

INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

Minutes of the March 5, 2017 Regular Board Meeting

Attendance

Members present: Treasurer Schertzing and Commissioners Grebner, Louney and Nolan
Members excused: Commissioner Crenshaw
Others present: Jeanna Paluzzi, Bonnie Toskey, Tim Perrone, Jessica Lamson, Rina Risper, Alan Fox

Minutes

1. Call to order

Chairman Schertzing called the meeting to order at 4:02 pm in conference rooms D&E of the Human Services building, 5303 South Cedar, Lansing.

2. Approval of minutes

MOVED BY GREBNER, SUPPORTED BY NOLAN, TO APPROVE, RATIFY AND CONFIRM THE FEBRUARY 5, 2017 MINUTES.

Schertzing indicated that the minutes should reflect that Crenshaw stated that he would object to the sale of the Superintendent's House.

MOTION PASSED UNANIMOUSLY.

3. Amendments to the agenda

Nolan requested that Schertzing add discussion of the Lansing HOME grant contract at 8.F.

4. Limited public comment

Rina Risper, a Walnut neighborhood resident, indicated that she opposed Mid-Michigan Recovery Services coming into the neighborhood. She has concerns about how Ingham County handled the situation. She will do everything in her power to protest MMRS. A 40 bed facility is already in the neighborhood, and this is a little overbearing for the neighborhood.

5. Resolutions

There were none identified for this meeting.

6. Program reports

A. Residential, garden and commercial dashboard

B. Completed and pending sales whiteboard

C. Residential rental properties status report

Executive Director Paluzzi reviewed the new program report formats and content.

7. Projects report

A. City of Lansing floodplain acquisition program

Paluzzi indicated that she will be attending the series of neighborhood flood impact meetings set up by the City to gather feedback about the emergency management.

B. Pleasant Grove School

Paluzzi indicated that recent interest expressed by a R&D consortium has cooled.

C. Eden Glen condos

Paluzzi indicated that there has been significant activity since the Valentine's Day themed open house in early February. Four condos now have offers.

D. Superintendent's House

Schertzing invited Jessica Lamson to comment on Mid-Michigan Recovery Services due diligence activities in its purchase of the property. Lamson indicated that contractors and architect are meeting next week to finalize the rehab requirements. The only challenge posed by the historic preservation requirements is the same brick on the exterior, but MMRS can meet the requirement by matching the color.

Grebner asked about the status of the purchase agreement. Paluzzi indicated that the realtors created a new document based on the February Board discussion, but she held off Land Bank signatures until actions at the February were ratified and confirmed.

8. Financials

A. Ratify Accounts Payable: December 2017 and January 2018

MOTION BY NOLAN, SECONDED BY GREBNER TO RATIFY THE DECEMBER 2017 AND JANUARY 2018 ACCOUNTS PAYABLE. MOTION PASSED UNANIMOUSLY.

B. Receive Statement of Revenue and Expense: December 2017 and January 2018

Statements were received to file.

C. PNC lines of credit transaction history

Paluzzi described the consolidation of transaction history for the two lines of credit summarized on the document provided with the Board packet. Nolan expressed appreciation for Paluzzi's forensic accounting efforts and the several reports provided to the Board. Nolan said she is interested in determining how the debt might be amortized over a 15 or 20 year period.

D. Treasurer foreclosure purchases through 2017

Paluzzi described the document listing the parcels purchased from the Treasurer’s Office every year other than 2016 since the Land Bank was established. Of the \$3.7M purchase for back taxes and fees, over \$910K are purchases of properties in the brownfield plans. Close to \$300K were foreclosure purchases in the floodplain. Over \$200K of the total amount purchased have not been reimbursed through grant funds. The Land Bank has reimbursed the Treasurer for all but \$530K for those purchases.

GREBNER LEFT THE MEETING AT 5:30PM.

E. Proposed settlement of brownfield plan and coordinator - related accounts

Paluzzi reviewed the information compiled regarding compensation for the Brownfield Coordinator position cost sharing. The information was compiled for a discussion with County Financial Services and the Treasurer’s Office in January 2018.

County BoCC resolutions dating back to 2007 indicate that the Land Bank and brownfield plans split the position funding 50/50. However, from late 2010 through 2014 the Land Bank paid out 100% because the brownfield plans were not producing. Land Bank overpayments through 2014 equaled \$162K. Financial Services retained that overpayment, contributed about \$74K and called the position funding up to date. There are no records of discussing this arrangement in the 2014 or 2015 Land Bank Board minutes.

The Land Bank’s 100% funding of the position continued until mid-2015, when it dropped back to 50%.

At the January 2018 meeting, Financial Services and the Treasurer’s Office indicated that they wanted the Land Bank to cover the position 100%. That equates to \$147K from January 2015 through 2017. Their offer was to deduct that amount from the \$339K the Land Bank forwarded to the County for brownfield bond payments, and sending the Land Bank a check for \$192K. However, after the \$162K that the County retained back in 2014 is subtracted, the Land Bank would net only \$30K from their proposal. The total amount the Land Bank would actually be putting forth is:

\$339K	bond payments
\$162K	for 100% comp through 2014
<u>\$147K</u>	for 100% comp 2015-2017
\$648K	total payments to County for underperforming program

Schertzing indicated that the settlement issue needed to be resolved for the 2017 audit.

F. City of Lansing HOME grant contract

MOTION BY NOLAN, SECONDED BY LOUNEY, ALLOWING THE LAND BANK TO EXECUTE A \$438,000 CONTRACT WITH THE CITY OF LANSING FOR HOME GRANT FUNDING OF ONE REHAB AND TWO NEW CONSTRUCTION PROJECTS, UPON REVIEW OF THE DRAFT CONTRACT BY THE LAND BANK’S ATTORNEY. MOTION

PASSED UNANIMOUSLY. GREBNER ABSENT.

9. Staffing

A. Termination of county positions

B. New and Bank positions

MOTION BY LOUNEY, SECONDED BY NOLAN, TO ALLOW DOLLARS TO BE ALLOCATED BETWEEN CPA FIRM MANER COSTERISAN AND CONTROLLER POSITION WITHIN THE CONSTRAINTS OF THE APPROVED BUDGET. MOTION PASSED UNANIMOUSLY. GREBNER ABSENT.

10. Reports

A. Executive Director

MOTION BY NOLAN, SECONDED BY LOUNEY, TO APPROVE OUT OF STATE TRAVEL FOR EXECUTIVE DIRECTOR ATTENDING THE RECLAIMING VACANT LANDS CONFERENCE IN MILWAUKEE WISCONSIN. MOTION PASSED UNANIMOUSLY. GREBNER ABSENT.

Louney asked about the status of developing a policy and procedure regarding the sale of properties intended for commercial use. Paluzzi indicated that she will be consulting with Lansing Planning staff regarding their protocols.

Louney asked about providing another person to take meeting notes. Paluzzi indicated that was normally the case, but that person's position is vacant at the moment. It will likely be only another month of double duty at Board meetings before the position is filled.

B. Board Chairman

11. Limited public comment

There was no public comment.

12. Adjournment

The meeting adjourned at 6:15 pm.