

# INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

## Minutes of the September 17, 2018 Regular Board Meeting

### Attendance

---

Members present: Treasurer Schertzing and Commissioners Crenshaw, Grebner, and Nolan  
Members excused: N/A  
Others present: Executive Director Jeanna Paluzzi, Tim Perrone, Alan Fox, Max Boortz, Jeff Deehan, Brent Forsberg, Zozak Yoshnaw

### Minutes

---

#### 1. Call to order

Schertzing called the meeting to order at 4:05 pm in Health and Human Services Building conference rooms D+E, 5303 S Cedar Street, Lansing.

#### 2. Approved minutes

##### A. August 6, 2018 Regular Board meeting

GREBNER MOVED, SECONDED BY NOLAN, APPROVAL OF THE MINUTES AS WRITTEN.

MOTION APPROVED UNANIMOUSLY.

#### 3. Amendments to the agenda

There were no amendments.

#### 4. Limited public comment

Schertzing recognized Zozak Yoshnaw, who requested a waiver of Land Bank policy to acquire the parcel east of 622 W Genesee. He and his wife purchase several properties from Mohamad Abduljabar and is still paying off delinquent taxes, per a payment plan at the Treasurer's Office. He has no parking at 622 W Genesee. Staff told him he would not be eligible to purchase the property until back taxes are paid off. Schertzing indicated that Yoshnaw was keeping pace with the payment plan and asked Paluzzi twice what the holding costs incurred to date are. Paluzzi responded twice that she was not advised that this would be a point of discussion at tonight's meeting.

GREBNER MOVED, CRENSHAW SECONDED, RECOGNITION THAT YOSHNAW IS CURRENT ON A PAYMENT PLAN WITH THE INGHAM COUNTY TREASURER'S OFFICE AND WAIVER OF THE REQUIREMENT THAT BUYER BE FREE OF BACK TAXES, AND DIRECTS STAFF TO ENTER INTO THE USUAL SALES NEGOTIATIONS.

MOTION APPROVED UNANIMOUSLY.

**6. Update on office roof replacement, mold mitigation, duct cleaning, window rehab, and touchup painting**

Paluzzi indicated the roof had been replaced, ceiling mold mitigation was a little more complicated than expected but passed air testing, and the ducts have been cleaned. Window rehab, touchup painting, and carpet cleaning are getting scheduled.

**7. Staffing**

Paluzzi reported that the Controller's employment was terminated after two weeks. The position will be reposted as a Finance and Administration Manager. The new Real Estate Specialist position has been filled. Nolan requested a copy of the successful candidate's resume.

**8. Legal counsel**

**A. Recoupment of supervisory bonuses**

Perrone reported that the two former employees have paid the settlement amounts in full.

**B. Request counsel to research language re: marijuana crops**

Paluzzi requested counsel review of existing reverter language to determine applicability to vacant lot sales. Grebner suggested adding language about conditional approval if legalized at federal, state, and local levels

Grebner suggested a friendly addition to the list of counsel review. The only Land Bank holdings in his district are at the Weatherhill condos. Would Schertzing be able to ask Clark Hill whether after 10 years a parcel reverts to common area if not developed in ten years? Perrone indicated there might be an issue of statute vs. master deed.

Schertzing recognized Boortz, who acquired 414 Baker the previous week. He has met with architects and structural engineers regarding renovations and roof issues. He indicated that he may need to deviate from the purchase terms to pass roof permit inspection by December 15 and hoped for Board understanding. Grebner suggested he come in advance of the December 15 deadline to request any extension.

**9. Program status reports**

**10. Financials**

**A. Receive Accounts Payable as of July 31, 2018**

**B. Receive Statements of Net Assets and Revenue & Expense as of July 31, 2018**

GREBNER MOVED, NOLAN SECONDED RECEIPT OF THE FINANCIAL REPORTS TO FILE.

MOTION APPROVED UNANIMOUSLY.

**C. Have Plante Moran present 2017 audit results?**

While Land Bank audit findings were presented at the commissioners' finance committee meeting and reports were forwarded upon receipt, the Board would like the auditors to present their findings at a future meeting.

**D. Budget adoption by November 1; reschedule October board meeting**

Perrone will research what the statute and governing docs say about budget adoption. The October 1 meeting was cancelled. The Board will meet November 19 and December 3.

**11. Discussion**

**A. Restructure purchase agreement with Urban Systems for the old Deluxe Inn site**

Paluzzi and Deehan indicated that site conditions (demolition debris and contaminated soils) are prompting concerns about the overall development costs in preparing the site for a hotel flag. Brownfields assistance may be required to make the purchase happen. Nolan supports seeing something worked out. Grebner asked whether we shouldn't notify other proponents that we may be modifying the purchase agreement based on due diligence findings. Schertzing said the issue is not how much but when the Land Bank would be paid.

NOLAN MOVED, SECONDED BY CRENSHAW, TO DIRECT STAFF TO WORK WITH URBAN SYSTEMS TO RESTRUCTURE THE PURCHASE AGREEMENT IF POSSIBLE. IF IT CANNOT BE RESTRUCTURED, THEN NOTIFY THE OTHER BIDDERS.

MOTION APPROVED UNANIMOUSLY.

**12. Reports**

**A. Executive Director**

Paluzzi did not add to her written report.

**B. Board Chairman**

**13. Limited public comment**

There was no public comment.

**5. Adjournment**

The meeting adjourned at 5:56 pm.

Respectfully submitted,  
Jeanna M. Paluzzi