

OCTOBER 23, 2019 REGULAR MEETING

Ingham County Land Bank Main Conference Room
3024 Turner St, Lansing, Michigan
October 23, 2019 – 5:30 p.m.

CALL TO ORDER

Chairperson Schertzing called the October 23, 2019 Regular Meeting of the Ingham County Land Bank to order at 5:30 p.m. in the main conference room at the Land Bank, 3024 Turner Street, Lansing.

Members Present: Schertzing, Grebner, Crenshaw, Trubac

Members Absent: Stivers

Others Present: Tim Perrone, Roxanne Case, Linda Weber, David Burns, Alan Fox, Danielle James of Spartan Newsroom, Max Boortz of Boortz Sports LLC, Gabriel Zawadzki (resident at 126 S Eighth St)

APPROVAL OF THE MINUTES

COMMISSIONER GREBNER MOVED TO APPROVE. COMMISSIONER CRENSHAW SUPPORTED THE MOTION WITH AMENDMENTS. THE MOTION TO APPROVE THE MINUTES CARRIED UNANIMOUSLY. MINUTES OF SEPTEMBER 25, 2019 STAND AS AMENDED.

ADDITIONS TO THE AGENDA

None

LIMITED PUBLIC COMMENT

None

1. Residential
 - A. List of sold properties, September 2019.

Reviewed. No comments or questions.

2. Administration
 - A. Receive Accounts Payable, August 2019

RECEIVED AND PLACED ON FILE.

Reviewed. No comments or questions.

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B. Land Contract status

Linda Weber and David Burns discussed the status of Land Contracts. \$5000 worth of payments were found from one Contract Holder, and will be applied to the Land Contract properly. Commissioner Crenshaw asked if there was a way to systemize the list of all Land Contracts. Linda replied yes, and we'll discuss in our Strategic Plan that we'll be discussing shortly.

C. Rental status

A compiled rental-status sheet was in the packet. Roxanne Case stated the Land Bank's rental program is doing decent, and it is an asset for the Land Bank. Staff suggests to continue the rentals if everyone agrees. The exception is the Eden Glen Condominiums which should not be on a rental basis. Commissioner Grebner asked for clarification of the rentals at Eden Glen. David Burns stated that we were given an exception for the condos due to the number of foreclosures received all at once, and the inability to sell them all at one time. Eden Glen Bylaws contain a no-rental statement and all residents should be co-owners. Chairperson Schertzing stated that the Association was not abiding by this bylaw during the down-market period when the units were foreclosed on.

D. Budget 2020 draft

Interim Executive Director Roxanne Case distributed drafts of a Strategic Plan, the budget, and a 2020 Board Meeting Schedule. The Strategic Plan was discussed first because it drives the Budget. Roxanne stated that there are 6 main components to the Plan: Land Contracts, Garden Program, Brownfield, Grant Research, Housing Initiatives, and Streamlining Current Land Bank Processes.

Commissioner Crenshaw asked about the notation of excessive late payments on Land Contracts. Linda Weber stated that applied late fees are few; we either have update-to-date Contracts or non-payment Contracts. We want to create a systematic process for Land Contracts. Chairperson Schertzing asked about the dates on the Strategic Plan. Roxanne replied that the dates are deadline goals, and should be able to be met.

Roxanne discussed the budget and reminded the Board that it is a draft. It is a little difficult to compare to last year's budget due to the format. There are 2 reasons for this. Land Bank is basing the budget off the Chart of Accounts and we're using BSA, instead of an excel spreadsheet. Currently, this draft budget has a positive balance, with a cash carryover from this current year.

Commissioner Crenshaw asked for clarification of the Renovations-Properties line item. Roxanne stated that the Land Bank completed renovations in 2018. The previous Director stopped all renovations in 2019. Since July, we have started renovation projects again, so there will be expenses in 2019, and we'll continue to

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renovate houses in 2020. Roxanne stated that we have sold 125 properties this year so far, and because the market has increased, we anticipate higher sales in 2020.

Roxanne pointed out that we are looking into offering retirement benefits. Roxanne and Linda spoke with Paychex, with an option of matching our 401K plan. We are also meeting with MERS to hear about their optional benefits. Commissioner Grebner asked if we were planning to cost out, using the County's plans. Linda confirmed that the meeting with MERS includes the County's plans, so that we could possibly piggyback on to their packages for ease.

Discussion on the 2020 Board Meeting Schedule. It could be on any day. The Land Bank staff would work around the Commissioners' schedules. Commissioner Crenshaw stated Mondays would be good. Commissioner Grebner suggested to keep the meetings at the Land Bank office; Land Bank staff prefers to keep them at the office, as well. All agreed that tentatively, the meetings would be set on the 3rd Monday of every month at 4:30pm.

E. Communication from Executive Director

Roxanne reminded the Board that last year's CDBG demolitions were delayed, but we are still planning to demolish them this winter, with final completion in spring 2020. There are 9 CDBG demolitions, along with 6 Treasurer demolitions. Chairperson Schertzing and Roxanne signed the agreement and it's now in Mayor Schor's Office to be signed. Roxanne, as Grant Manager and Procurement Manager, will update the RFQ that was written months ago, and get that ball rolling. Chairperson Schertzing confirmed that this is the 2nd year this of methodology because the federal monies have run out. Roxanne stated that staff will be applying for CDBG monies for this current year of foreclosures that need demolished, as well, and hopefully, we'll receive another round through the City of Lansing.

Roxanne discussed that the Land Bank should have a strategic media plan of some kind, for sharing stories, social media, Facebook, etc, in order to be in the forefront of residents and leaders. Roxanne has worked with someone many years ago, that has agreed to help get us on track. This is in the budget, and will be starting soon.

Roxanne, Linda, and David all attended the MALB Conference (Michigan Association of Land Banks) a couple weeks ago. It was a good conference and we all received some good information from it. Roxanne discussed 2 speakers, one about solar panel farms, and that this could be a good option for large properties. The 2nd speaker was from Bryum & Fisk, who spoke about crisis planning. Roxanne brought this information back and spoke to Amy Kinney, Receptionist/Program Administrator. Since Amy is the front line for the Land Bank, we discussed action items and factors to be aware of, if anything were to occur. Roxanne gave a presentation at MALB about the Land Bank Garden Program; it seemed to be useful to the attendees. Many folks had questions, which was good. Roxanne also connected with a couple people at MSHDA, in regards to funding options for demolition of the old Leslie High School. Between contacts with people at MEDC and MSHDA, we may have found funding to raze that building.

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Chairperson Schertzing discussed the Executive Director position. Roxanne has been the Interim Director for a few months now, and has been with the Land Bank for nearly 10 years, and has the skill set. Chairperson Schertzing pointed out that the connections that Roxanne has is important to the organization, using the example of the funding for Leslie High School. Would the Board be willing to drop the "Interim" and have Roxanne become Director, or do we need to start a hiring process?

Commissioner Grebner asked about compensation. Chairperson Schertzing confirmed there would be an adjustment, and he passed out a prior position description and posting. Commissioner Crenshaw asked about the previous process during changes in Directors. Chairperson Schertzing discussed the previous Interim Director process and that there was no one on staff that was interested in moving up into the Director's position. Chairperson Schertzing asked if there was a legal process to take. Tim Perrone stated that it was a matter within the Board's discretion as to how they choose to fill the position. Commissioner Trubac stated that he believed that this was the path for a couple months, and he had no objection. Commissioner Grebner asked if Chairperson Schertzing could write up a letter with details and share with the Board. This decision could be made next month or the following.

Chairperson Schertzing and David Burns attended a conference in Atlanta. Chairperson Schertzing connected with someone from Saginaw, and is interested in our Garden Program. Saginaw is coming down to take a look at what our garden program does and obtain some advice and information. Also Community Progress is also interested in the program. We should understand that the Land Bank has done a good job in this program and over the years, we have really built something into the community values. Not many other cities have done what we have.

F. Legal

Nothing to report. Tim Perrone stated that he was available to help us with Land Contracts and any documents and advice needed.

3. Commercial

A. Sale Status Report, September 2019

David Burns briefly discussed the report. Commissioner Crenshaw noticed that a vacant lot has gone back on the market, where the buyer backed out. David confirmed that he would be contacting the other back-up offers. David confirmed that the School of the Blind's Superintendent's House is still on track to close and are in an inspection period. David is still managing the negotiation of the, formerly, Pleasant Grove School; we are waiting on a confirmation of our counteroffer. David stated that we are still working through the conversation with the Deluxe Inn site; we are meeting with Forsberg tomorrow.

B. Resolution to Authorize Sale of 120-120½ and 124-126 S Eighth St to BUI Properties LLC.

INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

RESOLUTION TO AUTHORIZE SALE OF 120-120½ & 124-126 S EIGHTH STREET TO BUI PROPERTIES LLC

RESOLUTION 19-19

WHEREAS, the Land Bank Fast Track Act, 2003 PA 258, being MCL 124.751 *et seq.*, ("the Act") establishes the State Land Bank Fast Track Authority; and

WHEREAS, the Act allows a foreclosing governmental unit, such as the Ingham County Treasurer, to enter into an intergovernmental agreement with the State Land Bank Fast Track Authority providing for the exercise of the powers, duties, functions, and responsibilities of an authority under the Act, and for the creation of a County Land Bank Fast Track Authority to exercise those functions; and

WHEREAS, the Ingham County Treasurer, with Ingham County Board of Commissioners approval, entered into such an intergovernmental agreement under the Act; and established the Ingham County Land Bank Fast Track Authority (the "Land Bank") in 2005; and

WHEREAS, the Land Bank received title of 2 duplex improved properties at 120-120½ S Eighth St, Lansing (33-01-01-15-303-111) by an exchange of another property with the Ingham County Treasurer in 2017, and 124-126 S Eighth St, Lansing (33-01-01-15-303-101) by purchasing it in July 2014. Both properties are duplexes and 1 out of 4 units has a renter who has been notified of pending sale. 120-120½ needs an extensive amount of renovations to be habitable, thus a lower purchase price;

WHEREAS, the Land Bank through NAI Mid-Michigan offered the property for sale and the Land Bank Real Estate Specialist negotiated the prices at \$50,000 for 120-120½ S Eighth St and \$68,000 for 124-126 S Eighth St; and

WHEREAS, BUI Properties LLC is interested in the properties and has plans to keep the properties as rentals. BUI Properties plans to renovate in order to improve both properties for their tenants; and

THEREFORE, BE IT RESOLVED, the Land Bank authorizes its Chairperson or Interim Executive Director to negotiate and execute the transaction of these rental properties for a total of \$118,000. The property conveyances shall contain a reverter clause prohibiting the property's use of any sexually oriented business as defined by law, medical marijuana business or dispensary, or casino.

The motion carried. **Yeas:** Crenshaw, Grebner, Schertzing, Trubac **Nays:** None
Absent: Stivers

COMMISSIONER CRENSHAW MOTIONED TO APPROVE. COMMISSION GREBNER SUPPORTED THE MOTION. ACCEPTED UNANIMOUSLY.

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David Burns stated that we'd received an offer on 2 duplexes that we've had for a while on Eighth Street. 120-120½ has 1 unit that is fairly move in ready but the other needs quite a bit of work. The 124-126 duplex has a current tenant, who is actually in attendance today; the other unit of this building is also move-in ready. No comment from the tenant.

4. Limited public comment

Max Boortz attended and gave a progress report on the renovations at 414 Baker Street, Lansing. He stated that originally it was thought that it would only be a partial renovation, but in fact, it will be completely 100% renovated. Plans have been approved by the City of Lansing, and Mr. Boortz is moving forward. Commissioner Crenshaw asked about renovation timeframe. Mr. Boortz stated that it will take close to 1 year. Chairperson Schertzing asked what the ground floor was going to contain. Mr. Boortz stated that the main floor will be office space.

5. Adjournment

Chairperson Schertzing adjourned the meeting at 6:12pm.