

MARCH 15, 2021 REGULAR MEETING

Ingham County Land Bank Zoom Meeting

Virtually Meeting held via Zoom

<https://us02web.zoom.us/j/83128651922?pwd=ZGd4M0hJUC80WnVHbFdBcWk0OTNYQT09>

By Phone: 1 929 205 6099 US (New York)

Meeting ID: 831 2865 1922

Passcode: 997476

March 15, 2021 – 5:00 p.m.

**CALL TO ORDER**

Chairperson Schertzing called the March 15, 2021 Regular Meeting of the Ingham County Land Bank to order at 5:00 p.m., held virtually in accordance with the Open Meetings Act and the Ingham County Health Department's Declaration of Emergency and Policies of Social Distancing and Preventing the Spread of Covid-19.

Roll Call: Chairperson Schertzing in East Lansing, Ingham County; Commissioner Grebner in East Lansing, Ingham County; Commissioner Crenshaw in City of Lansing, Ingham County; Commissioner Slaughter in City of Lansing, Ingham County; Director Frischman, in Meridian Township, Ingham County

Others Present: Tim Perrone, Alan Fox, David Burns, Roxanne Case, Tanja Simmons of National Network Organization for Veterans Inc.

**APPROVAL OF THE MINUTES**

MINUTES OF JANUARY 28, 2021 ACCEPTED AS AMENDED.

**ADDITIONS TO THE AGENDA**

3. D. Resolution to Terminate 401(k) Plan Following the Receipt of IRS Compliance Statement (blue sheet)

**LIMITED PUBLIC COMMENT**

None

1. Commercial – Multi-Family

A. Sale Status report

David Burns spoke about the former Deluxe Inn site and we're on track to close within a month. Director Case stated that this property is finally coming to fruition, and that we're planning to do an announcement about construction. Chairperson Schertzing stated that this is a good thing for the Brownfield Plan for 2022.

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Commissioner Crenshaw asked about the extension for the former Pleasant Grove School. David Burns stated that the 6-month extension requires an accomplishment of specific tasks that are needed to be completed in order to grant a 2<sup>nd</sup> 6-month extension. Chairperson Schertzing asked of a plan if there was an additional extension. David Burns stated that this is a fairly complicated project and will take a lot of resources from several different entities. If there is a need for further extension, we anticipate monetary consideration. Director Frischman asked about the conditions that the developer has to meet for the extension. David Burns stated that the developer needs to put together a Brownfield Plan that includes environmental testing and project costs. Another task is having signed commitments from the end users. Another condition was coming up with a total realistic site and building plans.

### 2. Residential

#### A. List of Properties - Sold & In Progress, January-February 2021

Brief discussion.

#### B. Resolution to Authorize the Sale of 5 Vacant Lots on Vermont Ave to National Network Organization for Veterans Inc

COMMISSIONER CRENSHAW MOVED THE RESOLUTION. SUPPORTED BY COMMISSIONER SLAUGHTER.

INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

RESOLUTION TO AUTHORIZE THE SALE OF FIVE (5) VACANT LOT PARCELS ON  
VERMONT AVE, LANSING, TO NATIONAL NETWORK ORGANIZATION FOR VETERANS INC.

RESOLUTION 21-04

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 (the "Authority") to exercise those functions; and

WHEREAS, the Ingham County Treasurer, with Ingham County Board of Commissioners approval, has 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 Ingham County Land Bank Fast Track Authority (the "Land Bank"), in its Priorities, Policies, and Procedures document, indicates in Section 7.B.2. that sale of three (3) or more properties to the same buyer within a twelve month period must be approved by the Land Bank Board; and

WHEREAS, no member of the Land Bank Board of Directors nor Land Bank staff has disclosed any direct or indirect personal or financial interest in this matter, and the Land Bank management is unaware of any such conflict of interest.

WHEREAS, the Land Bank received title to these five (5) parcels on Vermont Street, Lansing, as the following; and

	Address	Parcel Number	Property Class	Date Acquired	Demolition Program, if any	Sales Price
1	(1909) Vermont Ave	33-01-01-10-128-221	Residential vacant lot	2012		\$1000.00
2	(1818) Vermont Ave	33-01-01-10-129-061	Residential vacant lot	2012	Hardest Hit Funds Blight Elimination	\$1000.00
3	Vermont Ave	33-01-01-10-179-071	Residential vacant lot	2010		\$1000.00
4	Vermont Ave	33-01-01-10-179-091	Residential vacant lot	2010		\$1000.00
5	(1215) Vermont Ave	33-01-01-10-181-271	Residential vacant lot	2007	CDBG Funds City of Lansing	\$1000.00

WHEREAS, the National Network Organization for Veterans Inc. would like to purchase these five (5) parcels, with the intent to build housing for veterans. NNOV Inc. is a non-profit organization whose mission is to be an ongoing resource for displaced, homeless, and under privileged veterans and their families. Their goal is to provide affordable transitional housing, getting veterans off the streets and out of shelters, enriching their lives in general. NNOV Inc. has completed several renovations, and is planning a round of new construction cottage-type homes; and

THEREFORE, BE IT RESOLVED, the Land Bank authorizes its Chairperson or Executive Director to negotiate and execute the transaction of these five (5) parcels to NNOV Inc. for a total rate of \$5,000, plus closing costs.

FURTHER, BE IT RESOLVED, 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.

AYE: Schertzing, Grebner, Crenshaw, Slaughter, Frischman

NAY: None

Approved 3/15/2021

THE MOTION CARRIED UNANIMOUSLY.

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Ms Tanja Simmons introduce herself, President of National Network Organization for Veterans Inc, and is an army veteran of 22 years. Her mission is to provide affordable housing for homeless and displaced veterans. Hubble Construction and Restoration has agreed to assist in building the houses. Commissioner Crenshaw asked how individuals are identified for the homes. Ms. Simmons stated that she has a waiting list of veterans for housing. She has friends and other agencies that are helping her through the veterans list, and it will depend on each veteran's capability of buying the house in the end. Director Frischman stated that veterans which are 100% disabled, are exempt from property taxes, and she commended Ms. Simmons on this program. Ms. Simmons believes veterans don't get enough help now, and she plans to continue her goal, and is excited about the project.

- C. Resolution to Authorize the Sale of 2 Vacant Lots on Jessop and Hilliard to Raymundo Garcia

COMMISSIONER CRENSHAW MOVED THE RESOLUTION. SUPPORTED BY COMMISSIONER SLAUGHTER.

INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY  
**RESOLUTION TO AUTHORIZE SALE OF TWO (2) VACANT PARCELS ON  
(815) JESSOP AVE AND (6410) HILLIARD RD, LANSING TO RAYMUNDO GARCIA**

**RESOLUTION 21-05**

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 (the "Authority") to exercise those functions; and

WHEREAS, the Ingham County Treasurer, with Ingham County Board of Commissioners approval, has 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 Ingham County Land Bank Fast Track Authority (the "Land Bank"), in its Priorities, Policies, and Procedures document, indicates in Section 7.B.2. that sale of three (3) or more properties to the same buyer within a twelve month period must be approved by the Land Bank Board; and

WHEREAS, no member of the Land Bank Board of Directors nor Land Bank staff has disclosed any direct or indirect personal or financial interest in this matter, and the Land Bank management is unaware of any such conflict of interest.

WHEREAS, the Land Bank acquired the residential improved parcels at (815) Jessop Ave, Lansing (# 33-01-01-34-157-111) in 2009 and at (6410) Hilliard Rd, Lansing (# 33-01-05-09-152-332) in 2010. Both properties were subsequently demolished with City of Lansing CDBG funds; and

WHEREAS, Mr. Raymundo Garcia of VMG Construction LLC, who already purchased a parcel on Miller Rd to build a residential multi-unit structure, would like to purchase these two (2) vacant lots with the intent to build single-family homes for rentals, while preparing for and working on the multi-unit building; and

THEREFORE, BE IT RESOLVED, the Land Bank authorizes its Chairperson or Executive Director to negotiate and execute the transaction of these two (2) parcels to Mr. Raymundo Garcia for the market rate of \$1,100 for Jessop Ave and \$5,500 for Hilliard Rd, plus closing costs. Total market rate equals \$6,600.00.

FURTHER, BE IT RESOLVED, property conveyances shall contain a deed restriction clause prohibiting the property's use of any sexually oriented business as defined by law, medical marijuana business or dispensary, or casino.

AYE: Schertzing, Grebner, Crenshaw, Slaughter, Frischman

NAY: None

Approved 3/15/2021

THE MOTION CARRIED UNANIMOUSLY.

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Director Case stated that the buyer has already purchase a lot on Miller Rd where he is planning to build a multi-unit residential building, and is in the process of purchasing City-owned property next door to add a second building. In the meantime, he would like to purchase these 2 vacant lots to build single-family homes.

- D. Resolution to Authorize the Sale of 21 Parcels in the Oak Park Neighborhood to H Urban Development Inc

COMMISSIONER CRENSHAW MOVED THE RESOLUTION. SUPPORTED BY COMMISSIONER SLAUGHTER.

INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

**RESOLUTION TO AUTHORIZE SALE OF TWENTY-ONE (21) PARCELS IN OAK PARK NEIGHBORHOOD,  
IN LANSING, TO H URBAN DEVELOPMENT INC**

**RESOLUTION 21-06**

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 (the “Authority”) to exercise those functions; and

WHEREAS, the Ingham County Treasurer, with Ingham County Board of Commissioners approval, has 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 Ingham County Land Bank Fast Track Authority (the "Land Bank"), in its Priorities, Policies, and Procedures document, indicates in Section 7.B.2. that sale of three (3) or more properties to the same buyer within a twelve month period must be approved by the Land Bank Board; and

WHEREAS, no member of the Land Bank Board of Directors nor Land Bank staff has disclosed any direct or indirect personal or financial interest in this matter, and the Land Bank management is unaware of any such conflict of interest.

WHEREAS, the Land Bank received title to these twenty-one (21) parcels in the Oak Park Neighborhood listed on page 2; and

WHEREAS, H Urban Development Inc would like to purchase these twenty-one (21) parcels, with the intent to build specialized housing. The design is modular built using mass timber. H-Inc has bought and redeveloped many commercial properties in Lansing, and their headquarters is a redeveloped building to the west of these properties. Their goal is to improve quality of downtown living and land use through adaptive reuse and rehabilitation of historic architecture. They use innovative design to create space that is both inspiring and practical; and

THEREFORE, BE IT RESOLVED, the Land Bank authorizes its Chairperson or Executive Director to negotiate and execute the transaction of these twenty-one (21) parcels to H Urban Development Inc. for a total rate of \$35,363.36, plus closing costs

FURTHER, BE IT RESOLVED, 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.

AYE: Schertzing, Grebner, Crenshaw, Slaughter, Frischman

NAY: None

Approved 3/15/2021

THE MOTION CARRIED UNANIMOUSLY.

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	Address	Parcel Number	Property Class	Date Acquired	Demolition Program, if any	Sales Price
1	921 E Saginaw St	33-01-01-10-354-181	Residential vacant lot	2009	Neighborhood Stabilization Program 1	\$860.00
2	711 N Pennsylvania Ave	33-01-01-10-354-221	Residential vacant lot	2009	Neighborhood Stabilization Program 1	\$860.00
3	715 N Pennsylvania Ave	33-01-01-10-354-231	Residential vacant lot	2010	Neighborhood Stabilization Program 1	\$860.00
4	721 N Pennsylvania Ave	33-01-01-10-354-241	Residential vacant lot	2011	Neighborhood Stabilization Program 2	\$3,294.72
	Subtotal					\$5,874.72
5	722 East Park Terrace	33-01-01-10-353-151	Residential vacant lot	2014	Hardest Hit Funds Blight Elimination	\$883.20
6	0 East Park Terrace	33-01-01-10-354-051	Residential vacant lot	2014		\$883.20
7	718 East Park Terrace	33-01-01-10-354-061	Residential vacant lot	2007		\$883.20
8	714 East Park Terrace	33-01-01-10-354-081	Residential vacant lot	2007		\$883.20
9	839 East Saginaw St	33-01-01-10-354-121	Residential vacant lot	2008	Neighborhood Stabilization Program 1	\$860.00
10	843 E Saginaw St	33-01-01-10-354-131	Residential vacant lot	2017	Hardest Hit Funds Blight Elimination	\$5,808.00
11	901 E Saginaw St	33-01-01-10-354-141	Residential vacant lot	2017	Hardest Hit Funds Blight Elimination	\$1,105.92
12	903 E Saginaw St	33-01-01-10-354-151	Residential vacant lot	2017	Hardest Hit Funds Blight Elimination	\$4681.60
13	914 May Street	33-01-01-10-354-291	Residential improved	2019		\$5000.00
14	908 May Street	33-01-01-10-354-301	Residential vacant lot		Neighborhood Stabilization Program 1	\$860.00
15	835 May Street	33-01-01-10-351-061	Residential vacant lot			\$1,742.40
	Subtotal					\$23,590.72
16	823 E Saginaw	33-01-01-10-353-121	Residential vacant lot	2014	Hardest Hit Funds Blight Elimination	\$864.00
17	711 E Park Terrace	33-01-01-10-353-151	Residential vacant lot	2009	Neighborhood Stabilization Program 2	\$883.20
18	717 East Park Terrace	33-01-01-10-353-171	Residential vacant lot	2017	Hardest Hit Funds Blight Elimination	\$883.20
19	723 East Park Terrace	33-01-01-10-353-191	Residential vacant lot	2013	Hardest Hit Funds Blight Elimination	\$883.20
20	725 East Park Terrace	33-01-01-10-353-201	Residential vacant lot	2009	Neighborhood Stabilization Program 1	\$860
21	727 East Park Terrace	33-01-01-10-353-211	Residential vacant lot	2013	Hardest Hit Funds Blight Elimination	\$883.20
	Subtotal					\$5,897.92
	Total					\$35,363.36



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Commissioner Crenshaw asked what their timeframe was to get these units up and operational. David Burns stated that this purchase agreement is a 3-phase process. The goal is to close the first set of properties by the end of this year, and start construction shortly thereafter. The rest of the properties will be phased in the following 2 years, and it will be dependent on market conditions and public acceptance, 2 units per lot. Chairperson Schertzing stated that you can see by the list of parcels, how long these properties have been held. This is one of the first land-banking acquisition processes that considered a targeted acquisition area, and this is a significant result of banking land that will be transitioned to the private marketplace.

### 3. Administration

#### A. Accounts Payable – January-February 2021

Accepted and on file.

#### B. Communications Narrative / Executive Director's Report

Director Case initiated a discussion about the Stimulus Recovery Funds. The Land Bank managed \$18MM previously and can do it again. We know that there is a need for affordable housing, and the Land Bank can accommodate some of that need. Commission Crenshaw stated that there are meetings scheduled to discuss plans with the County Controller, and will know more in a couple weeks. Commissioner Grebner stated that funds will need to be expended by the end of 2024, and we need to set up a process and move quickly to help people. The Land Bank should put together a proposal so that an application can be considered. Chairperson Schertzing stated that the Land Bank has been in continuous planning and land-banking mode, in preparation of stimulus funds such as these.

#### C. Legal

Tim Perrone stated that the Land Contract bankruptcy case has been confirmed. Expecting the monthly payment schedule, starting in early April.

We have a judgement of possession for a Land Contract matter on Maple St. The redemption date expires on April 2nd. We are seeking an eviction if the property is not turned over by that date.

#### D. Resolution to Terminate 401(k) Plan Following Receipt of IRS Compliance Statement

COMMISSIONER CRENSHAW MOVED THE RESOLUTION. SUPPORTED BY COMMISSIONER SLAUGHTER.

## INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

### RESOLUTION TO TERMINATE THE INGHAM COUNTY LAND BANK 401(k) PLAN FOLLOWING RECEIPT OF VCP (VOLUNTARY CORRECTION PROGRAM) COMPLIANCE STATEMENT

#### RESOLUTION 21-07

**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 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, has 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**, no member of the Land Bank Board of Directors nor Land Bank staff has disclosed any direct or indirect personal or financial interest in this matter, and the Land Bank management is unaware of any such conflict of interest.

**WHEREAS**, the Land Bank established the Ingham County Land Bank Fast Track Authority 401(k) Profit Sharing Plan (the "401(k) Plan") in 2015. However, as a governmental entity, the Land Bank is not permitted to maintain a 401(k) plan and therefore is in the process of taking action to correct this error pursuant to the Voluntary Correction Program ("VCP") under the Employee Plans Compliance Resolution System, the most recent version of which is set forth in Revenue Procedure 2019-19; and

**WHEREAS**, as part of its proposed corrective action, the Land Bank previously approved (in Resolution 20-13) a transfer of the 401(k) Plan funds to the Land Bank's new 457 Plan established with the Michigan Municipal Employees' Retirement System ("MERS"), subject to the approval of the IRS; and

**WHEREAS**, the Land Bank recently learned that the IRS will not approve this aspect of the Land Bank's proposed corrective action, but will permit the 401(k) Plan to be terminated following receipt of the VCP Compliance Statement. Such a plan termination will involve the distribution of all 401(k) Plan assets, which will permit (but not require) individual participants to roll over their 401(k) Plan accounts to the MERS 457 Plan (or another "eligible retirement plan" within the meaning of Code § 402(c)(3)(B));

**THEREFORE BE IT RESOLVED**, that the 401(k) Plan is terminated, effective as soon as administratively feasible following receipt of the VCP Compliance Statement, and that the Executive Director is authorized and directed to take any action and execute any documents necessary or convenient to achieve this result. To the extent that Resolution 20-13 is inconsistent with this Resolution, it is hereby rescinded.

AYE: Schertzing, Grebner, Crenshaw, Slaughter, Frischman

NAY: None

Approved 3/15/2021

THE MOTION CARRIED UNANIMOUSLY.

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4. Limited public comment

None

5. Adjournment

COMMISSIONER CRENSHAW MOVED TO ADJOURN. SUPPORTED BY COMMISSIONER SLAUGHTER.

AYE: Schertzing, Grebner, Crenshaw, Slaughter, Frischman      NAY: None

THE MOTION CARRIED UNANIMOUSLY.

Chairperson Schertzing adjourned the meeting at 5:52pm.