

Approved February 5, 2007

THE INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY
MONDAY, December 4, 2006
Minutes

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

Members Absent: Debbie De Leon, Andy Schor

Others Present: Timothy Perrone, Mary Ruttan, Dorothy Boone.

The meeting was called to order by Chair Schertzing at 6:00 p.m. in the Personnel Conference Room of the Human Services Building, 5303 S. Cedar, Lansing.

Approval of Minutes

Minutes of the November 6, 2006, regular meeting were reviewed.

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

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

Additions to the Agenda –

Item 3.c. has a resolution for the 2007 budget and an amendment to the 2006 budget is part of that issue.

Limited Public Comment – None

1. Property maintenance & rehabilitation

a. Review of properties – hand out.

Lis Pendens hearing this Wednesday may open up ability to sell.

710 E. Middle, Williamston – Ready to close when we can!

922 Pennsylvania, Lansing – Renovations wrapped up. Will have open house in Late January or February. Mayor, City Council, state officials invited.

149 Spartan, East Lansing – Renovations humming along.

5926 Laporte, Lansing – Listed for sale.

1017 S. Holmes, Lansing – Planned rental property under renovation.

1706 Elizabeth, Lansing – Ready for sale.

4327 S. Aurelius, Lansing – Former owner in home until February 24th. Citifinancial trying some legal maneuvers. Former owner signed quit claim to help with title work.

East Miller Road, Lansing – This was our first sale for \$3,000.
1546 Cahill, East Lansing -- He is moving out with help of family. Writ of eviction in place.
Former owner signed quit claim to help with title work.
422 Adams, Lansing – Location for Lansing office. Renovations must be 30% or less of value to allow us to continue non conforming use.
3653 Williamston Road, Leslie –Title issue.
861 Waldo Road, Williamston – Title issue.

b. General legal review

Perrone reviewed the lawsuit by Oaktree Properties. December 6th is court date for our motion to lift Lis Pendens. Date for our motion on summary disposition is January 17th.

Dollar attorneys have not made any court filings. They may be hoping the District Court Action will somehow help them.

Chair mentioned level of legal bills. Perrone pointed out that the Lis Pendens suit is against the Treasurer and is paid by MMRMA.

c. Resolution to authorize borrowing

**RESOLUTION TO AUTHORIZE AN ADDITIONAL REVOLVING LOAN
BORROWING AND REQUEST A FULL FAITH AND CREDIT PLEDGE FROM
INGHAM COUNTY**

RESOLUTION #06-

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 Ingham County Treasurer, with Ingham County Board of Commissioners approval, has entered into an intergovernmental agreement under the Act:

WHEREAS, the Land Bank is in need of additional funding to continue the acquisition and renovation of distressed property; and

WHEREAS, it is advantageous to request proposals from multiple banks; and;

THEREFORE BE IT RESOLVED, that the Authority authorizes the Chair to negotiate the terms and conditions for a proposal to solicit an additional \$1,000,000 in revolving funding for the Land Bank under terms similar to the existing funding;

BE IT FURTHER RESOLVED, that the Chair is requested to work with the County Controller to prepare a resolution requesting County Board Full Faith and Credit.

MOVED BY COPEdge SUPPORTED BY HERTEL TO SOLICITS PROPOSALS FOR ADDITIONAL \$1,000,000 BORROWING AND OBTAIN COUNTY BOARD FULL FAITH AND CREDIT.

Chair outlined activity leading to additional funding needs. The level of parcels acquired and renovations, legal activity on Dollar and others, have committed most of our first loan. Lis Pendens is also hampering cash flow from closings.

We are looking at acquiring mortgage foreclosed homes and also building new homes. This activity will require additional capital. Institutions other than Citizens have expressed an interest in working with us. This competition should lower our cost as we expand our level of service.

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

2. Contracts & Bills

a. Listing agreements – review of status

Did not bring an update sheet as the Lis Pendens has put things on hold. Only change was sale of the Miller Road parcel.

b. approval of bills

Accounts payable for checks 1118 to 1146 and two book transfers total \$95,389.97

MOVED BY COPEdge SUPPORTED BY HERTEL TO APPROVE BILLS.

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

3. Governance

a. Establishment of an Audit Committee

Article 10.5 of the Intergovernmental Agreement requires an Audit Committee. Our auditor will want to talk with Committee members. The Chair, Secretary and Treasurer are each in a position to know the most about the Land Bank functions.

MOVED BY HERTEL SUPPORTED BY COPEdge TO ESTABLISH THESE THREE POSITIONS AS THE AUDIT COMMITTEE.

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

b. 2007 meeting schedule – proposed

Much discussion on meeting days. First Monday is about best we can do. The July and September meetings present issues. Changes can be made as we get into 2007.

MOVED BY SCHERTZING SUPPORTED BY HERTEL TO ADOPT PROPOSED SCHEDULE.

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

c. 2007 Budget and 2006 Budget amendments

RESOLUTION TO AMEND THE 2006 BUDGET AND APPROVE THE 2007 BUDGET OF THE INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY AND REQUEST FUNDING FROM INGHAM COUNTY

RESOLUTION #06-

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 Ingham County Treasurer, with Ingham County Board of Commissioners approval, has entered into an intergovernmental agreement under the Act, with an effective date of October 21, 2005; and

WHEREAS, the County Board of Commissioners has appointed a Board of Directors consisting of five members, including the Ingham County Treasurer (ex officio) as Chair of the Board of Directors; and

WHEREAS, from time to time a need exist to amend an adopted budget, as is true for the 2006 budget;

WHEREAS, from time to time a need exist to amend an adopted budget, as is true for the 2006 budget;

WHEREAS, Section 10.4 of the Bylaws require the Board of Directors to adopt annually a budget for all operations, income, expense and assets;

THEREFORE BE IT RESOLVED, that the Authority approves the proposed 2007 budget and request an appropriation from the Ingham County Delinquent Tax Revolving Fund in the amount of \$25,000 as funding for the Land Bank.

Amended 2006 budget need some figures cleaned up. Amended expenditure budget is \$982,000.

MOVED BY HERTEL SUPPORTED BY COPEDEGE TO APPROVE ACTION ON AMENDED 2006 AND 2007 BUDGETS.

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

d. Land Bank Brownfield Plan

Chair reported on activities to move forward on a Plan. Discussions taking place with City of Lansing. There are advantages unique to Land Bank parcels being in a Brownfield.

4. Chair's Activity Report

- a. Monthly report – hand out

Items in report have been discussed through the evening. Use as a review.

- b. 4905 Sydney – Commissioner Copedge

Member Copedge and Chair met with City of Lansing Treasurer, Assessor and Legal Department to discuss what, if anything, could be done about this special assessment. The only way to make good come out of the bad situation is for special assessment to be eliminated. The Land Bank can take a deed in lieu of taxes for this special assessment amount. City of Lansing will have to pass resolution to wipe out special assessment.

MOVED BY COPELGE SUPPORTED BY HERTEL TO AUTHORIZE CHAIR TO NEGOTIATE DEED IN LIEU OF TAXES ACQUISITION TO CLEAR SPECIAL ASSESSMENT AND THEN RETURN HOME TO PRIOR OWNER.

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

- c. Staffing proposal

Staff position for Brownfield, shared with the Land Bank is built into the 2007 budget. We are moving forward on job description. There is another position to create in Treasury that will provide some staff assistance to Land Bank also.

Announcements – None

Public Comment - None

MOVED BY SCHERTZING SUPPORTED BY HERTEL TO ADJOURN.

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

The meeting adjourned at 6:55 p.m.