

**INGHAM COUNTY LAND BANK
FAST TRACK AUTHORITY**

May 2, 2016
Minutes

Members Present: Eric Schertzing, Comm. Anthony, Comm. Hope, Comm. McGrain,
Comm. Nolan

Members Absent: None

Others Present: Jeff Burdick, Tim Perrone, Joseph Bonsall, Dawn Van Halst, Kate
Snyder

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

Approval of the March 7, 2016 Minutes

MOVED BY COMM. McGRAIN, SUPPORTED BY COMM. NOLAN, TO APPROVE THE
MARCH 7, 2016 MINUTES. MOTION, AS AMENDED, CARRIED UNANIMOUSLY.

Absent: Comm. Anthony

Additions to the Agenda: None

Limited Public Comment: None

1. Community Projects Update
- 1a. 1112 Prospect Park Celebration Event

Executive Director Burdick stated the official grand opening of the new park at 1112
Prospect Street, Lansing is scheduled for 1:30-3:00 p.m. on Sunday, May 15th.

Comm. Anthony arrived at 5:03 p.m.

Board members will be notified of the ribbon cutting time as soon as a more detailed
event schedule is available. Comm. McGrain stated he was excited for the event and
planned on attending.

1b. Paro Building Design Presentation

Executive Director Burdick stated students from the MSU School of Planning, Design and Construction will be presenting their final designs for the Paro Building site at 5:45 p.m. tomorrow in Berkey Hall, Room 104. All board members are invited to attend.

1c. Good Morning Old Town

Executive Director Burdick stated the Land Bank will be hosting this month's Good Morning Old Town event. The Good Morning Old Town series is a function of the Old Town Commercial Association and provides an opportunity for businesses to interact with the community. The event will be held in the Land Bank's commercial property located at 1141 N Pine St, Lansing (former Superintendent's House on the MI School for the Blind Campus) on Friday, May 6th from 8:30-10:00 a.m. All board members are encouraged to attend.

2. Update of Land Bank Communication Plan and presentation of May 2016 Communications Report

Chairperson Schertzing introduced Kate Snyder from Piper and Gold. Ms. Snyder distributed a copy of the Communications Plan Update and provided an overview of the information. She stated Piper and Gold had been working with staff to re-evaluate marketing budget and have been able to reduce it by approximately 20%, hopefully without any reduction in visibility. Comm. Hope asked what the 2016 marketing budget was. Executive Director Burdick replied the 2016 budget included \$30,000 for Piper and Gold's retainer, plus \$25,000 for additional marketing. Ms. Snyder asked if board members were hearing any persistent misconceptions about the Land Bank from the public. Comm. Nolan stated people are confused by the different programs and their associated income requirements. She asked if a cheat sheet could be prepared to help board members answer the question. Executive Director Burdick stated a reference chart for the various programs was available in our office. Copies can be made provided to all interested board members. Comm. Hope stated she has observed confusion amongst realtors and lenders about our programs. Comm. Anthony inquired if we have partnered with faith-based organizations. Chairperson Schertzing replied that the Land Bank has partnered with several faith-based organizations, including Cristo Rey and Canaan Community Development. Comm. Anthony asked if our website was multi-lingual. Executive Director Burdick stated it is not at this time. Comm. McGrain commented that community members assume that any distressed property belongs to the Land Bank. Ms. Snyder encouraged board members to contact her with any other comments or concerns that might come to mind. Comm. McGrain asked if the constituent issues in the May Communications Report had been resolved. Executive Director Burdick stated he had personally contacted the individual and resolved the issue as best as possible.

3. Resolution to purchase tax foreclosed parcels

MOVED BY COMM. McGRAIN, SUPPORTED BY COMM. HOPE, TO ADOPT THE RESOLUTION REQUESTING THE PURCHASE OF CERTAIN TAX FORECLOSED PARCELS BY INGHAM COUNTY FOR THE LAND BANK.

Chairperson Schertzing provided an overview of the resolution and the purchase procedure. Executive Director Burdick stated staff is working to identify properties for purchase under the Help for Hardest Hit demolition program. Comm. Nolan asked if neighborhoods will be a part of that process. Chairperson Schertzing stated that public forums are a part of our procedure for determining all demo properties under HHF. Comm. Nolan inquired how this year's foreclosures compare to previous years. Chairperson Schertzing stated the number of foreclosures is up slightly from the previous year. He also noted that the quality of homes foreclosed is slightly better than previous years.

MOTION CARRIED UNANIMOUSLY.

4. Resolution to update Ingham County Land Bank Policies and Procedures per auditor's request

MOVED BY COMM. McGRAIN, SUPPORTED BY COMM. HOPE, TO ADOPT THE RESOLUTION TO AMEND THE EXISTING POLICIES AND PROCEDURES OF THE INGHAM COUNTY LAND BANK.

Chairperson Schertzing provided an overview of the proposed changes. Comm. Anthony asked if board members would need to sign a new conflict of interest form. Joe Bonsall stated the form signed at Annual Meeting in February was sufficient.

MOTION CARRIED UNANIMOUSLY.

5. Resolution to enter into a Contract for Services Agreement with the City of Lansing for the Ingham County Land Bank to manage the City's Neighborhood's in Bloom 2016 program

MOVED BY COMM. McGRAIN, SUPPORTED BY COMM. HOPE, TO ADOPT THE RESOLUTION TO AUTHORIZE THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACTUAL AGREEMENT WITH THE CITY OF LANSING TO ADMINISTER THE 2016 NEIGHBORHOOD'S IN BLOOM PROGRAM.

Chairperson Schertzing provided an overview of the terms of the Agreement and the Neighborhoods in Bloom program. The Program is a citywide project in Lansing to beautify neighborhoods on Saturday May 14th. Neighborhood organizations can apply for materials to plant in public right of ways such as corners, areas surrounding

neighborhood signs, medians, and curbs.

MOTION CARRIED UNANIMOUSLY.

- 6. Property Maintenance, Renovation & Development
- 6a. Residential, Garden, and Commercial Property Update – Dashboard

Chairperson Schertzing stated the dashboard was included in the packet.

- 6b. Completed and Pending Sales

Chairperson Schertzing stated the sales report was included in the meeting packet.

- 6c. Land Bank Rental Properties List

Chairperson Schertzing stated the rental property status list was included in the meeting packet.

- 6d. General Legal Update - Counsel

Tim Perrone stated two rental evictions had been conducted since the last meeting.

- 7. Accounts Payable and Monthly Statements
- 7a. Accounts Payable Approval – March 2016, April 2016

MOVED BY COMM. NOLAN, SUPPORTED BY COMM. ANTHONY, TO APPROVE THE ACCOUNTS PAYABLE FOR MARCH 2016 AND APRIL 2016. MOTION CARRIED UNANIMOUSLY.

- 7b. Monthly Statement – December 31, 2015 (unaudited), February 29, 2016, March 31, 2016

The unaudited December 31, 2015, February 29, 2016, and March 31, 2016 monthly financial statements were received and placed on file. Comm. McGrain inquired about 2016 health insurance expenses already being at 51% of budget. Mr. Bonsall replied that the planned layoffs were factored into the budget amount, so the expenses would taper off as the year progressed. Chairperson Schertzing provided an overview of the 2015 year-end statement. Despite staff holding expenses to only 78% of budget, the organization took a substantial loss for the 2015 fiscal year. The loss came primarily from three factors: Land contract defaults, the bulk of which occurred in the last quarter of the year; loss on inventory resulting from the increased demolition program; and overstaffing which has been corrected. Comm. McGrain asked what covered the loss. Executive Director Burdick replied that the loss was covered by retained earnings. Comm. McGrain asked who had the responsibility of overseeing the organizations finances. Executive Director Burdick stated he was responsible for the day to day operations of the organization. Comm. Anthony inquired who prepared the financial

statements. Executive Director Burdick replied that he prepared them. Comm. Anthony inquired about the process for handling budget variances. Executive Director Burdick stated year-to-date finances are presented to the board on a monthly basis, with periodic budget adjustments during the fiscal year.

8. Chairman and Executive Director Comments

8a. Progress update on the redevelopment of the former Deluxe Inn site

Executive Director Burdick provided an overview of the information contained in the packet. Two meetings have been conducted between the developer, Land Bank, and City. The Developer has re-designed their proposed building to better fit the city environment. They are looking to use this project as an opportunity to develop a new "urban" design to facilitate new properties in urban, rather than suburban, locations. They have also conducted one community forum. A Phase I environmental survey has been completed and LEAP has been requested to assist with Phase II. The property will need to be re-zoned. However, Bob Johnson does not expect this to be an issue for the City. The developer is also hoping to work with the City and MDOT to enhance pedestrian traffic on the I-496 overpass to connect the property to downtown. As they continue with their due diligence, staff expects the developer to request an extension of the option period after the initial 180 days. Comm. Nolan asked if the site would be suitable for the BWL sub-station. Executive Director Burdick replied that the developer is proposing a \$9.1 million investment. A BWL sub-station would not generate tax capture sufficient for the County Brownfield Authority to meet its debt obligations. Comm. McGrain stated he was pleased they appear to be responsive to community concerns.

8b. Staff request to raise threshold on Prevailing Wage Policy – discussion item

Executive Director Burdick stated it has been the Land Bank's experience that prevailing wage requirements add 18-20% to a project's overall cost. The Land Bank's prevailing wage policy currently has a \$10,000 threshold. Staff wishes to gauge the board's appetite for raising that threshold slightly. Comm. Anthony stated she would be opposed to any increase. Comm. McGrain stated he would need more specifics before formulating a position.

Executive Director Burdick also noted that 400 S Hayford, Lansing has been marketed for sale for a long time with no interest shown. The property may need to be transitioned into HHF.

Announcements: None

Limited Public Comment: None

The meeting adjourned at 6:29 p.m.

Respectfully submitted,

