

Public Comment #1:

Chairman Kildee asked for public comments. The results:

Detroit: None

Lansing: None

Chairman Kildee stated that Michael DeVos, Michigan State Housing Development Authority (MSHDA) Executive Director and Michigan Land Bank Fast Track Authority (MLBFTA) Board Member, contacted him a few days ago regarding a proposal from Fannie Mae regarding a pool of 184 properties in the state of Michigan, with most of the properties being located in the City of Detroit. MSHDA is requesting to submit a proposal to Fannie Mae for this pool of properties with the MLBFTA acting as title-holder for the properties in order to put them back to productive use and create real estate assets. The idea is that the properties would be conveyed to eligible community development corporations (CDC) or non-profits through the MLBFTA, in order to provide for their re-use or demolition. In the case of demolition, such properties might be eligible for Blight Elimination Program monies from MSHDA.

The matter of the proposal will go to the MSHDA Board tomorrow, December 19, 2008. Chairman Kildee asked the MLBFTA to approve and authorize MSHDA to submit the joint proposal to the MSHDA Board. This would allow the MLBFTA to act as title-holder for the 184 properties if the proposal was accepted by Fannie Mae.

There was substantial discussion on the proposal. Member Fox asked if the properties were vacant and/or occupied. Member Fox wanted to insure that any blighted properties obtained would be put into the Blight Elimination Program. She expressed concern that the Authority doesn't add to the problem of blighted properties that are currently in our inventory.

Chairman Kildee stated that MSHDA has looked at some of the properties and that some of the properties appear to have market value while others should be demolished. He stated that having control of the properties in our inventory gives the MLBFTA the ability to do demolition more efficiently than having the properties in control of speculators.

Member Czarnecki wanted to know why we are being asked to do this. Chairman Kildee answered that the MLBFTA has the statutory authority to take title to property, clear title utilizing the MLBFTA's expedited quiet title procedure, and that if the properties came into the MLBFTA before December 31, 2007, they would be tax exempt for 2008 and that would eliminate some of the land holding costs that non-profits or MSHDA might carry. Chairman Kildee said that this type of usage is precisely what the MLBFTA is designed to allow as it relates to the bundling of property.

Member Paquet added that part of the resolution MSHDA is recommending to its board will allow for the term of repayment of HDF-2004-81 to be extended to September 30, 2009.

Chairman Kildee stated that conveying these properties to non-profits would have significant value in that the MLBFTA would receive the 5 year 50% tax recapture from the sales. There is also the possibility to recover some of the equity in this transaction. We would have to examine that further, particularly with the MSHDA. We have to develop an efficient, open and transparent process that gets us to where we want to go with these properties.

Assistant Attorney General Pat Quinn stated that financial support for the MLBFTA would be in new grant money of \$35,000 from MSHDA and an additional \$35,000 that can be used for costs associated with purchasing the properties from the existing MSHDA grant (HDF-2004-81). The MSHDA would be entering into an agreement with Fannie Mae and the MLBFTA would be consenting to participating with the MSHDA.

After more discussion, the following motion was made:

Motion: Member Paquet / Supported by Member Czarnecki :

“To approve resolution 2007-17.”

Assistant Attorney General Pat Quinn explained the documents, attachments, MSHDA agreement and the resolution. Chairman Kildee reminded the MLBFTA that approval does not place the MLBFTA into an agreement with Fannie Mae.

After discussion and questions on the motion, the question was called and the vote was taken.

MOTION APPROVED UNANIMOUSLY.

Chairman Kildee thanked both Pat Quinn and Jeff Huntington for their efforts regarding the MSHDA Proposal matter.

Member Fox asked about the new 2008 schedule. Member Czarnecki also commented. Attorney General Pat Quinn also commented about how the schedule affects her colleagues and staff. Chairman Kildee ordered that staff bring back a bi-monthly meeting schedule for approval to the next meeting.

Chairman Kildee asked for Public Comment:

Public Comment #2

Detroit: None

Lansing: None

Adjournment:

Motion to adjourn was made by Member Czarnecki.

MOTION APPROVED UNANIMOUSLY

Chairman Kildee adjourned the meeting at: 3:10 PM.