

INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

Minutes of the March 27, 2019 Regular Board Meeting

As approved at the April 25, 2019 Regular Board Meeting

Attendance

Members present: Treasurer Schertzing, and Commissioners Crenshaw, Grebner, Stiver, and Trubec
Members excused: N/A
Staff: Executive Director Jeanna Paluzzi, Finance/Admin Manager Linda Weber
Counsel: Tim Perrone
Attendees: Deputy County Treasurer Alan Fox
Laura DeLind and Nancy McCrohan, LUFPA
Jon Addiss
Max Boortz

Minutes

1. Call to order

Schertzing called the meeting to order at 5:32 pm at the Land Bank, 3024 Turner Street, Lansing.

2. Approved minutes

A. January 23, 2018 Regular Board meeting

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

Crenshaw asked for more information about item 10A. Paluzzi responded. Crenshaw asked for a friendly amendment that the minutes be revised by adding the sentence, "The Executive Director worked with Human Resources and the County's attorney on a performance improvement plan."

MOTION WITH FRIENDLY AMENDMENT APPROVED UNANIMOUSLY.

3. Amendments to the agenda

There were no amendments to the agenda.

4. Limited public comment

John Addiss indicated he wants to buy a vacant lot on Bement Street in order to sell with one he owns, on a land contract. He said he has evidently been blacklisted and barred from buying property from the Land Bank because of drug dealer activity in a house on land contract in the Baker neighborhood. He asked the Board to clarify rules for the Executive Director. Schertzing requested a report at the next meeting. Crenshaw asked a copy of the purchase agreement. Addiss indicated he buys at the foreclosure auction.

Laura DeLind introduced herself and Nancy McCrohan, indicating that Lansing Urban Farm Project has a 10 year history with the Land Bank that has been productive until recently. She feels that damage has been done to LUFF's reputation by Land Bank action and misrepresentations of LUFF activity, especially with respect to the rental house. She handed out hardcopy of three months of email. LUFF has been renting eight years, and the conversation has stalled regarding the purchase. She wants to continue Land Bank relations and asked for private conversations with Board members. She described the Lansing Grown initiative. Nancy McCrohan emphasized the quality of the relationship, but that they had no proposal to offer today.

Max Boortz indicated that his rehab of 414 Baker was slowed by winter weather and invited Board members to walk through the building.

5. Annual Meeting

A. Election of officers

CRENSHAW MOVED, SECONDED BY STIVERS, THE FOLLOWING SLATE OF OFFICERS: VICE CHAIR MARK GREBNER, TREASURER CRENSHAW, AND SECRETARY STIVERS.

MOTION APPROVED UNANIMOUSLY.

B. Staff presentation: 20 months in review.

Paluzzi distributed and reviewed a five page document (attached) that describes financial, administrative, and programmatic improvements during her tenure.

6. Resolution(s)

19-01 Authorize signatures on PNC checking accounts

CRENSHAW MOVED, STIVERS SECONDED, THE RESOLUTION AS DRAFTED.

In a friendly amendment, in the Further, Be It Resolved section, second line, the words "a third Board member" were replaced with "Board Secretary."

MOTION WITH WORDING REVISION APPROVED UNANIMOUSLY.

7. Updates

A. Deluxe Inn site contamination impacts on purchase agreement terms

Paluzzi provided the Board with a heads up that Buyer representatives, County Treasurer, City Economic Development and Planning, and Land Bank met to discuss options for revising the purchase agreement authorized in late 2017, based on (1) contamination found on site and (2) hotel deal requirements. The group felt most comfortable with a scenario that splits our parcel in two, north and south. The north piece would be developed as a stand-alone hotel, and the south developed later and TBD. Because of cleanup costs and hotel pre-development cost caps, the remaining brownfield bond funds would be

contributed, and the Land Bank sales price would drop considerably, to about \$10K, with an agreement to split the profits on developing the south piece. More discussion will be required before presenting the Board with a proposal. Paluzzi asked for a read from the Board. Grebner said let's try to dispose of the property.

B. Commercial broker procured

Through a competitive selection process, staff awarded NAI the commercial broker contract. An initial meeting provided NAI with listing priorities.

C. Polar vortex impacts at Eden Glen

Staff is working with the insurance carrier to determine impacts, payouts, and contractors to rehab the three units impacted by burst water pipes. The Property Maintenance Specialist was terminated.

D. Lansing Urban Farm Project

Paluzzi indicated that staff had sifted through various factors influencing potential urban ag land pricing and analyzing various pricing scenarios. Since City-funneled grant funds influence pricing, a meeting with the City to gain their support is next.

E. Website and sales updates

Paluzzi noted that was covered in the Annual Meeting.

F. Greater Lansing Small-Scale Developer Initiative

Paluzzi indicated that dates had been set for each of the events planned for the initiative, so that locations can now be identified.

8. Financials

A. Receive Accounts Payable, Jan and Feb 2019

The Board received the Accounts Payable report.

B. Discuss and receive 2018 year-end financials

Paluzzi described changes in the reporting formats and specific line items. The reports are the result of CPA/Finance Manager Linda Weber's deep dive into our accounting. The Board took no action on the Statement of Revenues, Expenses, and Changes in Net Position, as it is a work in progress.

C. Discuss July 2019 expiration of PNC lines of credit

Schertzing indicated that legal counsel Dickenson Wright would be at the April board meeting to present the terms of the extension on the lines of credit. It then has to go to the County Board for full faith and credit. PNC is the county's bank of preference, and PNC has leveraged CRA credits in the past.

9. Legal counsel

A. Status of filing requesting a cease and desist of 1733 W Holmes sale

Perrone indicated that the judge dismissed the complaint with prejudice and fined the

plaintiff only \$1000 of the \$3000+ attorney fees incurred, for filing a frivolous case. Plaintiff has 21 days to settle, otherwise he will be held in contempt.

B. Closed session: discussion of investigation findings

GREBNER MOVED, CRENSHAW SECONDED, TO MOVE INTO CLOSED SESSION TO CONSIDER ATTORNEY- CLIENT PRIVILEGED INFORMATION.

Crenshaw requested that the Executive Director and Board Chair be excused. Paluzzi protested. Request was accepted as a friendly amendment.

MOTION TO GO INTO CLOSED SESSION APPROVED UNANIMOUSLY.

STIVERS MOVED, TRUBAC SECONDED, TO ACCEPT THE ATTORNEY'S RECOMMENDATION.

MOTION PASSED. SCHERTZING ABSTAINED.

Paluzzi asked how she would learn about the investigation findings. Perrone indicated she would get an email tomorrow.

10. Reports

A. Executive Director provided in the Board packet.

Crenshaw noted that the listing for the Superintendent's House moves to our new broker in April.

B. Board Chairman

No comments.

11. Limited public comment

There was no public comment.

12. Adjournment

The meeting adjourned at 7:24 pm.

Respectfully submitted, based from meeting recording,
Jeanna M. Paluzzi