

Approved 03/01/2010

**INGHAM COUNTY LAND BANK  
FAST TRACK AUTHORITY**

December 7, 2009  
Minutes

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

Members Absent: None

Others Present: Mary Ruttan, Tim Perrone, Joe Bonsall

The meeting was called to order by Chairperson Schertzing at 5:33 p.m. in Conference Room D & E of the Human Services Building, 5303 S. Cedar, Lansing.

Approval of the November 2, 2009 Minutes

MOVED BY COMM. BAHAR-COOK, SUPPORTED BY COMM. NOLAN TO APPROVE THE NOVEMBER 2, 2009 MINUTES AS SUBMITTED. MOTION CARRIED UNANIMOUSLY. Absent: Comm. DeLeon

Additions to the Agenda: None

Limited Public Comment: None

1. 2010 Meeting Schedule  
Motion to approve 2010 meeting schedule

Chairperson Schertzing stated the Land Bank Conference schedule would interfere with the regular meeting time in June. After brief discussion, the board determined that a June 14, 2010 meeting should be added to the schedule.

MOVED BY COMM. BAHAR-COOK, SUPPORTED BY COMM. NOLAN TO APPROVE THE 2010 MEETING SCHEDULE, AS AMENDED. MOTION CARRIED UNANIMOUSLY. Absent: Comm. DeLeon

2. Property Maintenance, Renovation & Development
  - 2a. Resolution to acquire 136 E. Main

MOVED BY COMM. BAHAR-COOK, SUPPORTED BY COMM. NOLAN TO APPROVE THE RESOLUTION TO AUTHORIZE THE CHAIRMAN TO PROCEED WITH THE NEGOTIATION FOR THE ACQUISITION OF THE PROPERTY LOCATED AT 136 E. MAIN STREET, LANSING, MI 48933.

Chairperson Schertzing stated that the property is east of, and adjacent to the Deluxe Inn property at 112 E. Main Street. If acquired, this property would be combined with the Deluxe Inn site for future development. Comm. Bahar-Cook requested that a \$200,000 maximum purchase price be added to the resolution language.

MOTION, AS AMENDED, CARRIED UNANIMOUSLY. Absent: Comm. DeLeon

2b. Resolution to acquire 1135 N. Washington

MOVED BY COMM. NOLAN, SUPPORTED BY COMM. COPEDEGE TO APPROVE THE RESOLUTION TO AUTHORIZE THE CHAIRMAN TO PROCEED WITH THE NEGOTIATION FOR THE ACQUISITION OF THE PROPERTY LOCATED AT 1135 N. WASHINGTON AVENUE, LANSING, MI 48906.

Chairperson Schertzing stated that the property is a former grocery store. Additionally, the East Lansing Food Co-Op, which is interested in opening an additional location, has been identified as an interested end user. The renovated property would consist of a storefront on the first level with apartments above. Chairperson Schertzing also stated a letter of intent was being developed with the Co-Op. Comm. Bahar-Cook asked who would be responsible for the renovation. Chairperson Schertzing responded that the Land Bank would oversee any renovation project.

Comm. DeLeon arrived 5:54 p.m.

Comm. Nolan asked how a project like this fit into the Land Bank's priorities and policies. Comm. Bahar-Cook stated that property was located in a priority area and neighborhood revitalization was a legitimate use of the Land Bank. Chairperson Schertzing added that non-profit organizations have limited avenues to pursue projects such as this. Additionally, the project at 1141 N. Pine can be viewed as a smaller-scale version of this project. Ms. Ruttan stated that in this economic climate there are not other entities to take on projects such as this. She added the Land Bank would most likely not participate in this type of project in another area where we had not been focusing our actions so intently. Ms. Ruttan pointed out that there are two distinct advantages to pursuing this project: 1) An end user has been identified at the start of the project; and 2) The location of the project is in the Land Bank's primary target area. Furthermore, funding from the Michigan State Housing Development Authority will be utilized to renovate the apartments above the storefront. Comm. Bahar-Cook requested that the motion language be amended to state: "Therefore be it resolved, that the Authority authorizes the Land Bank Chairman to begin negotiations for the acquisition of the property at 1135 N. Washington, Lansing, MI 48906."

MOTION, AS AMENDED, CARRIED UNANIMOUSLY.

2c. Commercial property update

Chairperson Schertzing informed the board that no responses were received from the solicitation for proposals concerning the redevelopment of the old Ramon's Tavern at 1146 S Washington. The property has been appraised for \$200,000. Ms. Ruttan stated the Land Bank should examine the idea of listing a property for sale when we do not get responses to a request for proposals, especially when the property is not located in one of our priority areas. Comm. Bahar-Cook pointed indicated that a downside to listing properties on the market is that the Land Bank loses control of the end result. Chairperson Schertzing stated that does not have to be the case. Purchase and development agreements can be structured to allow the Land Bank a certain degree of control over the end result of a project. Comm. Bahar-Cook asked if the local business association had expressed an opinion regarding any proposed use of the property. Chairperson Schertzing stated that he was planning on attending their next board meeting. Comm. Nolan asked if we have an existing relationship with a commercial realtor. Ms. Ruttan stated we have been working with Blair Moore of CB Richard Ellis. Chairperson Schertzing stated that staff was in the process of putting a request for proposals together for the downtown Mason properties. The new Executive Director of the Lansing Housing Coalition may be interested in selling the rest of the School for the Blind property. A local theater group has expressed serious interest in acquiring the commercial property at 934 Clark Street in Lansing. The Chairperson also stated that he expects more commercial properties to come to the Land Bank through the tax-foreclosure process.

#### 2d. NSP update

Ms. Ruttan stated acquisition of properties for inclusion in the Neighborhood Stabilization program is progressing. We have four years total to expend the program funds and are almost through year one. We have been working diligently with the City of Lansing to make the program a success. Comm. Nolan asked how much money would be spent through the program. Ms. Ruttan stated that the total figure was approximately \$6,000,000. We are currently working on the first two renovations on Risdale in Lansing. Additionally, our demolition program is progressing on schedule. Comm. Bahar-Cook asked if there had been any news about NSP2. Ms. Ruttan stated that an announcement was expected soon on the awarding of funds for NSP2. Comm. DeLeon asked for an estimate of our overall acquisition progress. Ms. Ruttan responded that we have acquired about half of the total properties necessary for the project. Comm. Copedge asked if there were any additional reporting or audit requirements related to these funds. Ms. Ruttan stated that the City of Lansing would be responsible for reporting activities. The reporting process is the same as for CDBG funds and the City already controls in place.

#### 2e. Property update

Chairperson Schertzing informed the board homes sales in November 2009 equaled the total sales for all of 2007. The Land Bank is really growing.

2f. General legal update

Mr. Perrone stated there is no pending litigation regarding the Land Bank or any of its properties.

3. Accounts Payable & Monthly Statement

3a. Accounts payable approval – November 2009

MOVED BY COMM. COPEEDGE, SUPPORTED BY COMM. NOLAN, TO APPROVE THE ACCOUNTS PAYABLE FOR NOVEMBER 2009. MOTION CARRIED UNANIMOUSLY.

3.b Monthly financial statement – October 2009

The October 2009 monthly financial statement was received and placed on file.

4. Items from the Chairperson & Executive Director

4a. 1141 N. Pine Open House – December 3, 2009.

Chairperson Schertzing thanked all the board members who were able to attend the open house for their time. Comm. Bahar-Cook stated that she felt the open house was very well attended and the renovation turned out beautifully. Comm. Nolan informed the board that she had a chance to speak to the new occupant, Ms. Rizzi, and that she was very pleased with the experience she had working with the Land Bank.

4b. Marketing

Chairperson Schertzing stated that the Land Bank has been working to expand its marketing efforts. We have been using an MSU student as a marketing intern to conduct open houses and neighborhood outreach. The sale of our new construction project on Rundle was a direct result of these efforts. The Land Bank has received a proposal from Rizzi Design for additional enhanced marketing. Comm. Bahar-Cook asked if we had explored advertising in the home guide. Ms. Ruttan stated that those ads are typically placed by the listing agent.

Announcements: None

Public Comment: None

The meeting adjourned at 6:53 p.m.

Respectfully submitted,

Joseph Bonsall