

Approved 2/4/13

**INGHAM COUNTY LAND BANK
FAST TRACK AUTHORITY**

December 3, 2012
Minutes

Members Present: Eric Schertzing, Comm. McGrain, Comm. Nolan, Comm. De Leon

Members Excused: Comm. Bahar-Cook

Others Present: Mary Ruttan, Tim Perrone, Tom Edmiston, Chris Kolbe, Jason Kildea, Joseph Bonsall

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 November 5, 2012 Minutes

MOVED BY COMM. NOLAN, SUPPORTED BY COMM. MCGRAIN, TO APPROVE THE NOVEMBER 5, 2012 MINUTES. MOTION CARRIED UNANIMOUSLY. Absent: Comm. DeLeon, Comm. Bahar-Cook

Additions to the Agenda: None

Limited Public Comment: None

1. School for the Blind Update

Chairperson Schertzing introduced Tom Edmiston from Great Lakes Capital Fund to update the board on the School for the Blind property. Mr. Edmiston stated Cap Fund would be closing on its deed in lieu of foreclosure from the Lansing Housing Commission tomorrow. They are using Teen Challenge to assist with the landscaping and property cleanup work. Cap Fund has hired KMG Prestige to manage the property. Demo proposals for the entire site, including the Land Bank-owned cottages, were due today and will be reviewed in the coming days. Mr. Edmiston stated they have entered into a soft partnership with the Christman Group to help market the site to developers. He indicated the properties will be included in the Blight Elimination Program application being jointly submitted by the Land Bank, City of East Lansing, and Cap Fund. Comm. Nolan asked what specific buildings would be included in the application. Mr. Edmiston stated the application will include the cottages, the High School, the Abigail, Dining Hall, and Maintenance/Auditorium Building. Executive Director Ruttan inquired about any potential historic building issues. Mr. Edmiston stated the buildings were all eligible for historic designation, but no such designation has been made. Comm. McGrain asked if

the various property owners on the site were still intending to co-market the site for a comprehensive development. Mr. Edmiston stated that was a possibility, but they are waiting for more concrete plans. Chairperson Schertzing stated he would be meeting with Volunteers of America tomorrow to look at the cottages.

Comm. DeLeon arrived at 5:13 p.m.

2. Resolution to Extend Promissory Note for Gillespie Group

MOVED BY COMM. NOLAN, SUPPORTED BY COMM. MCGRAIN, TO ADOPT THE RESOLUTION TO EXTEND THE FINAL PAYMENT OF THE PROMISSORY NOTE FROM GILLESPIE GROUP FOR 36 MONTHS ON THE PROPERTY AT 3411 E. MICHIGAN, LANSING.

Chairperson Schertzing introduced Jason Kildea from the Gillespie Group to explain the need for this resolution. Mr. Kildea reminded the board that this property is in the 100 year flood plain. They are currently awaiting federal approval for their site plan and expect to begin construction when the weather breaks in the spring. He stated they have approximately \$200,000 invested in the project to date. The extension would be interest only payments with a 3-year balloon. Comm. Nolan stated she would be more comfortable with a 12-month balloon. Comm. McGrain agreed. Mr. Kildea reviewed the construction timeline and indicated the project is estimated to be completed in approximately fourteen months and that he would have to return and request a second extension if the board chose to go that route. Comm. McGrain asked if anything was able to be worked out with the adjacent property owners in terms of a continuous façade. Mr. Kildea stated the parties were not able to reach an agreement. The only offer provided by the adjacent owners was to sell the building for \$475,000. Comm. McGrain asked if there were any plans for the PNC Bank site. Mr. Kildea said there are no concrete plans at this time. It is the ideal location for a coffee shop, but they will wait for a tenant and then remodel to suit their needs.

MOVED BY COMM. MCGRAIN, SUPPORTED, BY COMM. NOLAN, TO AMEND THE RESOLUTION TO EXTEND THE PROMISSORY NOTE FOR 12 MONTHS.
MOTION CARRIED UNANIMOUSLY. Absent: Comm. Bahar-Cook

ORIGINAL MOTION CARRIED UNANIMOUSLY. Absent: Comm. Bahar-Cook

3. Resolution to Sell Property to Immanuel's Temple Community Church

MOVED BY COMM. MCGRAIN, SUPPORTED BY COMM. NOLAN, TO ADOPT THE RESOLUTION TO APPROVE THE SALE OF PROPERTY TO IMMANUEL'S TEMPLE COMMUNITY CHURCH, A TAX EXEMPT ENTITY.

Executive Director Ruttan stated the property in question had cycled through the tax-foreclosure process for many years. The property is entirely surrounded by the Church.

The Land Bank Board must approve the sale of any property to a tax exempt entity. The terms of the sale will require the Church to combine the parcel with its existing property.

MOTION CARRIED UNANIMOUSLY. Absent: Comm. Bahar-Cook

4. Resolution to Deed Property to the City of Mason

MOVED BY COMM. NOLAN, SUPPORTED BY COMM. MCGRAIN, TO ADOPT THE RESOLUTION TO APPROVE THE SALE OF PROPERTY TO THE CITY OF MASON, A TAX EXEMPT ENTITY.

Executive Director Ruttan stated the County NSP/CDBG program had been granted \$11,000 to demolish this tax-foreclosed house adjacent to the City of Mason's river trail. The City wishes to develop the property into a handicap accessible access point for the river trail.

MOTION CARRIED UNANIMOUSLY. Absent: Comm. Bahar-Cook

5. Strategic Plan – External Relations

Executive Director Ruttan stated the Land Bank's strategic plan calls for developing a plan for external communications. There is a need for a consistently applied plan for engaging and responding to the public. Dealing with this issue now will tie in with the adoption of the ePropertyPlus software which will allow board members access to parcel information and comments. Executive Director Ruttan requested the board form a working committee to develop a plan to present to the full board. Comm. McGrain and Comm. Nolan agreed to participate.

6. Investor Program Development Guidelines

Chairperson Schertzing introduced Chris Kolbe who addressed the board on this topic. Mr. Kolbe stated the proposal included in the meeting packet outlined two test cases for sales to an investor: One for subsequent sale to an owner-occupant and one for use as a rental property. Deals would involve a purchase option with payment of an option fee followed by a final sale after appropriate renovations have been completed. If the sale would not include an owner-occupancy covenant, the board would have to approve the sale on a case by case basis. Comm. Nolan expressed her support of the test cases.

MOVED BY COMM. NOLAN, SUPPORTED BY COMM. MCGRAIN, IN SUPPORT OF TWO TEST CASES (ONE OWNER-OCCUPIED, ONE RENTAL) FOR AN INVESTOR PROGRAM. MOTION CARRIED UNANIMOUSLY. Absent: Comm. Bahar-Cook

7. ePropertyPlus Software

Executive Director Ruttan requested a motion of support for the purchase of ePropertyPlus property management software.

MOVED BY COMM. DELEON, SUPPORTED BY COMM. MCGRAIN, SUPPORT THE PURCHASE OF ePROPERTYPLUS PROPERTY MANAGEMENT SOFTWARE.

Executive Director Ruttan explained the usefulness of the software for managing the Land Bank's property inventory and the ability of staff and board to access the information remotely. Comm. McGrain asked if the expense was included in the 2013 Budget. Executive Director Ruttan stated it was.

MOTION CARRIED UNANIMOUSLY. Absent: Comm. Bahar-Cook

8. Property Maintenance, Renovation & Development

8a. Residential Property Update – Dashboard

Chairperson Schertzing stated the dashboard was included in the board packet. The Land Bank had its 45th closing of the year last week with another scheduled for later this week.

8b. Commercial Property Update

Chairperson Schertzing stated there was no commercial property update this month.

8c. PROP Update

Chairperson Schertzing stated this was covered in agenda item 6.

8d. Garden Program – Dashboard

Chairperson Schertzing stated a garden program update was included in the board packet.

8e. Vacant Lot Update

Chairperson Schertzing stated there was no vacant lot update this month.

8f. Contractor Update

Chairperson Schertzing stated the information requested at the November meeting was included in the board packet.

8g. General Legal Update – Counsel

Tim Perrone stated six land contract forfeiture hearings are scheduled for tomorrow. They will have a 90 day redemption period.

9. Accounts Payable & Monthly Statement

9a. Accounts Payable Approval – November 2012

MOVED BY COMM. MCGRAIN, SUPPORTED BY COMM. NOLAN TO APPROVE THE ACCOUNTS PAYABLE FOR NOVEMBER 2012. MOTION CARRIED UNANIMOUSLY.
Absent: Comm. Bahar-Cook

9b. Monthly Statement – October 2012

The October 2012 monthly financial statement was received and placed on file.

9. Chairman & Executive Director Comments:

Chairperson Schertzing stated Comm. Hope will be coming to the office to meet staff in advance of joining the Land Bank Board in January.

Announcements: None

Limited Public Comment: None

The meeting adjourned at 6:24 p.m.

Respectfully submitted,

Joseph Bonsall