comm. Copedge asked about a parcel on Sydney Street. Chairperson Schertzing said this is a unique property that was not sold at the auction. The property was purchased for \$5,000 from a homeless person. This property has a \$20,000 lien. Chairperson Schertzing said the City of Lansing could not waive this lien. He said he informed the purchaser to let the property foreclose and then the Land Bank will work out an

arrangement with him so he can remain in the home. The Land Bank will determine the purchase price for this home.

Ms. Ruttan said the Authority also has to address its policy that the Land Bank will not sell a property to its previous owner. Comm. DeLeon stated a policy amendment should be made to address this type of situation. Comm. Bahar-Cook said the policy amendment could include an avenue to make exceptions to that policy. Mr. Stoker suggested that any amendments should be consistent.

Announcements: None

Public Comment – 3 minutes per person: None

The meeting adjourned at 6:57 p.m.

Respectfully submitted,

Debra Neff