

Approved 4/9/12

**INGHAM COUNTY LAND BANK
FAST TRACK AUTHORITY**

March 5, 2012
Minutes

Members Present: Eric Schertzing, Comm. Bahar-Cook, Comm. Nolan and Comm. McGrain; Comm. DeLeon

Members Absent: None

Others Present: Mary Ruttan, Tim Perrone, Joe Bonsall, Sandy Gower, Dawn Van Halst, Karl Dorshimer, Gerald Rowley, Jason Kildea

The meeting was called to order by Chairperson Schertzing at 5:01 p.m. Conference Room D & E of the Human Services Building, 5303 S. Cedar, Lansing.

Approval of the February 6, 2012 Minutes

MOVED BY COMM. NOLAN, SUPPORTED BY COMM. DELEON, TO APPROVE THE FEBRUARY 6, 2012 MINUTES. MOTION CARRIED UNANIMOUSLY. Absent: Comm. Bahar-Cook

Additions to the Agenda: None

Limited Public Comment: None

1. 3411 E Michigan Avenue – Pat Gillespie

Chairperson Schertzing noted representatives for agenda items 1 and 2 had not arrived yet and suggested the board skip ahead to agenda item 3.

3. Resolution to approve City of Lansing's request for reimbursement of Specific Tax

Chairperson Schertzing introduced Karl Dorshimer, Director of the Lansing Economic Development Corporation to clarify the City of Lansing's request for reimbursement of specific tax capture. Executive Director Ruttan stated the current budget included \$10,000 for upgrading computer software, the actual cost was approximately \$2,700 and, should the board approve the resolution, any lost revenues would be compensated for by adjusting that budget line item. Comm. McGrain asked how it came about that the City pledged tax capture that it should not have expected to receive.

Comm. Bahar-Cook arrived at 5:06 p.m.

Mr. Dorshimer stated that he could not speak to specifics as he was not the Director at the time the plan was drafted and the staff person who developed the plan was no longer with the EDC. He stated it was an oversight by staff who assumed the City brownfield plan would be able to begin capturing taxes on the site right away. He stated the City has done 55 brownfield plans and this is the first time they have encountered this particular issue.

COMM. BAHAR-COOK MOVED, SUPPORTED BY COMM. MCGRAIN, TO APPROVE THE RESOLUTION GRANTING THE CITY OF LANSING'S REQUEST FOR REIMBURSEMENT OF SPECIFIC TAX CAPTURE.

Comm. Nolan asked what would happen if the board did not approve the resolution. Mr. Dorshimer stated the City would have to wait longer to repay its revolving fund, would be able to fund fewer future projects of this kind, and it would show an unwillingness to engage in inter-governmental cooperation. This resolution would return the plan to its originally expected and agreed upon course. Comm. McGrain clarified that expectation was based upon prior experience, rather than the specific facts in this instance. Mr. Dorshimer stated he had spoken with EDC staff and they indicated this issue had never come up during meetings. Chairperson Schertzing stated he mentioned the issue to EDC staff on more than one occasion and they failed to grasp the impact the delayed capture would have. Comm. McGrain asked if, in the spirit of cooperation, the City was still planning on offering its full support to the Land Bank projects at the former Deluxe Inn site and the abandoned gas station near the ballpark. Mr. Dorshimer stated the City is firmly committed to seeing projects move forward on both sites.

MOTION CARRIED UNANIMOUSLY.

1. 3411 E Michigan Avenue – Pat Gillespie

Chairperson Schertzing introduced Jason Kildea from the Gillespie Group. Mr. Kildea provided some background information on the project along with site plans for the proposed development. PNC Bank has been identified as a future tenant in the proposed project. The project will consist of 48-52 residential units and 3,000-4,000 square feet of commercial space. PNC has committed to 1,800-2,000 square feet of that space. The remaining 1,500-2,000 square feet will be developed on spec. Mr. Kildea identified the following challenges for the project: planning to deal with issues related to the flood plain; minimal frontage on Michigan Avenue, and parking. He stated part of their agreement with PNC included acquiring the bank's existing, adjacent site for ancillary parking. He stated meetings have been held with the MEDC and they appear supportive of the project. MEDC is a possible source of gap funding. Chairperson Schertzing inquired how the project would relate to parcel to the east. Mr. Kildea replied they were in discussion with the owners of the building and had proposed doing some

façade improvements in exchange for an easement. Comm. McGrain asked if a parking variance would be required. Mr. Kildea stated the existing PNC site, along with on site parking, will be more than adequate for the development's needs. Comm. McGrain asked if the housing units would be targeted to students. Mr. Kildea stated the units will be mostly 1&2 bedroom units, which appeal primarily to young professionals and graduate students. Chairperson Schertzing asked if the County brownfield funds will count as a local match for MEDC funding. Mr. Kildea stated the MEDC was treating them as such.

2. 816 W Saginaw – Jamie McAloon-Lampman, Animal Control

Chairperson Schertzing noted Ms. McAloon-Lampman was still not in attendance. He provided an overview of the information in the board packet, stating Animal Control would like to use the property to bring services into the City of Lansing. They would conduct any necessary renovations and the Land Bank would lease them the property for \$1 per year. Comm Nolan asked what programs they were intended to conduct there. Chairperson Schertzing stated he believes they were looking for a site to do things such as adoptions, youth interaction education, etc. Comm. DeLeon asked if a formal resolution was required. Chairperson Schertzing stated they were only looking for general support from the board at this time. A resolution would only be required if staff receives a specific proposal.

4. Strategic Action Plan (hand out at meeting)

Executive Director Ruttan provided an overview of the strategic planning process and the action plan map which was developed from that process. She stated Chairperson Schertzing and herself had met with Jeff Padden to prepare the final version. Executive Director Ruttan stated she had requested an additional session with PPA for Land Bank staff to work on action plans for individual activity areas. Implementation of the Action Plan will be discussed in greater detail at the April meeting. She also informed the board that our Annual Report was included on the back of our City Pulse insert a few weeks ago. Comm. DeLeon requested an electronic version of the insert.

The board discussed Land Bank property inventory and the items for inclusion on the activity dashboard Comm. Nolan requested at the strategic planning session.

5. Marketing/Sales Information (hand out at meeting)

Executive Director Ruttan distributed marketing packets to board members to assist them in community discussions and trying to sell properties.

6. Property Maintenance, Renovation & Development

6a. Residential Property Update

Chairperson Schertzing stated this item had been discussed during the dashboard discussion.

6b. Commercial Property Update

Chairperson Schertzing stated Alan Hooper has identified a tenant for the former Ramon's Restaurant on S Washington. Executive Director Ruttan stated she is anticipating an offer on 122 W Grand River in Williamston. Comm. DeLeon asked if there was any interest in the former Action Auto site. Chairperson Schertzing replied that he had received some interest in the site for marketing uses, but not for re-development. Comm. Bahar-Cook asked for an update on the Deluxe Inn site. Chairperson Schertzing stated the process is continuing slowly with the same interested party, but we are still willing to entertain any proposals for the site. We have also had some interest in the abandoned gas station at 600 E Michigan.

6c. PROP Update

Chairperson Schertzing stated a marketing sheet for PROP was included in the meeting packet.

6d. Garden Program

Chairperson Schertzing informed the board that the City of Lansing has a new Vista person to act as a partner for lots in the flood plain. He also stated an article written by Garden Program Coordinator Melissa Lott will be included in the current issue of Natural Awakenings magazine. Comm. Nolan stated she had received very positive public feedback about Melissa and how great she was to work with. Chairperson Schertzing informed the board that one additional Americorps Member would be added to the garden program during the summer season.

6e. Vacant Lot Update

Chairperson Schertzing stated NSP3 funds would be used to build new homes on several of our vacant lots. Executive Director Ruttan updated the board that she expects a reply from MSHDA in the near future regarding our proposed disposition plan for vacant NSP lots. She further stated 1614 Bailey will be our "test case."

6f. General Legal Update – Counsel

Tim Perrone updated the board on the bankruptcy filing by one of our land contract purchasers. He stated settlement payments have been received from 2 of the 4 vendors concerning the demolition soil issue. If the remaining two vendors fail to pay they will be barred from future contracts with the Land Bank and referred to the federal government for debarment. Comm. DeLeon asked if we share information concerning barred vendors with County Purchasing. Executive Director Ruttan stated we do not currently, but we can in the future.

Comm. Schertzing returned the discussion to the commercial property update and invited Sandy Gower to update the board on the Ash Street Properties in Mason. Ms. Gower updated the board on discussions regarding Ingham County creating a brownfield plan to help fund the development.

7. Accounts Payable & Monthly Statement

7a. Accounts Payable Approval – February 2012

MOVED BY COMM. BAHAR-COOK, SUPPORTED BY COMM. NOLAN TO APPROVE THE ACCOUNTS PAYABLE FOR FEBRUARY 2012.

Comm. Deleon asked if J.F. Schewchuck Construction was related to the director of Ingham County MIS. Joseph Bonsall replied that their vendor application disclosed no relation to any employee/board member of either the Land Bank or the County.

MOTION CARRIED UNANIMOUSLY.

7b. Monthly Statement – December 31, 2011

The unaudited December 31, 2011 monthly financial statement was received and placed on file.

7c. Monthly Statement – January 31, 2012

The January 31, 2012 monthly financial statement was received and placed on file.

8. Chairman & Executive Director Comments

8a. Home Showcase April 21 & April 22

Executive Director Ruttan stated the Land Bank's spring Home Showcase will be held on April 21st and 22nd. Approximately 20 homes will be included. She stated it would be appreciated if board members would check their calendars and be willing to volunteer to staff a home.

Announcements:

Comm. McGrain stated he had driven past 601 W Maple in Lansing and noticed some of the paint was peeling around the foundation. He wondered if we should approach the owner about repairing it. Executive Director Ruttan stated the property had been sold approximately two years ago and any warranty to the homeowner had expired. Additionally she was aware of the peeling paint Comm. McGrain was referring to and believed it was most likely caused by a failure of the property owner to properly maintain the gutters.

Comm. McGrain requested information about vendor selection and renovation specifications be presented at a future meeting.

Limited Public Comment:

Gerald Rowley stated he owns two lots on the corner of Pennsylvania and May. He inquired if the Land Bank would be interested in purchasing them. Comm. Bahar-Cook requested staff evaluate the properties and present a recommendation to the board if they prove desirable.

The meeting adjourned at 6:48 p.m.

Respectfully submitted,

Joseph Bonsall