

**INGHAM COUNTY LAND BANK
FAST TRACK AUTHORITY**

June 6, 2016
Minutes

Members Present: Eric Schertzing, Comm. Anthony, Comm. Hope, Comm. McGrain,
Comm. Nolan

Members Absent: None

Others Present: Jeff Burdick, Tim Perrone, Joseph Bonsall, Dawn Van Halst, Julie
Powers, Brent Forsberg, Terry Terry, Ryan Wert, Joni Szykiel,
John Szykiel, Mike Huszti, Paul Wyzgoski

The meeting was called to order by Chairperson Schertzing at 5:00 p.m. in Conference
Room D & E of the Human Services Building, 5303 S. Cedar, Lansing.

Approval of the May 2, 2016 Minutes

MOVED BY COMM. McGRAIN, SUPPORTED BY COMM. NOLAN, TO APPROVE THE
MAY 2, 2016 MINUTES. MOTION CARRIED UNANIMOUSLY.

Additions to the Agenda: None

Limited Public Comment: None

1. Community Projects Update

Chairperson Schertzing updated the board on the success of the newly-constructed
homes built in Mason by Brent Forsberg on lots purchased from the Land Bank.

Comm. Nolan remarked on the successful grand opening of the new Prospect Street
park.

2. Resolution to authorize the extension of PNC line of credit notes

Chairperson Schertzing noted that Paul Wyzgoski was coming in from Detroit and had
not yet arrived. He suggested moving on to agenda item 3 until Mr. Wyzgoski had
arrived.

3. Resolution to authorize a 180 day extension to the existing option to purchase agreement between the Ingham County Land Bank and M2B2, LLC for the former Deluxe Inn site

MOVED BY COMM. HOPE, SUPPORTED BY COMM. ANTHONY, TO ADOPT THE RESOLUTION AUTHORIZING A 180 DAY EXTENSION TO THE EXISTING OPTION TO PURCHASE AGREEMENT BETWEEN THE LAND BANK AND M2B2, LLC FOR THE FORMER DELUXE INN SITE.

Chairperson Schertzing introduced Mike Huszti from M2B2, LLC. Mr. Huszti distributed an updated concept drawing incorporating the recently optioned Stone Printing site. He also updated the board on the progress made during the due diligence period. Executive Director Burdick stated staff is in support of the extension because M2B2 has been working diligently to date and has kept the Land Bank informed and involved throughout the process. He also noted that M2B2 has the ability to assign their option for the Stone Printing site to the Land Bank if need be. Chairperson Schertzing stated the Land Bank has long wanted to acquire the site, but this option is for a lower price than had been available in the past. Comm. McGrain asked if the new drawing was incorporating townhomes. Mr. Huszti said they were townhomes and would be offered at market-rate. Comm. McGrain inquired if an extension of the Riverwalk was included the plan. Mr. Huszti replied that they would like to, but BWL has expressed reservations about that aspect of the plan. He stated negotiations continue. Comm. Nolan asked who is responsible for the retaining wall along the river. Mr. Huszti replied they are working with the City to establish ultimate responsibility. Comm. Nolan asked where the boundary of the southern property is located. Tim Perrone replied that the legal description establishes the southern boundary as the water's edge.

MOTION CARRIED UNANIMOUSLY.

4. Resolution to authorize entering into an option to purchase agreement with Terry Terry of Message Makers for the residential vacant property on Turner Street in Lansing (33-01-01-09-253-021)

MOVED BY COMM. MCGRAIN, SUPPORTED BY COMM. NOLAN, TO ADOPT THE RESOLUTION AUTHORIZING THE CHAIRMAN TO NEGOTIATE AN OPTION TO PURCHASE AGREEMENT FOR PARCEL # 33-01-01-09-253-021.

Executive Director Burdick introduced Terry Terry and provided an overview of the information included in the meeting packet and noted that Mr. Terry's adjacent site is included in the Brownfield Plan. Mr. Terry stated his proposal is for a mixed-use development with a pub on the street level and either apartments or condominiums on the upper floor. He is also negotiating to acquire the adjacent single-family home from the private owner. Chairperson Schertzing stated that it is difficult for the Land Bank to come up with pricing for parcels in situations like this. Executive Director Burdick stated the staff recommendation is for an appraisal and option agreement. Comm. Nolan asked if the nearby Quaker Meeting House would impact the pub. Mr. Terry replied that

the Quakers had agreed not to oppose any alcohol-related businesses or activities in the area when they moved to their current location. Comm. Anthony stated she was excited to see a project like this happening in Old Town.

MOTION CARRIED UNANIMOUSLY.

2. Resolution to authorize the extension of PNC line of credit notes

MOVED BY COMM. ANTHONY, SUPPORTED BY COMM. HOPE, TO ADOPT THE RESOLUTION AUTHORIZING THE EXTENSION OF CURRENT OBLIGATIONS WITH PNC BANK AND REQUESTING A PLEDGE OF FULL FAITH AND CREDIT FROM INGHAM COUNTY.

Executive Director Burdick introduced Paul Wyzgoski and stated staff recommends adopting the resolution. If the resolution is not authorized, the Land Bank will have to repay the entire outstanding principal balance at the end of the month. Chairperson Schertzing remarked that interest on the obligations is paid quarterly. Mr. Wyzgoski noted that all terms of the obligations remain unchanged except the maturity dates.

MOTION CARRIED UNANIMOUSLY.

5. Resolution to authorize entering into an option to purchase agreement with T.A. Forsberg for residential vacant property in in Lansing (1111 Grand, 1117 Grand, 125 Elm)

MOVED BY COMM. MCGRAIN, SUPPORTED BY COMM. ANTHONY, TO AUTHORIZE AN OPTION TO PURCHASE AGREEMENT WITH T.A. FORSBERG FOR VACANT RESIDENTIAL PROPERTY IN THE REO TOWN NEIGHBORHOOD OF LANSING.

Brent Forsberg provided an overview of the proposed project, noting the need for quality affordable housing in Lansing. The proposal is to create a pilot project for small-scale (580-600 square feet) affordable new-build housing. Comm. McGrain inquired about how the units would fit into the existing neighborhood. Ryan Wert, Executive Director of the REO Town Commercial Association, replied that the existing housing stock in the neighborhood is problematic and aging out of use. The neighborhood is more concerned about vacant lots than about new construction. He feels the project will be an asset to the neighborhood. Comm. Nolan advised them to keep neighbors in the loop regarding the design of the structures. Julie Powers, Executive Director of the Greater Lansing Housing Coalition, stated the key to vibrant neighborhoods is variety – variety of people and variety of housing options in terms of style, size, and pricing. Executive Director Burdick provided an overview of the parcels to be included in the option. Elm St is included in the Brownfield Plan. The Grand properties would generate 5/50 tax capture revenue for the Land Bank.

MOTION CARRIED UNANIMOUSLY.

Comm. Anthony left the meeting at 5:45 p.m.

6. May 2016 Communications Report

Chairperson Schertzing stated the Communications Report was in the packet. Executive Director Burdick reminded the board that Piper & Gold is still interested in receiving any additional comments members may have regarding the content or format of the Communications Report.

7. Property Maintenance, Renovation & Development

7a. Residential, Garden, and Commercial Property Update – Dashboard

Chairperson Schertzing stated the dashboard was included in the packet. Executive Director Burdick provided an updated on the Flagstar Bank mortgage project for the Eden Glen condos. He also stated the Worthington Place Condo sale continues to make progress and should be completed by the end of summer.

7b. Completed and Pending Sales

Chairperson Schertzing stated the sales report was included in the meeting packet.

7c. Land Bank Rental Properties List

Chairperson Schertzing stated the rental property status list was not included in this month's meeting packet.

7d. General Legal Update - Counsel

Tim Perrone stated there were no legal issues to report.

8. Accounts Payable and Monthly Statements

8a. Accounts Payable Approval – May 2016

MOVED BY COMM. MCGRAIN, SUPPORTED BY COMM. HOPE, TO APPROVE THE ACCOUNTS PAYABLE FOR MAY 2016. MOTION CARRIED UNANIMOUSLY. Absent: Comm. Anthony

8b. Monthly Statement – April 30, 2016

The April 30, 2016 monthly financial statement was received and placed on file. Comm. McGrain asked where the earnest money deposit for the Deluxe Inn purchase option was reflected. Executive Director Burdick stated the earnest money was being held by our real estate broker and, therefore, was not included in the financial statement.

9. Chairman and Executive Director Comments: None

Announcements: None

Limited Public Comment:

Joni and John Szykiel distributed materials discussed their desire to construct a hotel project in Old Town. They expressed interest in the properties Center and Liberty Streets, and Center and Beaver Streets. Chairperson Schertzing stated this project could be a back-up to the John Sears project already authorized by the Board.

10. Closed Session (at request of Executive Director) – personnel evaluation of Executive Director

Executive Director Burdick announced that he had submitted his letter of resignation to the Board Chair, effective June 24, 2016 and requested the meeting go into closed session for a personnel evaluation of the Executive Director position.

MOVED BY COMM. HOPE, SUPPORTED BY COMM. NOLAN, TO GO INTO CLOSED SESSION UNDER SECTION 8(A) OF THE OPEN MEETINGS ACT, FOR A PERSONNEL EVALUATION OF THE EXECUTIVE DIRECTOR POSITION, PURSUANT TO HIS REQUEST.

Yeas: Comm. Hope, Comm. McGrain, Comm. Nolan, Chairperson Schertzing

Nays: None

Absent: Comm. Anthony

The Board went into closed session at 6:01 p.m.

The Board emerged from closed session at 6:24 p.m.

MOVED BY COMM. MCGRAIN, SUPPORTED BY COMM. HOPE TO APPOINT DAWN VAN HALST AS INTERIM EXECUTIVE DIRECTOR BEGINNING JUNE 25, 2016, AND CONTINUING UNTIL A PERMANENT REPLACEMENT IS HIRED. MOTION CARRIED UNANIMOUSLY. Absent: Comm. Anthony

Executive Director Burdick was instructed to find a suitable time and place for the board to meet and discuss filling the Executive Director position, prior to June 30, 2016.

The meeting adjourned at 6:27 p.m.

Respectfully submitted,
Joseph G Bonsall