



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
LANSING

KEITH W. COOLEY
DIRECTOR

**STATE OF MICHIGAN
LAND BANK FAST TRACK AUTHORITY BOARD**

BOARD MEETING MINUTES
Thursday – June 14, 2007 – 2:00 p.m.

Michigan State Housing Development Authority
Office Building
735 E. Michigan Avenue - 4th Floor, Board Room
Lansing, Michigan 48912

Cadillac Place State of Michigan Office Bldg.
3028 W. Grand Blvd. – 4th Floor
MSHDA Conference Room, Suite 602
Detroit, Michigan 48202

VIDEO CONFERENCING AT BOTH LOCATIONS

Board Members Present: **Lansing:** Chairman Hon. Daniel Kildee, Marty Gibbs (Representing Member Keith Cooley), James Paquet (Representing Member DeVos), and John Czarnecki (Representing Member James Epolito).
Detroit: Stacy Fox.
Absent: George Jackson and Nicole Lamb-Hale (Excused).

DLEG/Atty. General Staff: **Lansing:** Semone M. James, Jeffery Huntington, and Patricia Quinn, First Assistant Attorney General, Finance Division.
Detroit: Fred Durhal, Jr.

Public Attendees: **Lansing:** None.
Detroit: Rev. Dr. Vincent Wolf and Mr. Fred Kegler of the Greater St. Matthew Development Corporation.

Call To Order / Attendance Call:

Chairman Hon. Daniel Kildee called the meeting to order at 2:15 p.m. Fred Durhal, Jr. presented the roll call. Four members were present. A quorum was declared. (Member Fox joined the meeting during the Executive Director’s Status Report.)

Chairman Kildee thanked Executive Director Semone M. James for her service to the Land Bank Authority and to the Board of Directors. He wished her well in her future endeavors.

Approval of Agenda:

Chairman Kildee presented the agenda for approval:

Motion: Member Paquet / Supported by Member Gibbs: *“To approve the agenda as presented for the June 14, 2007 MLBFTA Board Meeting.”*

MOTION APPROVED UNANIMOUSLY.

Approval of Minutes of April 16, 2007:

Chairman Kildee presented the Minutes of the April 16, 2007 Board Meeting for correction/approval: Member Paquet asked for an explanation for the change in the substitute page. Director James stated that the change was necessitated because of the misspelling of Assistant Attorney General Francart’s name. The new document reflects the change.

Motion: Member Gibbs / Supported by Member Paquet: *“To approve the minutes of April 16, 2007 Board Meeting.”*

MOTION APPROVED UNANIMOUSLY.

Public Comment #1:

Chairman Kildee asked for public comments. The results:

Lansing: None

Detroit: Rev. Dr. Vincent Wolf and Mr. Fred Kegler of the Greater St. Matthew Development Corporation. Rev. Wolf addressed the Board and stated that he was thankful for the opportunity to present his plan for development in the City of Highland Park.

Chairman Kildee welcomed Rev. Wolf and Mr. Kegler and stated that the Board would consider his proposal when it came up in the agenda.

MLBFTA Status Report by Executive Director Semone M. James:

Director James highlighted the following in addition to her written report:

Policies and Procedures: The draft copy of the guidelines has been submitted to SOAHR and was approved for the June 15, 2007 publication in the Michigan Register. All comments from the public will be submitted to Jeannine Benedict of DLEG, with her contact information enclosed in the packet.

Amendment To MSHDA Repayable Grant: We have received confirmation that MSHDA will submit the MLBFTA repayment terms extension request to the MSHDA June 27, 2007 Board Meeting. The amendment allows for repayment to coincide with the MLBFTA fiscal year ending September 30, 2007.

Property Maintenance Concept: The program concept was previously submitted to the Board for comment. Director James stated that she believed that it is a very worthwhile program. Staff has been charged with looking into the development of a document with the Attorney General’s Office and meeting with members of the faith based community and other non-profit organizations to determine interest in maintaining and eventually purchasing lots.

Request for Property Reconveyance Application: Due to errors in the foreclosure process, the need exists for a formal reconveyance application process. In response to this need, we have created the Request for Property Reconveyance and Application, which can be submitted to the MLBFTA by individuals who believe that their property may have been taken in error. The document is currently under review by the Attorney General's Office. Upon completion of the legal review of the document, it is recommended that staff be allowed to submit it to the public and local units of government for use.

Mr. Durhal announced the arrival of Member Stacy Fox to Chairman Kildee.

After discussion, a motion was requested.

Motion: Member Paquet / Supported by Member Czarnecki: *"To approve the Property Reconveyance Application pending clearance of the form by the Attorney General's Office."*
MOTION APPROVED UNANIMOUSLY.

Fiscal Report: Net cash fund balance is \$2.5 Million. Fiscal year to date, we have returned 245 parcels to the tax rolls (including 124 reconveyances). Per the request of the Board, we have returned \$250,000 to Dr. Claud Anderson/Maroon Industrial Development for the Epworth property. We have correspondence from both Dr. Anderson and the City of Detroit which indicates that an agreement could not be reached between the two parties (for Detroit's parcel).

Meetings Attended: Presentations were made to the Council of Baptist Pastors of Detroit and the Landlords of Michigan Association, and various other meetings were held. In particular, we meet with the City of Detroit and Wayne County, whereby we focused on the issues related to the MDNR and the tax recapture process. As a side note, the tax recapture FAQ document has been transmitted to the Attorney General's office for legal review and approval.

Chairman Kildee requested a motion to accept the Executive Director status report.

Motion: Member Paquet / Supported by Member Czarnecki: *"To accept the Executive Director Status Report."*
MOTION APPROVED UNANIMOUSLY.

Request by the God Is Good Outreach Ministry approached the Authority to utilize property for a tent revival meeting located at 12227 - 33 Glenfield in Detroit. The request is for the July 16-21, 2007. The second request is to utilize property located at M-50 and Pentecost Highway, for off-street parking use for a vanpool. The use would be for an indefinite period of time. Individuals parking at the location would be U.S. Department of Justice employees meeting at the location to vanpool to the Federal Prison at Milan, Michigan.

Discussion was held and questions asked about liability. Director James stated that the MLBFTA has no policy regarding such usage. She further stated that other than the Consent to Enter, we have no document that allows for entry onto our properties. Chairman Kildee stated that he personally had no objection to these requests so long as there is even-handed in allowing for access and that there is no acceptance of risk, if the request does not compromise the future usage of the property. He wanted to know what document was needed by the Authority to insure no liability for granting the requested usages.

Assistant Attorney General Pat Quinn stated that the Attorney General's office could assist the Authority with appropriate documentation to protect the Authority's interests. More discussion was held. A motion was offered:

Motion: Member Paquet / Supported by Member Czarnecki: *"That subject to staff investigation and subsequent securing of sufficient protections for the Authority, that the God Is Good Ministries Church be allowed to utilize the property located at 12227-33 Glenfield Street, in Detroit for a church revival on July 16-21 2007."*

MOTION APPROVED UNANIMOUSLY.

Discussion then centered on the request for U.S. Department of Justice vanpool usage of Authority property, FRO-119-1440-00. Director James stated that we could issue a license for usage of this property. The following motion was offered:

Motion: Member Paquet / Supported by Member Czarnecki : *"That the Authority license the use of the parking lot as requested for one year with the understanding that it is as is with no expectation of maintenance and after securing sufficient protections for the Authority in terms of liability."*

MOTION APPROVED UNANIMOUSLY.

Refund To Wayne County Treasurer:

Director James stated that the Authority has received a request from the Wayne County Treassurer in the amount of \$87,926.03 for payments that were submitted to the MLBFTA in error. After discussion, the following motion was offered:

Motion: Member Paquet / Supported by Member Gibbs: *"That the MLBFTA refund all payments received in error from the Wayne County Treasurer back to that office."*

MOTION APPROVED UNANIMOUSLY.

Department of History, Arts and Libraries Request:

Director James stated that the Department of History, Arts and Libraries has requested that the Authority approve adding the Aboriginal Antiquities reservation to our conveyance documents.

Motion: Member Czarnecki / Supported by Member Paquet: *"To approve the request of the Department of History, Arts and Libraries to have the Aboriginal Antiquities reservation added to our conveyance documents after review by the AG Office."*

MOTION APPROVED UNANIMOUSLY.

Director James asked the Board about the property maintenance program approval. There was discussion by Board members about how the program would determine liability, exchange of value for work effort, etc. After Director James answered a series of questions from the Chairman and other Board members, the following motion was offered:

Motion: Member Paquet / Supported by Member Czarnecki: *"That the Property Maintenance Program Concept be adopted as presented pending approval with the AG Office to see that the proper documentation regarding liability and insurance issues is provided and that a summary review of the program be given the Authority Board at the end of the summer."*

MOTION APPROVED UNANIMOUSLY.

Action Items For Board Approval:

Conveyance of Property To The Greater St. Matthew Community Development Corporation – Resolution No. 2007-7:

Executive Director James introduced the proposed project of the Greater St. Matthew Community Development Corporation (CDC) in the City of Highland Park. She further commented that correspondence had been received from the City of Highland Park expressing their support of the project. Rev. Wolf was introduced and addressed the Authority. Rev. Wolf explained of his plans to demolish the three properties owned by the Authority, assemble with properties previously acquired by his organization with the ultimate goal being to construct a 14,000 sq. ft. community center for use by the entire city population. Member Fox asked if the church and CDC had been maintaining the lots. Rev. Wolf stated that they have been doing that. Member Czarnecki asked Rev. Wolf when was he going to be ready to start his plan? Rev. Wolf stated that he would start the project immediately upon approval, and would start construction this year as soon as the structures were demolished as a part of the blight elimination program of the state. After additional discussion was held among the Board, Chairman Kildee called for the motion.

The following motion was offered:

Motion: Member Paquet / Supported by Member Czarnecki: *“That resolution 2007-7 be adopted with the amendments that Greater St. Matthew Church and Focus Hope has been maintaining these lots in the past, **and**, that the Authority maintains its right of re-entry after 24 months if no positive action to develop these properties is taken by purchaser.”*

After further discussion on the contents of the motion, Chairman Kildee called the motion:

MOTION APPROVED UNANIMOUSLY.

Chairman Kildee thanked Rev. Wolf for his presentation to the Board and wished him success.

Resolution 2007-5: Competing Applications, Parcel Number 56006040393000, City of Westland, Wayne County:

Director James reported to the Board that two applicants, Mr. Steven Scheel and Pansy Sue Hannan are interested in purchasing the parcel in question. Mr. Scheel is offering \$27,500.00 and Ms. Hannan offered \$26,000, both with proposed usage for rehabilitation and potential sale or rental. After discussion of both applications by Director James and the Board, the following motion was offered:

Motion: Member Czarnecki / Supported by Member Paquet: *“To approve resolution 2007-5 as presented.”*

MOTION APPROVED UNANIMOUSLY.

Resolution 2007-6: Property Conveyances to City of Hamtramck, Wayne County:

Director James recommended that the Board approve the conveyance of two properties on Dwyer St. in Hamtramck to the City of Hamtramck. She further stated that we applied the value the city assigned to the lots minus the demolition costs (supplied by the city) to determine the transaction costs of \$10,170.00. The city is attempting to comply with the court order of the Federal District Court in the case of *Garrett, et al v. City of Hamtramck*, Eastern District Court number 68-cv-32004. Specially, the city states that the court order requires that the City of

Hamtramck obtain title to certain property in order to make it available for the construction of affordable, low-cost housing. After discussion, the following motion was offered:

Motion: Member Czarnecki / Supported by Member Paquet: *“To approve resolution 2007-6 as presented.”*

MOTION APPROVED UNANIMOUSLY.

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 3:05 p.m.

Michigan Land Bank Fast Track Authority
June 18, 2007